CANADA

DEBATES OF THE SENATE

OFFICIAL REPORT

(HANSARD)

THE HONOURABLE GUY CHARBONNEAU
SPEAKER

1984-85-86
FIRST SESSION, THIRTY-THIRD PARLIAMENT
33-34-35 ELIZABETH II

VOLUME III

(March 4, 1986 to August 28, 1986)

Parliament was opened on November 5, 1984

and was prorogued on August 28, 1986

Queen's Printer for Canada, Ottawa

THE SPEAKER

THE HONOURABLE GUY CHARBONNEAU

THE LEADER OF THE GOVERNMENT

To June 30, 1986

THE HONOURABLE DUFF ROBLIN, P.C.

From June 30, 1986

THE HONOURABLE LOWELL MURRAY, P.C.

THE LEADER OF THE OPPOSITION

THE HONOURABLE ALLAN J. MACEACHEN, P.C.

OFFICERS OF THE SENATE

CLERK OF THE SENATE AND CLERK OF THE PARLIAMENTS

CHARLES A. LUSSIER, LL.L.

CLERK ASSISTANT OF THE SENATE

RICHARD G. GREENE

GENTLEMAN USHER OF THE BLACK ROD

RENÉ M. JALBERT, C.V., C.D.

LAW CLERK AND PARLIAMENTARY COUNSEL

R. L. DU PLESSIS, Q.C., B.A., LL.L.

THE SENATE

Tuesday, March 4, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

THE LATE HONOURABLE T. C. DOUGLAS, P.C.

TRIBUTES

Hon. Duff Roblin (Leader of the Government): Honourable senators, with leave of the Senate I should like to take advantage of this, the first opportunity that has been accorded to this body to offer a word of tribute to and appreciation of the life and work of the Honourable Thomas Clement Douglas, P.C., B.A., M.A., LL.D. I suppose that, as a westerner, I had to be conscious of Tommy Douglas for many a long year. We, in Manitoba, are rather proud of the fact that he was a graduate of Brandon College, now the University of Brandon. Regardless of political affiliation, we followed his activities as an M.P., in the first instance, then as M.L.A., afterwards as Premier of Saskatchewan and, after that, his record as Leader of the New Democratic Party in the national field.

I have the most vivid memory of my first meeting with Mr. Douglas, which was at what was then called the Dominion-Provincial conference in 1958. I attended it for the first time to represent the province of Manitoba, while he was already a seasoned veteran as the representative of the province of Saskatchewan. I always remember the clarity with which he presented his ideas, the cogency of his arguments and the appeal of the policies that he was recommending for consideration at those conferences. I venture to say that Mr. Douglas was the most distinguished premier that the province of Saskatchewan has had and was certainly an ornament to the sentiment of western Canada.

His achievements, of course, are well known. His work in the development of social policy and as a social pioneer was of landmark proportions and has affected the life of every Canadian in our country today. His understanding of human nature and of human needs was, indeed, remarkable and was, I think, one of the great secrets of his success in public life. He brought a civility to politics which we sometimes miss these days. I never heard him, nor, indeed, have I ever heard of him speaking in harsh or unpleasant terms about political matters. His gifts as a raconteur and as an orator were certainly very persuasive in stimulating the people of his province to support him both federally and provincially over many long years.

He was the first national leader of the NDP, to which he gave his usual distinguished concentration. He was an unforgettable actor on the national scene and, in my opinion, one of the great Canadian statesmen of his generation. I am sure this house would like Mrs. Douglas and his two daughters to know that the Senate notes the passing of this great Canadian with respect and affection.

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, the Leader of the Government has spoken so eloquently and accurately about the late Mr. T. C. Douglas that it is unnecessary for me to add anything very much except our support for the comments he has made. The Leader of the Government has mentioned the western roots of Mr. Douglas and pointed out that they exerted an important influence on his life. But Mr. Douglas was, in fact, well known in every part of Canada. As honourable senators know, he travelled frequently in the Atlantic provinces and in other parts of Canada as leader of his party. So, while he was appreciated for his western roots, he also reflected a Canadianism that was greatly appreciated.

Honourable senators, even politics, as it is practised today in Canada, is becoming increasingly bureaucratized so that often political parties, political leaders and even members of Parliament depend upon elaborate systems of research and support staffs to establish for them their ideas and their policies. Mr. Douglas became a star in the political firmament in his own right and his stardom flowed from his personal convictions and from his personal philosophy. He did not have to rely upon a flow of information or ideas from outside sources for the nourishment of his convictions, those convictions which he carried to accomplishment. As premier of his own province and, later, as leader of his party and as a member of the House of Commons, he constantly kept his ideas and his convictions before his colleagues.

Mr. Douglas completed his service in the House of Commons as a member of Parliament, having stepped down as leader of his party, and served as energy critic, in which capacity he followed the events of the House with the interest and the passion that he had demonstrated when he was leader of his party.

I had the opportunity to know Mr. Douglas and together with other members of the House of Commons remember him for his wit, his geniality, his accessibility and the way in which he maintained his own point of view without making it difficult for others.

Honourable senators, I add my words of support to those of the Leader of the Government and join particularly in the expression of condolences which he has offered to Mr. Douglas' bereaved family.

Hon. David A. Croll: Honourable senators, I join in the tributes paid by the Leader of the Government and the Leader of the Opposition.

I first met Mr. Douglas when he introduced me at a public meeting in Regina after I was elected in 1945. After that, I could only be his friend and we were friends for many years.

I rise today to say a few words in tribute to a great Canadian. Tommy Douglas was one of a small band of social reformers who enriched the life of his country. Over the last few days, we have heard much praise of him from leaders and from the common people. That is in keeping with the man himself. He was the leader of a great political movement; he was an outstanding provincial premier; and he has rightly been called "The Father of Medicare." I can think of no greater tribute.

When he transferred his energies to the federal scene, Tommy Douglas continued to work tirelessly for social progress. I am convinced that the broad social programs which we know today would have been very different without Tommy Douglas' impetus.

His public record is known to all. As I recall him, Tommy Douglas was a gentle man; powerful in debate but always fair and always generous. I never heard him utter an unkind word. Prejudice was foreign to his nature. Although he suffered disappointment in his political life, and he must often have been discouraged, he was never downcast. He believed firmly in human perfectibility and was convinced that with faith and hard work anything was possible. That is a good philosophy. Tommy Douglas was never afraid to stand for what he believed to be right. He never courted popularity at the expense of principle. He lived according to his conscience. I am glad to remember him today.

• (1410)

Hon. Louis-J. Robichaud: Honourable senators, as a lifetime member of the exclusive Premier's Club of the 1960s, I would like to add a few words to what has been said about the late Tommy Douglas. I certainly subscribe to what the Leader of the Opposition, the Leader of the Government and Senator Croll have said about him. I also subscribe to all of what has been credited to him in the media over the past few days. Tommy Douglas was a remarkable man in many ways. It has been said that it would be difficult for him to forgive his enemies—simply because he had none! This comment struck me because I believe it is accurate. It was difficult to become an enemy of Tommy Douglas.

Tommy Douglas always delivered his message with wit and in a humorous way. I remember one occasion, and I believe it was in 1961 or 1962, when the ten premiers were facing the then Prime Minister, the Right Honourable John Diefenbaker, at a federal-provincial conference. Of course, it was to deal with tax sharing arrangements and, as is traditional, all the premiers wanted a larger portion of the pie. Premier W.A.C. Bennett of British Columbia said at one point that his government needed a lot more money because a lot of senior citizens were moving to British Columbia from Saskatchewan because of the climate. When it came time for Tommy Douglas to speak, he said that what Premier Bennett had said was absolutely true—that a lot of people move to British Columbia from Saskatchewan because of the climate, "but we need more money in Saskatchewan because most of them come back because of the weather." That was Tommy Douglas' way of communicating a message and he used it time and time again.

I am sure that all Canadians are benefiting today from his contributions to our society. I join with all those who have expressed condolences to his widow, to his children, to the members of the New Democratic Party and all those people who had a special affection for Tommy Douglas.

Hon. D. G. Steuart: Honourable senators, as I read the newspapers and listened to what has been said about the late Tommy Douglas in this house, I sometimes wondered if we were talking about the same man that I knew for all those years. Senator Roblin and Senator Robichaud said they could not imagine that he could ever say an unkind word to anyone. My God, they never sat in the legislature opposite Tommy Douglas. I can recall Ross Thatcher saying that if you had a debate with Tommy Douglas, he took the hide off you layer by layer and your own wife never spoke to you for about two weeks after he was finished with you.

I got into politics because of Tommy Douglas. If someone said he cannot imagine Tommy Douglas having an enemy, then, by god, at times, I could not imagine Tommy Douglas having a friend. He stood for everything that I stood against—and I never won a battle! That was part of the reason I disliked him so much. From 1944 to 1964 we did not win even one tiny battle against him.

The honourable senator from Regina could also mention one or two things. There was the odd person who disliked Tommy Douglas over the years. He used to say about things like that: "You can't make an omelette if you don't break a few eggs." Well, you could look at some of the broken eggs here—and Senator Barootes is one of the broken eggs that went into making Tommy's omelettes.

I got into politics because of Tommy, because I wanted to defeat him—but I never succeeded. But I stayed on; "I came to scorn and stayed to pray." I stayed on and developed a great admiration for what he did, and, in fact, we became good friends. So I would like to join others in saying that while there was the odd little imperfection in Tommy Douglas—

Hon. Senators: Oh, oh.

Senator Steuart: —he did take the steam out of taking the hide off you with a lot of good humour. We had many an interesting exchange, I can assure you—none of which I ever won. I could win one or two now, but it would not be fair, because he would be answering from up above and still get the best of me, I am sure. I would like to join others in saying how much he will be missed and what a great Canadian he was. I, too, offer to his wife and family our condolences and our best wishes.

Hon. Efstathios William Barootes: Honourable senators, as a Saskatchewan citizen who knew Tommy Douglas, I wish to express a few words of personal remembrance in tribute to and in honour of his life, emphasizing particularly those aspects of his political career that endeared him to millions of Canadians. This diminutive battling Scot was, without doubt, the most

colourful, the most beloved and the most admired politician in Saskatchewan's history—notwithstanding Senator Steuart. He possessed that remarkable capacity to expound his social and political views by a special combination of humour, logic and compassion, and in such an articulate, sensitive and simple manner that even those who were not persuaded by his philosophy had been drawn to his convictions; and wherever Tommy spoke enormous crowds came to hear him.

His perorations on a Bobby Burns dinner, or at a St. Andrew's night, left us marvelling at the heights to which his oratorical ability could rise. Always quick in debate, he could, with a witty remark, a repartee or a humorous quip, destroy and disarm his adversary, leaving the audience in laughter and the questioner helpless but unanswered. To this I, as well as Senator Steuart and many others, can attest.

Tommy Douglas was an idealist and a dreamer. His life and views had been highly influenced by the human misery he saw about him in the 1930s, and were also tempered and galvanized by his deep religious beliefs. Therefore, it was not strange to me that initially he could have been characterized as a rebellious and reformist socialist, striving always courageously to undo the economic and human misery that abounded during the 1930s.

Achieving power in Saskatchewan in 1944, his administration was blessed with the prosperity and the economic boom that followed World War II, permitting him to introduce and establish many of the measures that were dear to his heart, even though prosperous times had eradicated much of the earlier misery against which he campaigned. He realized that such good times were not permanent, but that his social programs would endure even into bad times.

● (1420)

Although many of his early commercial schemes in Saskatchewan, which were aimed at balancing our unstable agro-economics with industry and manufacturing, failed, nevertheless he steadily legislated and pursued his ideals of social reform to improve the fabric of life in his province, and he did that with persuasive tenacity, sincerity and tireless courage. I am pleased to say that, fortunately, he lived to see the results of his efforts.

His interest was always in people and he brought government in Saskatchewan to his people. Despite the manufacturing failures, he brought rural electrification and telephonic services to the small towns and farms, giving modern living standards to those people, and, as you know, he introduced a compulsory automobile insurance program in Saskatchewan, which was not only successful there, but was adopted elsewhere.

Tommy would wish to be best remembered and recognized for the crowning achievement of his many social reform programs, and that was the introduction of hospital and medical care services in Saskatchewan based on the principle of need, not on the principle of ability to pay. This was his proudest accomplishment and one which he had promised himself during his youthful years, and one which he believed would spread to the rest of Canada. In that regard, his predictions were fulfilled.

In the context of social innovation and planning, he was to Sastachewan, and maybe to the rest of Canada, the equivalent of what Lord Beveridge was to Great Britain in an earlier period. His legacy in this regard will endure beyond the memory of any of these governments of today, and it is a political fact that it can only be undone by any government at the risk of political suicide.

As one who strongly opposed his particular medicare plan, as Senator Steuart will recall, I must admit that there is less political peril in abolishing Christmas in Canada than there is in abolishing medicare. I think Mr. Douglas' commitment to this ideal establishes him, as others have said, as indeed the "Father of Medicare" in Canada.

In this and in all his social reform innovations, Douglas was a cautious Scot. Buoyant economic times may have assisted him in his endeavours, but he never introduced a new social program that his provincial treasury was not able to cover and to finance. This, I must say, is in rather striking contrast to the fiscal integrity shown by other Canadian governments in the past couple of decades.

Moreover, as a prudent politician, Tommy's social programs were always introduced gradually and sequentially, always allowing for a new program to be introduced with the subsequent election.

As with all politicians, aside from his strong social conscience, Tommy Douglas developed the prudence which comes with power, and the radical soon became the quiet reformer, cautious and careful, but always, always seeking to improve the social environment of the people of Canada.

On the eve of introduction of his beloved medicare program, Douglas left Saskatchewan in November 1961 and came to Ottawa. He gave up his position as head of a CCF government, much to the regret of the people of Saskatchewan.

He linked the populist CCF movement to the Canadian Labour Congress, and formed a new party much along the lines of the British Labour Party, as we know it today.

Once in Ottawa, I gradually sensed in Douglas that, despite his toil and travels across this country in his tireless efforts on behalf of his new party, his voice became somewhat muted and his fire a little less bright. There were, however, times when I noticed that the old brilliance returned, particularly as he widened his spectrum to include those matters of foreign policy related to the suffering of emerging and Third World nations.

We in Saskatchewan sometimes felt that Tommy's old zeal and vigour was declining, and, yet, when he returned to our province, his eyes lit up; his voice seemed strengthened and the adoring crowds still turned out to see, to hear and to touch him. It was, honourable senators, pure political alchemy. Last year, Saskatchewan established an Award of Merit, and it was quite fitting that Tommy Douglas should be the first recipient.

Now Tommy Douglas is gone, but his work and his deeds endure. All Canadians have been touched by his actions; all Canada, and especially my province, is a better place for his

having been with us, and we know today that it is a sadder and a poorer place for his passing. What better measure is there of a man than that we should be able to say that, because of him, Saskatchewan and Canada is a better place in which to live. He leaves a legacy of accomplishments in Saskatchewan and elsewhere that will live in our memories, and I believe will serve as an inspiration to others who seek to serve in a similar governing capacity.

Thomas Clement Douglas fulfilled his political and Christian destiny. He was a true humanitarian and a great Canadian. He will be fondly remembered and sorely missed by all who knew him. I join in extending my sympathy to his wife, Irma, and to their two daughters, Shirley and Joan.

Hon. Hazen Argue: Honourable senators, I would like to join with the others here who have paid a very moving tribute to the late Tommy Douglas. I had the honour and good fortune to know Tommy for many years and to work with him in representing a common area of Saskatchewan. He came to Saskatchewan to the Baptist Church in Weyburn in 1935. He was one of us in Saskatchewan for many years. His ability on the platform as a humorist and a story teller was tremendous, but he also had a particular ability to weave his message in a very understandable way so that, when the meeting was over, people went away feeling that they had acquired a wealth of knowledge because of having attended that meeting. He was the voice of Saskatchewan for many years, the voice of all parts of Saskatchewan, and I think Tommy Douglas, in his own being, was able to represent many parts of the province and many divisions and groups within the province.

Tommy Douglas was raised in an urban atmosphere; he was a trade unionist as a young man; he was a preacher for some years and a political leader for many years. He was, of course, a premier and attended federal-provincial conferences. However, I think that Tommy Douglas, whether as a member of the federal House, a member of the provincial legislature or as a premier, was first and foremost a Canadian with a national perspective who wanted a strong Canada, and what he wanted for Saskatchewan I believe he wanted for every other province in Canada. Whatever battles he was engaged in and whatever issue he might have occupied himself with, one thing would always be clear: That, in the clash of strength, in the clash of the many *versus,* as in the case of the few or the strong *versus* the weak, Tommy Douglas was always with the people. He was always putting forth the views of the people. I can remember that many years ago, when I lived in a rural area which had to deal with a severe debt problem, Tommy Douglas, in any negotiations, was on the side of the individual farmer in his battle with the lending institutions so that that farmer, that community and that province might be able to survive.

• (1430)

Although Tommy will, I suppose, be remembered mainly for his contributions as a political leader, he was also, over these many years, a religious leader. He was a minister of the Baptist Church. He did not cease to practise as a clergyman when he went into politics. He did not practise as a clergyman often, in terms of media coverage, and much of his activities would not be well known, but, Sunday after Sunday in Regina, he quietly went off to teach a Sunday school class. This may be unknown to most people, but he was there continuing his work as a religious leader.

Honourable senators, there are many memorial services being held in various parts of Canada. Along with other senators from Saskatchewan, I had the privilege to attend the memorial service in the First Baptist Church in Regina last Friday afternoon. It was an ecumenical service. Church leaders representing Protestant faiths and the Roman Catholic faith spoke at that service. Tommy Douglas was, in the eyes of everyone, a practising Christian. He had kept the faith and had spent his years on earth as a minister of the gospel in a real and fundamental way. The Premier of Saskatchewan delivered the eulogy and it was a most moving tribute. Everyone at that service felt that he spoke for all of Saskatchewan in making his tribute.

Honourable senators, I want to join with others in saying, once again, that Tommy Douglas, in his day, made an enormous contribution to the life of Canada. Medicare will stand as a continuing monument to this man. As our history books are revised in the days ahead, Tommy Douglas' stature will grow and grow because of the immense contribution he made to the social, economic and political life of this country. I also join with others in extending our condolences to this wife, Irma, and to their daughters, Shirley and Joan.

Hon. Sidney L. Buckwold: Honourable senators, I join with everyone in this chamber, especially my colleagues from Saskatchewan, in paying tribute to the late Tommy Douglas. I am not sure what more can be said, because almost everything that can extol the virtues of this great Canadian has been said. My relationship with Mr. Douglas was not that of political opponent, such as Davey Steuart's or Senator Barootes', nor was it that of colleague, like Senator Argue's. I had the privilege to be the mayor of Saskatoon and to work with him on many occasions in trying to negotiate for my city and others. I always found him easy to get along with, yet generally he was able to win the point that he was after.

As has been said, he was a great story teller. I remember one of his stories about how to cure snake bites. I think that Senator Steuart will recall this one. He was saying that if you walk through the tall Texas grass and a snake bites you on the calf of your leg, you hold it up, squeeze it and a friend will suck out the poison. If the snake bites you in the arm, you do the same thing. Somebody, naturally, asked him, "What happens if the snake bites you on the behind?" He would say, "That's how you can tell who your friends are." He would go on from there to talk about his friends.

Those of us from Saskatchewan recall many vivid and vital memories of Tommy. Although, as I have said, I was not a political supporter of his, it was a privilege to be a friend and admirer. His impact on Saskatchewan and, indeed, on all of Canada will forever be favourably remembered by all who have benefited from his ideas—the ideas that have now been translated into social programs. He was a great parliamentari-

an. He was able to communicate to the public in a way that was unique. One of the first speeches I ever heard him make advocated the abolition of the Senate. He was not a great friend of this institution, yet he was a great friend of individual senators. I think he really felt that senators had an important role to play. He had many communications with me personally as to what could be done in individual cases.

Tommy Douglas was not a big man physically, but he had a heart that was larger than that of any giant. He felt for lower income people, especially in the area of health care. He really cared for them. I join with my colleagues and with all Canadians in extending to his family my condolences. I was proud to call him a friend.

ROYAL ASSENT

NOTICE

The Hon. the Speaker informed the Senate that the following communication had been received:

RIDEAU HALL
OTTAWA
GOVERNMENT HOUSE

4 March 1986

Sir,

I have the honour to inform you that The Right Honourable Brian Dickson, The Chief Justice of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber to-day, the 4th day of March, 1986, at 4.45 p.m., for the purpose of giving Royal Assent to certain Bills.

Yours sincerely,
A. P. Smyth
Deputy Secretary, Policy and Program

The Honourable
The Speaker of the Senate
Ottawa

PARLIAMENT

STANDING JOINT COMMITTEES—MESSAGE FROM COMMONS REFERRED TO STANDING RULES AND ORDERS COMMITTEE

The Hon. the Speaker informed the Senate that the following message had been received from the House of Commons:

HOUSE OF COMMONS
CANADA

Thursday, February 27, 1986

ORDERED,—That a Message be sent to the Senate to acquaint Their Honours that this House has adopted certain amendments to the Standing Orders of the House of Commons which shall continue in force until this House adjourns on the last sitting day of this year, as follows:

1. That within ten sitting days of the return to Canada of an officially recognized interparliamentary delegation composed, in any part, of Members of the House, the head of the delegation, or a Member acting on behalf of him or her, shall present a written report to the House on the activities of the delegation.

2. That certain of the said amendments touch upon the powers, mandates, membership and other matters related to the Standing Joint Committees, so far as the House of Commons is concerned and, in particular;

(a) the Standing Joint Committees on the Library of Parliament and Printing have been deleted from the list of Standing Joint Committees and that a Standing Joint Committee on Parliament has been added to the same, and that it is suggested that the said joint committee be composed of twelve Members and that its mandate include, among other matters, the review of and report on the effectiveness, management and operations together with the operational and expenditure plans of all operations under the joint administration of the two Houses and other related matters as the Committee deems fit;

(b) the Standing Joint Committee on Regulations and other Statutory Instruments has been empowered to include in a report to the House a proposed motion which, if the report be concurred in, would become an Order to the Ministry to rescind a single specified regulation or other Statutory Instrument which the Ministry has the authority to rescind, and that such reports shall be deemed adopted on the fifteenth sitting day after a motion for concurrence in the report is placed on the Order Paper for consideration unless such a motion is previously disposed of;

(c) the mandate of the Standing Joint Committee on Official Languages shall include, among other matters, the review of and report on the annual report of the Commissioner of Official Languages which is deemed, so far as the House of Commons is concerned, permanently referred to the said Committee immediately the said document is laid upon the Table;

(d) the Striking Committee of the House of Commons shall make a report, within the first ten sitting days in the year, establishing annual membership lists of the Standing Joint Committees which expire on the last sitting day in the year; and

(e) substitution of members on joint committees shall be made by the Chief Whip of recognized parties for one meeting only and twenty-four hours prior to it, that such substitutions shall be made from a list of up to five Members of the House designated by the member of the Committee, that within five sitting days of the organization of the Committee, such lists shall be filed with the Clerk of the Committee and they shall be appended to the *Votes and Proceedings of the House of Commons* on the tenth sitting day following the last organization meeting, and that any Member failing to submit such a list shall be struck from the list of members of that Committee and that the Striking Committee shall replace the said Member.

That this House requests the Senate to unite with this House in order to give full effect to the above-mentioned amendments and to make such amendments to the Rules of the Senate as it shall deem fit and appropriate in the circumstances, and to select, if the Senate deems it advisable, some of its Members to act on the said proposed joint committees.

ATTEST

Michael B. Kirby
for *The Clerk of the House of Commons.*

The Hon. the Speaker: Honourable senators, when shall this message be taken into consideration?

On motion of Senator Doody, message referred to the Standing Committee on Standing Rules and Orders.

• (1440)

IMMIGRATION ACT, 1976

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-55, to amend the Immigration Act, 1976.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(f), bill placed on the Orders of the Day for second reading at the next sitting of the Senate.

[*Translation*]

OFFICIAL LANGUAGES POLICY AND PROGRAMS

THE ESTIMATES, 1986-1987—PRIVY COUNCIL VOTE 15 REFERRED TO STANDING JOINT COMMITTEE—MESSAGE FROM COMMONS

The Hon. the Speaker informed the Senate that the following message had been received from the House of Commons:

HOUSE OF COMMONS
CANADA

Thursday, February 27, 1986

ORDERED,—That Privy Council Vote 15, for the fiscal year ending March 31, 1987, be referred to the Standing Joint Committee on Official Languages;

And that a Message be sent to the Senate to acquaint Their Honours of the aforementioned reference to the said Standing Joint Committee.

ATTEST

Michael B. Kirby
for *The Clerk of the House of Commons*

PARLIAMENT

THE ESTIMATES, 1986-1987—PARLIAMENT VOTE 10 REFERRED TO PROPOSED STANDING JOINT COMMITTEE—MESSAGE FROM COMMONS

The Hon. the Speaker informed the Senate that the following message had been received from the House of Commons:

HOUSE OF COMMONS
CANADA

ORDERED,—That Parliament Vote 10 for the fiscal year ending March 31, 1987, be referred to the Standing Joint Committee on Parliament;

And that a Message be sent to the Senate to acquaint Their Honours of the aforementioned reference to the said Standing Joint Committee.

ATTEST

Michael B. Kirby
for *The Clerk of the House of Commons*

INFORMATION COMMISSIONER

SPECIAL REPORT TABLED

The Hon. the Speaker: Honourable senators, I have the honour to table the Special Report of the Information Commissioner for the period from April to December 1985, pursuant to Section 40(1) of the Access to Information Act and the Privacy Act, Chapter 111, Statutes of Canada, 1980-81-82-83.

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

COMMITTEE AUTHORIZED TO SIT WHILE SENATE IS SITTING

Hon. Arthur Tremblay, with leave of the Senate and notwithstanding rule 45(1)(a), moved:

That the Standing Senate Committee on Social Affairs, Science and Technology have power to sit while the Senate is sitting this week and that rule 76(4) be suspended in relation thereto.

[*English*]

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, just before we grant leave or vote on the

motion, may I ask for an explanation? Does the committee propose to sit today?

Senator Tremblay: Yes, the committee will convene as soon as permission is granted, which may be 3 p.m. or 3.15 p.m.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to.

[*Translation*]

PUBLIC PENSIONS REPORTING BILL

REPORT OF COMMITTEE

Hon. Arthur Tremblay, Chairman of the Standing Senate Committee on Social Affairs, Science and Technology presented the following report:

Tuesday, March 4, 1986

The Standing Senate Committee on Social Affairs, Science and Technology has the honour to present its

FIFTH REPORT

Your Committee, to which was referred Bill C-255, "An Act to impose reporting requirements with respect to public pension plans and to amend certain Acts in consequence thereof", has, in obedience to the Order of Reference of Thursday, February 13, 1986, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

Arthur Tremblay
Chairman

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

● (1450)

[*English*]

On motion of Senator Robertson, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

THE ESTIMATES, 1986-87

NATIONAL FINANCE COMMITTEE AUTHORIZED TO MAKE STUDY

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(e), I move:

That the Standing Senate Committee on National Finance be authorized to examine and report upon the expenditures set out in the Estimates for the fiscal year ending 31st March, 1987, with the exception of Privy Council Vote 15 (Official Languages) and Parliament Vote 10 (Library of Parliament).

[Senator Frith.]

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, will the sponsor of the motion explain the exceptions?

Senator Doody: Honourable senators, as I understand the exceptions, they were dealt with in the message that we received from the House of Commons earlier today. I understand that the House has adopted certain amendments to their Standing Orders respecting the various items. Among them is the handling of Vote 15 of the Privy Council, which has been referred to the Standing Joint Committee on Official Languages.

As to Parliament Vote 10, it has been referred to the proposed Standing Joint Committee on Parliament. As far as I understand it, there is as yet no Standing Joint Committee on Parliament because the Senate has not yet acted to become a constituent part of it, so the message has been referred to the Standing Rules and Orders Committee. Presumably, they will advise us and recommend the way in which we should handle it. As of now, these two votes are not considered in the overall estimates, but are looked after separately.

Senator Frith: So those two references were made by the House of Commons without asking for our concurrence?

Senator Doody: That is the impression I have.

Senator Roblin: Ultimately, they are asking for our concurrence.

Senator Flynn: It is a joint committee.

Senator Frith: I know.

Senator Doody: You can refuse to join them.

Senator Frith: Matters have been referred to joint committees with concurrence. In fact, it seems to me that they ought to be.

Motion agreed to.

HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS

NOTICE OF MOTION FOR APPOINTMENT OF STANDING SENATE COMMITTEE

Hon. Stanley Haidasz: Honourable senators, I give notice that on Thursday next, March 6, 1986, I will move:

That Rule 67(1) of the Rules of the Senate be amended by adding the following new standing committee:

"The Senate Committee on Human Rights and Fundamental Freedoms, composed of twelve members, four of whom shall constitute a quorum, to which shall be referred, on order of the Senate, bills, messages, petitions, inquiries, papers and other matters relating to the protection of human rights and fundamental freedoms

within domestic federal jurisdiction and Canadian international commitments."

QUESTION PERIOD

[*English*]

THE ECONOMY

DECLINE IN VALUE OF CANADIAN DOLLAR—GOVERNMENT ACTION

Hon. Ian Sinclair: Honourable senators, last Wednesday, February 26, all honourable senators, almost all Canadians and many people outside Canada waited to find out what action the government would take to improve the relationship of the Canadian dollar to the American dollar. The Minister of Finance stated that his budget would result in confidence being restored in fiscal management and that this confidence would be reflected in the dollar relationship. Honourable senators know from listening to the morning news that the dollar is wallowing even deeper in the slough of despondence that it was wallowing in before the budget. Indeed, as of noon today it is one and one-third cents below the position it was at when the Minister of Finance brought down the budget. My question to the Leader of the Government is this: Is the government prepared to take extraordinary steps to restore confidence in our currency?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I support the Minister of Finance in his assessment of the situation, that the budget will restore confidence in the Canadian dollar. It is clear that it has not done so to date, and my honourable friend is quite right on that. It indicates that there is a considerable task ahead of the financial community and of the government itself to ensure that the meaning of the budget, the facts of the budget and its implications are disseminated as widely as possible in order to help deal with this question.

I do not think it would be proper for me to say whether the government or the Bank of Canada intends to take any extraordinary measures, because that has to be done by those concerned at the time with respect to financial markets. I do not think it would be useful for me to speculate on that subject.

Senator Sinclair: Honourable senators, in light of the statement made by the Leader of the Government, I wonder, if there are not to be extraordinary steps, whether there will be any unusual steps taken by members of the government to assist in bringing about greater understanding in a situation that seems to have left many financial people wondering what the minister was really saying.

Senator Roblin: I do not know that it is unusual. In fact, it is not unusual, but we are certainly giving more attention these days to spreading the good word. I believe that ministers of the Crown and members of the Department of Finance are scheduling meetings with various parties in the financial realm in many places, not only in Canada, but in the United States, and, indeed, throughout the world. They are seeking opportunities for discussion with those parties on the present economic status of the country and the impact of the budget. I hope that as a result of that there will be a wider understanding of the government's intentions.

• (1500)

Senator Sinclair: Can the Leader of the Government assist the chamber by advising whether there is an opportunity for all members of the House of Commons and the Senate to leave Ottawa to spread the good word, by prorogation or adjournment of Parliament, to enable this matter to be dealt with expeditiously?

Senator Frith: To enable the gospel to be disseminated.

Senator Roblin: Honourable senators, I am almost tempted to believe that I have received an offer of assistance from my honourable friend. If that is so, I accept it, and I tell him that his good word and support in financial circles in Montreal and Toronto, to go no further, would certainly be a considerable contribution toward restoring confidence in the Canadian dollar.

Senator Sinclair: Honourable senators, I would love to do that if I had the necessary facts to proceed in that way, but I have not. As honourable senators know, the vice president of the Chicago monetary authority has stated that there is general disappointment with the budget. The minister has said that some businessmen support him, but he has not named who they are. I looked at the BCNI statement, which was pretty wishy-washy. Perhaps what is required is a task force made up of everyone. If the facts do not support that confidence, then the government will know and can take appropriate action. I would ask whether that is going to be done.

Senator Roblin: I guess that we are verging on a debate. That would be my assessment of the situation. I will simply conclude my part of it by saying that I will see that my honourable friend has a complete set of budget papers, by means of which he can form his own conclusions.

Senator Frith: That is what he is worried about.

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, may I follow up the questions asked by Senator Sinclair by referring to the Leader of the Government's acknowledgement that the budget has not restored confidence in the Canadian dollar and that what is required is a better understanding of the contents of the budget—that that is the obstacle.

Last week the Minister of Finance, when asked in the House of Commons, said it would not be possible for the international community to assess the budget so quickly, because they had to read the budget papers and examine all of these matters in detail. It is now five days since the budget. Does the Leader of the Government have that in mind as the reason why an understanding has not been possible for the international community?

Senator Roblin: I really have no means of reading the minds of the international community. I cannot pretend to know what particular problems they perceive. But I think it would be advantageous, in any case, to let them know our point of view, and to give them as much detail as they require, in order that they may see the basis on which our judgments are formed. One must hope that that will strike a responsive chord with respect to them.

How long these matters take to work through is anyone's guess. It depends which financial expertise you read. I saw one yesterday that said it took two weeks for the information to filter through. I have no means of knowing whether or not that is the case. All I know is that we have to go on presenting our case in order to see that the Canadian dollar receives the support it deserves.

Senator MacEachen: I did not have in mind what the international financial community was bothered about. I had in mind the statement of the Minister of Finance, who said that the reason was lack of knowledge in the financial community, that they had to read in order to understand. Since the Leader of the Government has repeated the same point, I now ask whether the government proposes to take any particular action internationally in order to ensure that the good points—which up to the present have escaped the international financiers—are brought to their attention? Is there any program internationally to ensure that the good points are brought home to those who are now treating the Canadian dollar so roughly?

Senator Roblin: I believe that is the case.

Senator MacEachen: That is interesting. What is the program that is being undertaken?

Senator Roblin: In reply to one of the questions asked by Senator Sinclair, I pointed out that there was an effort being made by members of the government and by members of the Department of Finance to get in touch with influential people in the financial community who deal with foreign exchange and other matters, in order to develop the very points to which my honourable friend is referring.

Senator MacEachen: In the meantime, is the government or the Bank of Canada taking any action to support the Canadian dollar at the present time? Is it a fact, as is now commonly alleged, that the government found it necessary to enter the foreign exchange market yesterday and today in order to shore up the value of the Canadian dollar?

Senator Roblin: Honourable senators, I will make an inquiry and if the information can be given out, I will provide it for my honourable friend.

THE BUDGET

FARM CREDIT LOAN PROVISIONS—IMPACT ON FARMERS

Hon. Hazen Argue: Honourable senators, I wish to direct a question to the Leader of the Government. Can he tell us how the 6 per cent rate for a Farm Credit mortgage loan will work for a mortgagee who has a substantial loan and who qualifies by having equity of under 40 per cent? Can he give us any information on what will be done about the total obligation that the farmer has to the Farm Credit Corporation?

Hon. Duff Roblin (Leader of the Government): I expect that quite shortly the Minister of Agriculture will be making a full statement on how this scheme will work. When that information is available, I will provide it for my honourable friend.

Senator Argue: I can appreciate that. Does the Leader of the Government know whether or not there is any adjustment downward of the total amount owing by any individual farmer to the Farm Credit Corporation? Is there an element of debt reduction, or is there just a rescheduling of the total amount at a lower rate of interest, and the extra amount will be paid at a later date? It is a simple question, and I do not know the answer.

Senator Roblin: I do not intend to scoop my colleague, the Minister of Agriculture. He will make the statement, not me.

Senator Argue: I am rather disappointed that that assurance cannot be given. I will say—and I suppose the record can be seen by the Minister of Agriculture—that if what they are doing is reducing the rate that a farmer has to pay in a given year, only to have it paid at a later date, and in the meantime index it to the commodities, then all the government is doing in an official way is postponing temporarily the number of farmers going under. I thought this was a rescue operation, but it looks to me as though a lot of it is just plain window dressing.

Senator Roblin: When the statement is made, my honourable friend can favour us with opinions on the matter. I do not agree with his observation that it is window dressing.

Senator Argue: I hope that you are right and that I am wrong.

STATUS OF WOMEN

ROLE IN CANADIAN ARMED FORCES

Hon. Stanley Haidasz: Honourable senators, on the occasion of International Women's Week and the tabling earlier today in the other place of the document "Toward Equality" by the Minister of Justice, I should like to ask the Leader of the Government to explain the government's decision to deny the opportunity for women seeking a fighting role in the Canadian Armed Forces.

Hon. Duff Roblin (Leader of the Government): Honourable senators, when the statement is discussed in the other house, I believe further comment will be made with respect to that. I would ask my honourable friend to wait until that statement is made, and I can then furnish him with a copy.

Senator Haidasz: As a supplementary, in connection with the minister's statement that mandatory retirement is not now an absolute rule in Canada, I should like to ask how the change affects the members of the Senate.

Senator Roblin: Thank God the Senate is the exception that proves the rule.

ENERGY

OIL PRICING—GOVERNMENT ACTION

Hon. H. A. Olson: Honourable senators, I should like to ask the Leader of the Government if he can help some of those people who are vitally and even desperately concerned about what is going to happen to the oil and gas industry in Canada.

• (1510)

He will know that I have asked a series of questions over the past several weeks about this. To date, there has been a small amount of information given, but normally we have been told that there is a watching brief until some later day when the government considers it more appropriate to take some action with respect to this matter.

That is the answer I received when the oil price was $24 a barrel; it is the answer I received when the oil price was $20 a barrel, $18 a barrel, $15 a barrel, and now it is down to somewhere between $12 and $13 a barrel on the most immediate month's futures, so I wonder if we can be given some information today as to what action the government is considering, if any.

Hon. Duff Roblin (Leader of the Government): I cannot give my honourable friend satisfaction with respect to his question. It would be, of course, quite out of order for me to try to indicate what the government might be considering. I can only advise when a matter of policy has been decided. That is when I can give the facts to my friend, but no policy change has been decided, so there is no further information I can give him.

Senator Olson: As a supplementary, honourable senators, there are some people whose whole economic base—whether you want to call it a job, or some other term to describe the means by which they receive their income—is eroding so rapidly that it is very difficult for them to see whether or not they are going to make it for a few more weeks, never mind any further into the future than that.

Without being specific, I wonder if the Leader of the Government could tell us whether or not the government intends to help this important sector of our economy, as governments have helped other sectors of the economy in the past, whether that was the agricultural industry, the fisheries industry, the automotive industry, or whatever.

Senator Roblin: I am sure that every government wishes to be thought of as being helpful in dealing with any industrial problem. I can tell my honourable friend that until a policy change has been made, I am unable to provide further information.

Senator Olson: I can understand that, but I wonder whether it is the position of the government that it is going to wait with the watching brief, or take so long that this industry will become so weak that there will be no chance of its recovering in its present form.

I ask that question because I agree with the Minister of Energy, Mines and Resources and the Minister of Energy and Natural Resources for Alberta when they said at a meeting held approximately ten days ago that the industry will survive. There is no doubt that the pipelines and wells are not going to disappear. But survive in what form? Can the people now involved in this industry look to it as the base of their economic well-being again? Or, is the government going to wait until it is so weak that there is no chance of its recovering for the benefit of those Canadian citizens who are now involved in it?

Senator Roblin: I very much hope that this gloomy projection does not come to pass, but I have nothing to add to my previous statement.

Senator Olson: Honourable senators, can the government give us some indication as to when that might happen? Is it a matter of another two weeks, or another $5 decline in the price of a barrel of oil, or what is it that is going to bring this government around to realizing that it needs to face up to its responsibility in this matter and indicate that it is prepared to do what federal governments of Canada have done in the past, and that is take their responsibility seriously?

Senator Roblin: I am really not disposed to take my honourable friend's advice, because I remember well that he was the minister in charge of a most important economic portfolio in the previous government when the question of support of or government interference with the oil industry was on the table.

I do not think that the remedies recommended at that time were sufficiently impressive to suggest that his advice should be followed today with respect to that industry.

If he is going to ask me the same question, I tell him again that I am unable to announce policy at the present time. That is the only statement I can make.

Senator Olson: It is not a question of whether or not the remedies that he now rejects—and I think he rejected them some time ago—are appropriate or not. Am I to take it from the Leader of the Government in the Senate that the choice, as far as he and this government can see, is to do what the previous government did, or do nothing? Is that the limit of the ingenuity and imagination of this government?

Senator Roblin: It was not just myself who rejected those remedies. The Senate itself rejected those in its own committee, as my honourable friend knows very well. So, there should be common ground for us in respect of that matter.

In spite of my honourable friend's needling, I am not going to respond in the way he would like me to. I will be my usual informative self and tell him that when I have something that I can tell him, I will, but until I have something to tell him, then I have to decline to answer his questions.

Senator Olson: There is a large number of people in this country who are reaching the end of their rope, and they rely on their elected representatives and others, such as the members of the Senate, to at least take their responsibility seriously

enough to acknowledge that there is a problem that requires the attention of the government. So far the leader has left them—because they make inquiries of me to try to find out what the government is doing—with the impression that the government is not going to do anything.

Is that what I can report back again this week?

Senator Roblin: Wait and see.

Senator Frith: That's the answer.

Hon. Hazen Argue: I think Senator Olson has painted very well the difficult position of the oil industry. We can bleed for them and we can cry for them! Undoubtedly, some of the independents are in serious difficulty. I think it is terrible for the people of Canada because parts of the oil industry may be going broke and the consumer is paying virtually the same price even though there has been a collapse of world oil prices.

My question is rather simple, and I hope not naive, and is: When might we expect some drop in gasoline prices at the pumps? It has gone down 2 cents a litre, but it looks as though the international price of oil has dropped by $15 a barrel and the consumer is lucky to get a $2 or $3 drop per barrell on a fill up at the pumps. When will the next move to lower prices be made by Exxon, Shell, and Petro-Canada?

Senator Roblin: I think my honourable friend will find that, as the cheaper oil hits the refineries and gets into the distribution system, there will be further reductions in the price of gasoline.

Senator Argue: From what I have been reading, the time has come for that, and it is getting through the system. I remember when it went the other way; it took about five minutes to get through the system.

I was in Florida a few weeks ago—-

Some Hon. Senators: Oh, oh.

Senator Argue: Well, many people go to Florida. I went on very little; I drove my old Chev. My wife and I were coming back about three weeks ago and we pulled into an Exxon station, one of the big ones—it was the only credit card I had or I would have gone to another one—and there were four or five cars lined up at the pumps. They were waiting. I asked what the delay was about. The people who were lined up told me that the attendants were putting down the price of gasoline at the pumps. They had just gone down on the international market three days earlier, and now the attendants were putting the prices down at the pumps. They lowered the price to 89 cents for an American gallon, which is cheap gas, even when one takes into consideration the smaller U.S. gallon and the exchange rate.

My question is: If Exxon can put it down in the United States in 72 hours, why can they not do the same thing in Canada, or does it take longer to get through the pipeline in Canada than it does in the United States?

The consumer in Canada is being screwed by the oil companies, and it is a shame because that is not what is happening in the United States.

[Senator Olson.]

Senator Roblin: I do not care very much for being placed in the position of defending the oil companies for their handling of the price of gasoline—

Senator Frith: It goes with the territory—

• (1520)

Senator Roblin: —because I have to admit that my friend's arguments find a sympathetic ear over here. However, as we all know, when the interest rates change, the banks are not too swift to raise the rates they pay their depositors, but they are certainly pretty swift to raise the rates they charge to borrowers. If that is a libel on the banking system, it is certainly a widely-held view, and I must say that, so far, I share it. I might be convinced otherwise.

I cannot appear to defend the activities of the oil companies here, but I think there is a reasonable explanation which my friend might wish to examine, and that is that it is a question of contract. If you are able to buy spot oil at these reducing prices, then you can, quite properly, bring your price down to reflect that spot price. If you are dealing in a matter of contract where prices were set some time ago, and that contract still holds good and that costly oil is still flowing through, that is another question.

However, I am not telling my honourable friend that that is the reason because I do not know, but I am telling him that that is the best explanation I can offer him at the moment.

Senator Argue: That is a speculative explanation and it does not carry the weight of the government. In fact, I think it is the minister's own personal explanation. What I cannot understand is why every filling station and every company in the United States has access to a spot price while, at the same time, no one in Canada, apparently, has access to a spot price. Why are we hamstrung by contracts that are consistent for everyone—this seems to be the tenor of the answer, although I doubt it very much—while in the United States they do not have that kind of a system? Could the reason be that American law says there shall be competition and, in Canada, this government, with the agencies it has out there, is condoning a monopoly system that is gouging the consumer, even when some producers are suffering because of the collapse in international prices? You cannot have it both ways.

Senator Roblin: No, you cannot, but when you have a spot price system in the United States, when the prices are going up, the reverse happens. I heard nothing from my honourable friend when that happened. However, I will say to my honourable friend—

Senator Argue: I did not like the prices going up overnight and the oil companies gouging me on their inventory. I never liked that.

Senator Roblin: I am glad to know that that is the case. However, I want to tell my honourable friend that the system we have in Canada with respect to the oil industry is not something that was developed overnight. The system we have in this country has been the operative system for many a long year.

Senator Olson: It is not. Not in the way it is being administered now.

Senator Roblin: I am talking about the question of competition, monopoly and things of that sort. That is what I am talking about. I am not talking about other aspects of the matter which may be the concern of my friend.

However, I must tell the house that, in speaking for the government, I have no information that can throw on this situation the light that my honourable friend seeks. All I can tell him is that, at the present time, it is our policy to let the economic forces take their course. We have some confidence in thinking that that will result in a reduction in prices before long.

Senator Argue: I think that is an abdication of the government's responsibility. I am rather simple minded; I think that when there is a collapse of the oil prices, there should be some action taken by the government to see that those lower prices flow through the system. Obviously, there is no action; the minister says that there is nothing new. To me, it is very new to have a drop in price from a high of $31 a barrel last fall to a low of under $13 per barrel today. If the price went down to zero, do you think we would get any benefit from that? Apparently not, since with two thirds of the price gone, we have gained a reduction of two cents. Perhaps we could look forward to another cent reduction under this trickle-down theory. Perhaps because of the cold weather, the oil does not get through those pipelines we have heard so much about. I think the whole thing is a scandal.

Senator Olson: I have a supplementary question. I wonder if the Leader of the Government in the Senate could tell us what the government intends to do. He has been trying to explain what the companies ought to do and the reasons for their actions in terms of getting rid of the inventory and so on. Does the government intend to take any action with respect to this problem?

Senator Roblin: I think I should make it quite clear to my honourable friend that one of the principles which guide this government in its policy is that it is not interventionary into the economic system where it does not need to be.

Senator Olson: Then you are abdicating your responsibility.

Senator Roblin: No, we are not.

Senator Frith: Laissez faire; good old Tory laissez faire.

Senator Roblin: It is not laissez faire either. It is a judicious application of the market principle insofar as that is possible to support. If we find a case where we do not think it is possible to support the market in any particular matter, we will intervene, but we do not think it is necessary for us to intervene in either of the instances we have been discussing.

Senator Olson: The market that is out there now is as a result of some political decisions such as those made by Sheik Yamani and others. Is it the government's position that we must live by that, rather than by what we do in Canada?

Senator Roblin: It will be interesting to see what Sheik Yamani does. He will get the world price down to $10 per barrel, if he has his way.

REQUEST FOR ANSWER

Hon. Peter Bosa: Honourable senators, I would like to ask a question of the Leader of the Government in the Senate. On November 26, 1985, I put a written question on the order paper seeking some statistical information that ought not to be too difficult to compile.

Because of persisting rumours that Parliament will prorogue and that, therefore, questions on the order paper may die, I wonder if perhaps the Leader of the Government would intercede on my behalf and have this information conveyed to me.

Hon. Duff Roblin (Leader of the Government): If the question is on the order paper, it is not generally handled by me; it is handled by the Clerk of the Senate, and I am sure he has taken note of my friend's observation.

BANKING

PROMOTION OF INTERNATIONAL BANKING CENTRES

Hon. Jerahmiel S. Grafstein: Honourable senators, perhaps the Leader of the Government could inform the Senate why the government and the Minister of Finance, in his Budget address, chose to deny the representations of the Mayor of Toronto and the Province of Ontario to allow Metro Toronto to become an international banking centre, while, at the same time, granting the representations of the City of Montreal and the Province of Quebec that will allow Montreal to become an international banking centre through the use of discriminatory tax measures.

Hon. Duff Roblin (Leader of the Government): I am not sure that the Minister of Finance is guilty of the charges laid by my honourable friend. In fact, I would hazard a guess that he is not. However, I will take my honourable friend's question as notice.

Senator Grafstein: If my premise proves to be correct, would the Leader of the Government in the Senate advise the minister that this is a very dangerous precedent in what could be a series of government policies that would discriminate between cities and thereby trigger a very costly tax incentive war between the various cities and provinces in this country? I say to my honourable friend that this is a very dangerous precedent and I hope that the Leader of the Government in the Senate, aided by his colleagues from cities across the country, will ask the Minister of Finance to change his mind on this very important and dangerous precedent.

Senator Frith: But this government is not interventionist. They are going to let the market forces play.

Senator Roblin: I do not think that the fear my honourable friend raises will prove to be substantial.

Senator Grafstein: While the Leader of the Government in the Senate is seeking the information I ask, perhaps he could also find out on behalf of the Senate and the people of Canada what this tax measure will cost citizens across the country.

Senator Roblin: I think my honourable friend will find that information in the tax papers. The amount is not considered to be large.

EXPO 86

ATTENDANCE OF MEMBERS OF PARLIAMENT

Hon. Paul Lucier: Honourable senators, I have a question for the Leader of the Government in the Senate. As next door neighbours, we Yukoners feel very close to British Columbia and I hope the senators from that province will not object to an outsider making a pitch on behalf of Expo 86.

I have recently had the pleasure of visiting the Canada Pavillion and the Expo 86 site and it is absolutely magnificent. British Columbia has done a remarkable job of putting Expo 86 together and I am sure it will be a world-class event that will make all Canadians very proud. I am wondering whether the Leader of the Government in the Senate could do something to make senators and others more aware of what is going on in order to help make it a priority for senators and all members of Parliament, with their families, to visit Vancouver this summer and participate in this event.

Hon. Duff Roblin (Leader of the Government): I am sure that we are all glad to hear my honourable friend's intervention, because this is a national project; it is not a provincial one. It belongs to all Canadians and I am among those who hope to visit it. However, I think the Government of British Columbia has already distributed—to me, at any rate—a pretty substantial brochure giving the full story of the exhibition in Vancouver. I thought this brochure was an attractive and entertaining piece of work and I think senators ought to inform themselves about this event.

• (1530)

Hon. Raymond J. Perrault: Honourable senators, if I may, I will add some information on that point. There is under consideration the possibility of establishing a special two or three day itinerary for those members of Parliament from the Senate or the House of Commons to visit Expo, perhaps some time in May. This is a multipartisan project involving those members who serve in Parliament from British Columbia. It is non-partisan, multipartisan—

Senator Frith: Megapartisan? Can I go?

Senator Perrault: As Senator Lucier has so eloquently and generously stated, this will be quite a world's fair. The fair has already sold in excess of seven million visits, which is a new record for world fairs anywhere—money in the bank. It will be an extremely successful enterprise and a tribute to all parts of Canada, since all of the provinces are participating.

Senator Roblin: Manitoba isn't.

Senator Perrault: Unfortunately—

[Senator Roblin.]

Senator Roblin: "Unfortunately" is right.

Senator Perrault: Unfortunately that is so, and I agree with the Leader of the Government on that point. If there is interest in the idea of a special three-day itinerary for parliamentarians, I can only say that members of the various parties are enthusiastic about putting that plan into effect.

AGRICULTURE

SUGAR-BEET INDUSTRY—1983 STABILIZATION PAYMENT—1986 CROP YEAR—GOVERNMENT POLICY

Hon. Gildas L. Molgat: Honourable senators, I should like to address a question to the Leader of the Government in the Senate. I ask this question in the absence of our colleague, Senator Fairbairn, so he can guess what the subject matter is going to be. He also knows that it affects the province of Manitoba.

Could the Leader of the Government advise us whether any decision has been taken by the government with regard to the sugar-beet industry? Will there be an announcement from the government on the stabilization payment that is due from back in 1983? What is the policy for the coming year?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I think that my colleague, the Minister of State, has been in touch with leaders in that industry over the last day or two. I will inquire from him as to when he will be able to make a definitive statement on this matter.

Senator Molgat: Honourable senators, the specific reason for the question is that, on February 18, when Senator Fairbairn asked the question, she indicated that there was a group of sugar-beet growers which intended to come to Ottawa on or about March 3. The government leader at that time replied:

> I can tell the honourable senator, though, that I have every expectation that any demonstration on or about March 3 would be unnecessary.

It is now March 4, and it is my understanding that some of these growers are either on the way to Ottawa or certainly intend to be here this very week.

Honourable senators, we keep on getting this postponement. My honourable friend knows very well the cost to these farmers to come to Ottawa in order to put this pressure on. Surely we do not have to put them to this exercise every year.

Senator Roblin: Honourable senators, I am aware of the exchange that took place on February 18. I looked it up because I thought that this matter would likely be raised today. What I said was:

> It is a gratuitous exercise to predict when cabinet is finally going to deal with a matter, as those who have served in cabinets would agree. I am a little reluctant to accept my honourable friend's invitation to give a date.

So I did not give a date. I did say, however, that my expectation was that any demonstration in Ottawa on March 3—and I now add at any time—would not be necessary because I am still optimistic in respect of this matter. I know that my

colleague, the Minister of State, has met with the sugar-beet people—sometimes in the provinces, not always in Ottawa—and that he has been meeting with them already this week. The best I can do is to say that, as soon as the final decision is made, I will announce it. I think I am going to adopt a self-denying ordinance not even to hint as to when I think the decision might be made, because obviously my record in that respect is not what my honourable friend would hope.

Hon. H. A. Olson: Honourable senators, I have a supplementary question. Does the Leader of the Government expect that there will be a sugar-beet crop seeded in 1986?

Senator Roblin: As I have already stated, my colleague is discussing the question of the future of the sugar-beet industry with those concerned. I do not think that I should make any statement at this time because I expect that he will be making one shortly.

Senator Olson: Does the government leader have any idea whether government policy will support the seeding of a crop? That is what I am asking him. I understand that he cannot provide all of the details, but my question is: Are we going to have a crop or have we now reached the stage where this government has written the sugar-beet industry off?

Senator Roblin: My honourable friend will just have to possess his soul in patience. As soon as I have an answer to his question, I will give it to him.

AGRICULTURE, FISHERIES AND FORESTRY

CONSIDERATON OF REPORT OF COMMITTEE ON HERBICIDE PRICING—DEBATE ADJOURNED

The Senate proceeded to consideration of the fourth report of the Standing Senate Committee on Agriculture, Fisheries and Forestry, entitled "Herbicide Pricing".

Hon. Jack Marshall: Honourable senators are aware that, on behalf of the Standing Senate Committee on Agriculture, Fisheries and Forestry, I tabled, on February 13, the fourth report of that committee respecting herbicide pricing. I rise to say a few words about that report and to give honourable senators the opportunity to respond to it.

I should first like to pay tribute to the members of the committee, particularly those members who are more inclined towards issues concerning agriculture, for persevering at the committee meetings while we were dealing with the study on the marketing of fish and, at the same time, sporadically tried to deal with the herbicide pricing report which arose out of the earlier committee report entitled "Soil at Risk". Even though they were, predominantly, members of the opposition, I want to thank them for bearing with the committee and its deliberations in such a way as to enable it to reach its conclusions and finish its report on "Soil at Risk".

In that report, honourable senators, the committee concluded that excessive tillage is a major cause of soil degradation. It also concluded that, because of high costs and low market returns, many farmers cannot afford to implement what they recognize as needed conservation practices. Switching to reduced tillage requires greater amounts of herbicides to produce cash generating crops that can make the difference between financial survival and bankruptcy for many farmers. It was recognized by the committee that greater herbicide use entails higher costs, which constitute a restraint to widespread adoption of this conservation practice. It was also recognized that an additional restraint to the adoption of reduced tillage is the belief of farmers that herbicides are overpriced.

After hearing many witnesses from farm groups, chemical companies and the government, the committee concluded that registration of herbicides as it is now enforced is no longer acceptable. The cost of testing products for registration has become onerous, leaving the way open only to very large companies to be able to afford them. The committee believes that altering product-specific registration and increasing competition in the farm chemical industry by opening the way to smaller companies, through the introduction of compulsory licensing and a system of royalties, can, in the end, help to reduce costs to the farmer.

The committee also examined evidence and concluded that there is a need for the Department of Agriculture to give a mandate to and to allocate sufficient resources to the Inputs and Technology Division of that department for the purpose of maintaining a permanent and on-going record of farm chemical prices in Canada and to examine, on an on-going basis, the implications of farm chemical regulations, registration and pricing for the farm population and the industry.

• (1540)

Finally, it is hoped that the recommendations in the report—which is evidently receiving positive response across the country—will be implemented for the benefit of farmers and the industry.

Hon. Senators: Hear, hear.

On motion of Senator Molgat, debate adjourned.

The Senate adjourned during pleasure.

At 4.45 p.m. the sitting of the Senate was resumed.

The Senate adjourned during pleasure.

ROYAL ASSENT

The Right Honourable Brian Dickson, The Chief Justice of Canada, in his capacity as Deputy Governor General, having come and being seated at the foot of the Throne, and the House of Commons having been summoned, and being come with their Deputy Speaker, the Honourable the Deputy Governor General was pleased to give the Royal Assent to the following bills:

An Act to amend the Constitution Act, 1867 and the Electoral Boundaries Readjustment Act and to provide for certain matters in relation to the 1981 decennial census (*Bill C-74, Chapter 8*).

An Act to amend the Excise Tax Act and the Excise Act and to amend other Acts in consequence thereof (*Bill C-80, Chapter 9*).

The House of Commons withdrew.

The Honourable the Deputy Governor General was pleased to retire.

The sitting of the Senate was resumed.

The Senate adjourned until tomorrow at 2 p.m.

THE SENATE

Wednesday, March 5, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

TORONTO HARBOUR COMMISSIONERS' BILL, 1985

REPORT OF COMMITTEE

Hon. Robert Muir, Deputy Chairman of the Standing Senate Committee on Transport and Communications, presented the following report:

Wednesday, March 5, 1986

The Standing Senate Committee on Transport and Communications has the honour to present its

SEVENTH REPORT

Your Committee, to which was referred Bill C-76, intituled: "An Act respecting the operation of the Toronto Island Airport by the Toronto Harbour Commissioners", has, in obedience to the Order of Reference of Wednesday, February 12, 1986, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

ROBERT MUIR
Deputy Chairman

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

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

[*Translation*]

STANDING RULES AND ORDERS

SEVENTH REPORT OF STANDING COMMITTEE PRESENTED AND PRINTED AS APPENDIX

Hon. Gildas L. Molgat: Honourable senators, the Standing Committee on Standing Rules and Orders has the honour to table its seventh report on guidelines governing the financing of Senate committees.

If this report is adopted, it will become part of the *Rules of the Senate*. Therefore, I move that it be printed as an appendix to today's *Minutes of the Proceedings of the Senate* and the *Debates of the Senate*.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

The Hon. the Speaker: When shall this report be taken into consideration?

On motion of Senator Molgat, report placed on the Orders of the Day for consideration on Tuesday, March 11, 1986.

(*For text of document see appendix, p. 2108.*)

[*English*]

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

SCHEDULE OF AUTHORIZED SALARY REVISIONS TABLED

The Hon. the Speaker, Chairman of the Standing Committee on Internal Economy, Budgets and Administration, tabled the report of the committee approving the schedule of authorized salary revisions for certain Senate positions, effective April 1, 1986, as approved by the committee on March 4, 1986.

THE BUDGET

PROPOSALS—NOTICE OF INQUIRY

Hon. H.A. Olson: Honourable senators, I give notice that on Tuesday next, March 11, 1986, I will call the attention of the Senate to the proposals contained in the Budget speech made by the Minister of Finance in the other place on February 26, 1986.

I am told that this is the proper way to give notice of my inquiry, though the content of my speech will deal mostly with the non-proposals.

THE ESTIMATES, 1985-86

SUPPLEMENTARY ESTIMATES (C) REFERRED TO NATIONAL FINANCE COMMITTEE

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(e), I move:

That the Standing Senate Committee on National Finance be authorized to examine and report upon the expenditures set out in the Supplementary Estimates (C) for the fiscal year ending 31st March, 1986.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

QUESTION PERIOD

[*English*]

AGRICULTURE

SUGAR-BEET INDUSTRY—MEETING BETWEEN PRODUCERS AND GOVERNMENT REPRESENTATIVES

Hon. H.A. Olson: Honourable senators, I would like to address a question to the Leader of the Government in the Senate respecting a matter Senator Fairbairn has brought up a number of times—that being whether or not, when, if ever, the government is going to make an announcement respecting sugar-beet policy. I understand that there was a meeting between representatives of the Canadian sugar-beet producers and the government, including the Leader of the Government. I wonder if he could inform the Senate as to what, in fact, he advised those representatives.

Hon. Duff Roblin (Leader of the Government): My honourable friend is correct. I was pleased to meet with a delegation of representatives of the sugar-beet industry from the three provinces affected, Alberta, Manitoba and Quebec. They gave me some very good insights into the problems that they are facing. For my part, I undertook to do my best to get answers to their questions as soon as I could. I have to tell my honourable friend, however, that I am not in a position to make any further statement this afternoon.

Senator Olson: Did the delegation impress upon the Leader of the Government the urgent nature of timing in this matter because of certain preparations which have to be made—such as the use of herbicides and other things required for producing a crop in 1986—and the fact that some time has already been lost?

Senator Roblin: The delegation gave me a very full report on many aspects of their industry. I shall do my best to take all those matters into account.

Senator Olson: Did the Leader of the Government give some indication as to when the delegation would receive a response that would allow them to initiate the process so that they could plan for a crop in 1986?

Senator Roblin: I would not dare to give them a date like that when I would not give it to my honourable friend.

Senator Olson: Honourable senators, I was about to get around to that, but I have to tell the Leader of the Government that while he may be able to do a lot of things, he cannot stop the clock. Today is March 5, tomorrow will be March 6 and so on. Sugar-beets, after being seeded in the spring, have a habit of growing in the summertime and being harvested in the fall. Can the Leader of the Government indicate whether the government is attempting to change this process, or is it going to accommodate itself to the seasons?

Senator Roblin: Honourable senators, I cannot stop the clock and, obviously, I cannot stop my honourable friend either.

Senator Argue: And you cannot start the government!

Senator Olson: Nor are you like King Canute who ordered the tide not to come in.

Senator Roblin: My name is not Canute.

PRIVACY

REPORTED GIVING OF INFORMATION RE UNEMPLOYED

Hon. M. Lorne Bonnell: Honourable senators, I wonder if the Leader of the Government would confirm for me whether or not it is true that the names, telephone numbers and addresses of all unemployed people were given out to a private firm in this country last year?

• (1410)

Hon. Duff Roblin (Leader of the Government): I think I noticed the same press report that my friend is referring to, and I have asked for inquiries to be made to ascertain the facts of the matter.

Senator Bonnell: I wonder if the Leader of the Government in the Senate would take a suggestion back to the powers that be to tell them that if they have made that mistake they should never do it again.

Senator Roblin: First of all, I must find out what the facts are. After that, I will consider my friend's suggestion.

TRANSPORT

CN MARINE—INCREASE IN FERRY RATES

Hon. M. Lorne Bonnell: Honourable senators, I have another question for the Leader of the Government in the Senate, concerning Atlantic Canada. In that region we have ferries operated by CN Marine. A short time ago I asked a question concerning the fact that the ferries between Wood Island and Caribou would not start running until May 1. Since then, we have had an announcement that the ferry rates on CN Marine were to be increased by 6 per cent.

I would like to ask my honourable friend if it is not true that, when Prince Edward Island joined Confederation, there was a promise of a continuous link with the mainland. However, with this increase in rates or fares, it seems that now we must pay to visit another province, or charge people who want to come to Prince Edward Island. This hardly seems fair when Canadians can travel all the way from British Columbia through the prairie provinces, Ontario and out to the east coast without having to pay for the simple fact of leaving one province and entering another, but if I want to go visit my friend the deputy leader in Newfoundland, I must pay, and if

he wants to come visit me in Prince Edward Island, he must pay.

Now that the fare has been increased by 6 per cent, I am asking the Leader of the Government in the Senate to make representations to the Treasury Board to have these ferry trips provided free to Canadians to enable them to travel from one province to another without having to pay for crossing an interprovincial boundary.

Hon. Duff Roblin (Leader of the Government): I am afraid I cannot accept that suggestion.

PROPOSED TUNNEL OR CAUSEWAY BETWEEN PRINCE EDWARD ISLAND AND MAINLAND

Hon. M. Lorne Bonnell: I have one further question for the Leader of the Government. From his last answer, I understand that he considers it worth a great deal to come to Prince Edward Island. I also understand that, in order to make the culture of Prince Edward Island more readily available to outsiders, the government is considering joining the rest of the nation to that province by means of a tunnel or causeway. Can the Leader of the Government in the Senate tell me whether the government has that project on its agenda for the near future?

Hon. Duff Roblin (Leader of the Government): My problem is that if I say yes to that question, my colleague from Newfoundland will wonder what I intend to do for him. However, he is a little too far away to be accommodated in that manner.

I suggest to my honourable friend that both of us must get behind the Honourable the Minister of the Environment and give a little push.

Senator Bonnell: Do I understand from the answer that the honourable leader has given that a tunnel or causeway to Prince Edward Island is not in the planning stage by cabinet at the present time?

Senator Roblin: My honourable friend knows that I cannot discuss what takes place in cabinet.

Senator Argue: But did it take place?

AGRICULTURE

POTATO INDUSTRY—GOVERNMENT ASSISTANCE

Hon. M. Lorne Bonnell: Honourable senators, I have one further question relating to Atlantic Canada. At the present time in our country, agriculture is in a real crisis. I understand that the agricultural situation is fairly serious in the west, but in the east, where we depend so much on our potato, the price of potatoes now is down to approximately $1.50 for a hundred pound bag. In fact, we are starting to bury them in the ground and the Province of Prince Edward Island is paying two cents per pound for them.

We in the Atlantic provinces are hoping that the federal Minister of Agriculture will offer to assist this very important industry in the provinces of New Brunswick, Prince Edward Island, Nova Scotia and perhaps even Newfoundland.

I would like to ask the Leader of the Government in the Senate if there is a government policy that we can expect very soon to assist the potato industry, and agriculture in general, in eastern Canada.

Hon. Duff Roblin (Leader of the Government): I will ask my colleague, the Minister of Agriculture, what satisfaction he can give my friend.

ABORIGINAL PEOPLES

YUKON ECONOMIC DEVELOPMENT PROGRAM—DELAY IN IMPLEMENTATION—GOVERNMENT POLICY

Hon. Paul Lucier: Honourable senators, I have a question for the Leader of the Government in the Senate. I am sure he has seen this full-page advertisement that appeared in most of the papers in Canada concerning the Yukon Indian Development Corporation. This is a funding program for native economic development and is very important, not only to the Indians of the Yukon but to native people all across Canada. We cannot discuss Indian self-government seriously when we are continuing to deny them the opportunity to get involved in programs that will lead them to that end.

I would like to know if the Leader of the Government in the Senate would consider making representations to the Prime Minister on behalf of the Indian people of the Yukon who are making this particular application, in an attempt to expedite this matter. These people have been waiting for 18 months for something that everyone is in favour of. Indeed, not only is everyone in favour of this development fund but their application has been called a model and they have received not one negative comment.

I wonder if the leader would, on behalf of the Indian people of the Yukon—because I know he has some feeling for them—take this matter before the cabinet and try to expedite it for them.

Hon. Duff Roblin (Leader of the Government): I can tell my honourable friend that during the past few months the department in charge of this particular activity has approved a number of projects totalling over some $30 million and providing some 2,000 jobs. So, the officials are not exactly asleep at the switch with respect to this matter.

On the other hand, I understand the concern of my friend as to the particular project in question, and I will make inquiries to see what the status of that project is at the moment.

HUMAN RIGHTS

DISCRIMINATORY HIRING PRACTICES—GOVERNMENT POLICY

Hon. Raymond J. Perrault: Honourable senators, the adoption by Parliament a few years ago of the Charter of Rights and Freedoms marked a significant advance in the attempt by the government, together with Canadians, to end discrimination based on age, racial descent, religion, and a number of

other criteria. The Minister of Justice tabled a potentially significant document on that subject yesterday.

I received a telephone call yesterday from a 26-year-old man from British Columbia who said he had been at an Armed Forces recruiting office yesterday afternoon and was told: "We are not actively encouraging recruitment of those above the age of 25."

That telephone call distressed me because I had hoped that when we talked about human rights, and extending the rights of individuals, regardless of age, that we would not have government departments in the field not observing the spirit and letter of the law. I should like to know what I can tell that young man today.

Hon. Duff Roblin (Leader of the Government): First of all, I will have to ascertain the facts. If my honourable friend will give me the name of the person, the time and date of the incident, and all other facts that are available, I will make an inquiry into the matter for him.

AGRICULTURE

FARM DEBT REVIEW—ROLE OF PANELS

Hon. Hazen Argue: Honourable senators, my question is for the Leader of the Government in the Senate. As the leader will know, approximately 75 per cent of the farm debt is held outside of the Farm Credit Corporation. The Minister of Finance, in his Budget speech, stated:

> The Minister of Consumer and Corporate Affairs will introduce legislation to establish Farm Debt Review Panels to provide advice and assistance in restructuring farmers' debt.

I should like to ask the Leader of the Government in the Senate what kind of assistance will be provided. Is the government considering providing financial assistance, or simply advice? This information may already be in the public domain, but if it is I have not seen it.

Will these panels give advice only, or will they have some financial resources so that they can assist deserving cases?

Hon. Duff Roblin (Leader of the Government): I cannot answer the question at the present time because it depends on the content of the legislation. The legislation will be tabled shortly, and my friend's questions will be covered in that respect.

Senator Argue: I would think that that question could be answered now. I would think that that is something that has already been discussed.

Can the leader give us any idea whether or not these panels will have any power? He has not been able to say whether they will have any money, so will they just have moral or persuasive powers? Will there be any power given to these panels at all?

I ask this because the situation is very serious. The banks are on a crusade to foreclose on many, many farms. They are forcing farmers into bankruptcy. The banks are taking an unconscionable attitude, and I hope that these panels will be given some authority.

[Senator Perrault.]

Will these panels have authority, or will they just have persuasive powers with no clout or legal authority?

Senator Roblin: The actions of those who might be pressing farmers unduly for repayment will be the sort of thing that these panels will deal with.

As to their composition, their powers, their authority, and their functions in more detail, for that information we must wait for the tabling of the legislation.

Senator Argue: The leader has said that they will have some authority, so perhaps they can persuade banks to withdraw their foreclosure actions, or perhaps they will be able to slow the banks down. I do not have much faith in that kind of power because the banks are on a campaign to take over farms; there is just no doubt about that. The provincial authorities in my province have given no power to the review boards; they merely bring them in and talk to them. My experience is that, in fact, the end result of their being there is, at times, to facilitate foreclosures and not to slow them down.

• (1420)

In any event, can the Leader of the Government tell us when we may expect legislation; before the sugar-beet announcement or after; or is it going to be fairly soon?

Senator Roblin: I want to tell my honourable friend that this new body will not be designed to facilitate foreclosures by the banks. That is, of course, an opinion which I think is completely unfounded, and I do not give it any credence whatsoever.

As to the timing of the legislation, when I am able to give my honourable friend a statement on that, I will do so.

Senator Argue: Is the minister saying that there is no credence to my statement regarding Saskatchewan?

Senator Roblin: No, I did not say that.

Senator Argue: I was not referring to this proposed board. I was asking whether or not it was going to be in that position. If the minister says that it will not be doing that, I accept his opinion and I am pleased with that, but, from what I have seen of the operation in Saskatchewan, we need a federal board with some authority because there is no body that exercises any authority in Saskatchewan to slow down the banks.

Senator Roblin: My honourable friend will have to wait until I am able to show him the legislation and, if he finds it defective, then I am sure I will hear from him.

SUPPLY AND SERVICES

POLL—AWARDING OF CONTRACT

Hon. Keith Davey: Honourable senators, I think the Leader of the Government in the Senate will agree that I am a very reasonable and patient man.

Some Hon. Senators: Oh, yes; hear, hear.

Senator Frith: At least.

Senator Davey: I asked a question on November 5, 1985, and on December 3, 1985, which has not been answered. I am going to try again.

I wonder if the leader could update me on the status of the Department of Supply and Services omnibus public opinion poll for which tenders have been in place since the end of August 1985. That is now my third try with this question.

Hon. Duff Roblin (Leader of the Government): I think my honourable friend's question presupposes that the Department of Supply and Services or the government has a policy in respect of this matter of which I am not aware. I do not think there is any omnibus poll policy in effect at the present time.

Senator Davey: My apologies; I did not hear the response. I wonder if the leader would mind repeating his answer.

Senator Roblin: My honourable friend is implying that there is an omnibus public opinion machine in effect in the government service at the present time.

Senator Davey: I am sure the Leader of the Government would know if one were about to be put in place, because there has been a great deal of discussion about it, and that is why I asked the question.

Senator Roblin: There is no such policy at the present time.

Senator Davey: I have a supplementary question concerning an article by a most distinguished journalist, Mr. Hugh Winsor, writing in the *Globe and Mail* on January 16, 1986.

Senator Marshall: Distinguished?

Senator Davey: I think so.

Senator Frith: Reasonable and patient also.

Senator Davey: He says that the proposal has been placed on the back burner because the cabinet fears it could backfire politically. Is that an accurate assessment of the situation?

Senator Roblin: I do not, as a rule, accept it as part of my responsibility to comment on what journalists say. They are entitled to their opinions, and I respect their opinions, but I do not necessarily have to comment on them or agree with them.

Senator Davey: Even if it is a distinguished journalist?

Senator Roblin: Even with as distinguished a person as my honourable friend.

OFFICIAL LANGUAGES

RECRUITING PRACTICES OF RCMP

Hon. Robert Muir: Honourable senators, I should like to pose a question to the Leader of the Government in the Senate.

It is my understanding that the RCMP is recruiting personnel to perform guard duties at embassies and that some of the applicants are being told that only applications from people who are fluently bilingual will be entertained. To my mind, this is rather unfair, because an individual who is unilingual French or unilingual English certainly will not have an opportunity to qualify for one of those positions.

I do not expect the minister to carry all this information around in his head, as brilliant as he is—and I mean that sincerely. Would he try to find out for me whether there is a school where, if the applicant qualified in every other way, he could be taught English or French in order to be admitted to the RCMP?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I do not know the facts of the matter and I will be glad to answer my honourable friend's question if I am able to. However, I would not be surprised if a bilingual qualification were necessary for guards at embassies, in view of the bilingual character of the country and having regard to the nature of the traffic into those buildings. I will, however, try to get more information about the school that is the subject of my friend's inquiry.

Senator Muir: I fully agree with what the Leader of the Government in the Senate has said.

Senator Guay: You should.

Senator Muir: But I still think it is not fair to other citizens of Canada who have not had the opportunity to become fluent in both official languages. Those who can speak only English are disqualified from receiving consideration for recruitment to the RCMP as are those who can speak only French. With all of our language training courses and so on, should people who are otherwise suitable not be given an opportunity to enrol in these schools and thus make themselves eligible? I shall be happy to provide some information on this matter to the Leader of the Government, if he so wishes.

Senator Roblin: I think that I should stick to my original answer and see what information I can get.

FILM INDUSTRY

IDENTIFICATION OF CANADIAN PRODUCTION LOCALES

Hon. Raymond J. Perrault: Honourable senators, I should like to raise a question relating to the Canadian film production industry. That industry has made enormous strides in recent years. Canadian production units, processing laboratories, writers, actors and producers have achieved world-wide eminence, yet they deserve even more credit than they are given in certain circles. For example, the Canadian film industry is often compared unfairly and unfavourably with the Australian film industry. One of the reasons may well be because Australian productions are identifiably Australian; they are clearly filmed in Australia. In my following remarks, I do not mean to indict the present government alone because the problem which I am referring to has existed for some time.

Over the past 15 years, many millions of dollars have been expended and a number of incentives have been put in place by the federal and provincial governments to encourage the development of a Canadian film industry as well as to attract more foreign film companies to Canadian production sites. Film production is now a big industry in Canada. Among the

alleged benefits flowing from this taxpayer largesse towards the motion picture industry is supposed to be favourable publicity for the Canadian tourism industry.

Will the Leader of the Government tell us precisely how Canadian tourism is being assisted when, almost without exception, Canadian film locales are identified as American? Canadian signs and symbols are changed whenever the production units are moved into Alberta, British Columbia or Ontario. Banff and Jasper suddenly become Denver, Colorado; Vancouver becomes Los Angeles; Vancouver's Chinatown becomes San Francisco; Toronto blossoms forth as New York—far cleaner than the original product!—Winnipeg becomes Chicago or Minneapolis; Saskatchewan becomes Kansas or Iowa; Montreal becomes New Orleans and the Atlantic provinces are transformed miraculously into New England. There is no RCMP—indeed, it is alleged that one production unit in British Columbia borrowed RCMP equipment and insisted that the name "RCMP" be painted off the search and rescue helicopter and that the name "L.A. Police" be stamped on in its place.

Some Canadians are getting fed up with the almost total unwillingness of visiting film production units to identify Canadian locales as Canadian and thereby keep from their viewing audiences the fact that some of the greatest scenery on the face of this earth is to be found in Canada. Many foreign film producers omit to put even a credit at the end of the film to say that the filming was done in Canada.

Honourable senators, I do not want to go on at length, but I wish to draw to the attention of this house an interesting comment made by Margot Kidder, one of Canada's outstanding actresses. I quote from a Canadian Press report of February 13 which appeared in newspapers across the country:

> Margot Kidder is no flag-waver, but the feisty, green-eyed actress is sick of appearing in movies that disguise the Canadian locations where they were filmed.
>
> She's lost count of the times Toronto and Vancouver have been made to resemble New York.
>
> All three Superman films, which gave Canadian-born Kidder huge exposure in the U.S. as the Man of Steel's gal, were shot in Canada. But moviegoers certainly didn't think Metropolis was a Canadian city.
>
> Banff is the location for Kidder's latest film, a CBS TV movie, Hoax. CBS took Western Canada's tourist mecca—the town lures thousands yearly from the U.S., Japan, West Germany and other countries—and turned it into an unidentified American Rockies ski resort.

What good is that for Canadian tourism when people go to that show and come out saying, "Gosh, I have to get down to Colorado as soon as possible to spend my tourist dollars there," when it is Banff all the time?

> A U.S. flag hangs outside the chamber of commerce building, which doubles as the film's police station. Actors playing policemen resemble state troopers, with eagle emblems pasted on their car doors.

[Senator Perrault.]

• (1430)

> Changing licence plates and having American dollars is really silly,

said this outstanding Canadian actress:

> When asked why one of Canada's most recognizable tourist attractions can't be just that—recognizable—

The production people said:

> "American audiences like to see American things."

Not other things. To continue:

> She gritted her teeth in exaggerated frustration, staring up at the tall pines and icy blue sky.
>
> "It's crazy," Kidder said. "Nobody cares. If it's good they'll watch it and if it's not, they won't."

I will not continue reading from that newspaper article. As I stated at the outset, I am not blaming this government alone because the same problem presented itself under the predecessor government. Many of these film companies receive federal financial assistance and federal marketing assistance, as honourable senators know. There are substantial advantages if they film in Canada and use Canadian production crews or Canadian actors. The companies enjoy, as well, certain Commonwealth distribution benefits as a result of filming in Canada. We should ask or require something in return.

Will the federal government attempt to persuade the Canadian Film Development Corporation to establish, as a condition of Canadian assistance in its various forms, insofar as it is possible, adequate identification of Canadian filming sites as Canadian, so that we can bring a few tourists into this country?

An Hon. Senator: Well done!

Hon. Duff Roblin (Leader of the Government): Honourable senators, the one thought that comes to my mind in that eloquent statement is that any movie producers who can persuade knowledgeable people that Winnipeg is the same as Chicago deserve a little admiration, because surely if ever there is a cinematographic sleight of hand, that must be it! And all I can say is, thank God the Arctic is Arctic, because they are not going to be able to palm that off as something in New Mexico.

My honourable friend raises an interesting point. It is even worse than that, really, because when we get our own Canadian moviemakers making movies in Canada, we have a hard time persuading some of them to make movies that are identifiably Canadian. Sometimes they are the third or fourth rate spin-offs of some trash we have already seen from some place else. So we have a big problem. All we know is that the efforts of the government—and of the previous one in particular, because I believe they were the initiators of the program of giving government money to moviemakers—have not achieved the success that we had hoped for.

The mere fact that we are able to get some American companies to produce their movies in Canada is something. At least we have got them up here and they are taking advantage

of our facilities and using, sometimes, the talents of our people—and that, of course, is something that we are all very pleased about.

Now, I guess the problem is how to get them to say "filmed in Canada" on those films, to show the world just what kind of a place we are.

I will take my honourable friend's inquiry under consideration. I do not know whether I can give him an answer. I can tell him that the Minister of Communications is at present engaged in conversations with his provincial colleagues, who are important in this field, to devise a movie-making policy for Canada that is better than the one we have—because I certainly think that can be done. Meanwhile, I thank my honourable friend for his interesting discourse.

FOREIGN AFFAIRS

SOUTH AFRICA—APARTHEID—GOVERNMENT ACTION TO ADOPT UNITED NATIONS CONVENTION

Hon. Jerahmiel S. Grafstein: Honourable senators, in light of the government's preoccupation with human rights at home, perhaps we might turn to the subject of human rights abroad. In light of the recent statements of the federal government and the Prime Minister condemning the apartheid laws in South Africa, when will the government move to adopt the United Nations convention to suppress and outlaw apartheid as being contrary to international law?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I can tell my honourable friend that at the last Commonwealth conference in Bermuda, the nations that attended, a good many of which are frontline states in southern Africa, agreed on a common policy. One of the significant initiatives adopted then was to arrange for a group of persons called "The Eminent Persons Committee" to visit South Africa in the name of the Commonwealth to attempt to open up negotiations on the whole question of apartheid.

The Canadian member of "The Eminent Persons Committee" is Archbishop Scott, the Primate of the Anglican Church in Canada. Also members of the committee are distinguished representatives from Nigeria and Australia and two other Commonwealth countries. An advance guard has already been sent to South Africa—or they will be going very soon—in order to make a preliminary sortie and to see what kind of prospects they find ahead of them. It would behoove us, as a matter of policy, to allow "The Eminent Persons Committee"—supported as it is by Zimbabwe, Malawi, Zambia, Lesotho, Swaziland and Botswana—all countries that are on the South African border—and endorsed by those nations, to say nothing of the rest of the Commonwealth, to do what it can before we consider further steps.

Senator Grafstein: As the Leader of the Government can see, this causes some difficulty to other nations which have decided vigorously not only to speak against apartheid, to take steps to reduce and suppress apartheid, but also to adopt domestically the UN convention suppressing and outlawing apartheid as being contrary to international law. Decisive action by Canada would be an additional signal to that country that Canadians view apartheid as an abhorrent practice. I do not see the two actions as being contrary to one another, or why one should await the other initiative.

Therefore, I would ask the Leader of the Government to take our thoughts to the government and to the Secretary of State for External Affairs in the hope that he might, as an additional step, accelerate the adoption of that convention in Canada.

Senator Roblin: Honourable senators, I do not think that I would give that undertaking, because I believe that the combined unanimous judgment of the Commonwealth countries, which are most closely associated with this matter, is the guideline that we should follow at the present time. They did not consider it productive or constructive at that particular time to move beyond the position they took in Bermuda, and I think it would be rash for me to suggest that another course would be more desirable until we have played out that option.

[*Translation*]

AGRICULTURE

POTATO INDUSTRY—STABILIZATION OR DIVERSION PROGRAM

Hon. Eymard G. Corbin: Honourable senators, I would like to return to a question raised a few moments ago by my colleague Senator Bonnell. I want to deal with the regional problem concerning the potato industry.

The Honourable Leader of the Government will remember that last year I raised with him on a number of occasions the matter of the unfortunate decision reached by the government abolishing a commission which was inquiring into the potato industry.

At that time, I predicted that the problems faced by that industry in Eastern Canada would not disappear for all that. After some time, I knew that the industry would again knock on our doors asking for help. Unfortunately, it has happened once more this year. I described the problem as a cyclical one. In spite of repeated efforts by the previous government, especially the then Minister of Agriculture, the Honourable Eugene Whelan, to find solutions to that problem, the conclusion was that a royal commission of enquiry might finally throw some light on that industry's complex problems.

Unfortunately, this government has chosen to abolish that commission. This is why once more the potato industry is coming to a deadlock. Last fall's potato crop is virtually being given away.

This is a very serious problem. I wholeheartedly support the comments made by my colleague from Prince Edward Island. I would ask the Leader of the Government if he will try with all possible speed to convince his cabinet colleagues of the urgency this year of helping in some way that sector of the Canadian farming industry.

As many others, I fear that if the provincial and federal governments cannot find a solution or solutions for establishing a marketing board for eastern Canada or other mechanisms, many family farms will have to shut down. Of course, big business will make a grab at this most valuable prime land for practically nothing.

If this government is truly interested in maintaining the concept of family farming in Canada, will the Leader of the Government in the Senate agree to be our spokesman and as rapidly as possible make his government aware of the very serious problems faced by that industry? I would be eternally grateful to him.

• (1440)

[*English*]

Hon. Duff Roblin (Leader of the Government): Honourable senators, this is the same question that was previously asked by Senator Bonnell, and I give my honourable friend the same answer.

[*Translation*]

Senator Corbin: Honourable senators, I do not want to argue with the Leader of the Government. However, during his quite legitimate absence the week of February 6, I asked the same question of the Deputy Government Leader, Senator Doody, and outlined the same concerns with the same urgency. Senator Doody promised to look into the matter for me. In view of the present crisis in the potato industry, it is not enough to look into the matter.

The situation is rather like that of the sugar-beet industry. Many producers are faced with bankruptcy.

Is it the policy of the government to let these agricultural sectors disappear? Is it the policy of this government to let market forces operate freely and too bad if century-old family businesses are destroyed?

[*English*]

Senator Roblin: If my honourable friend wants to debate the issue, why does he not submit an inquiry? I cannot debate it on the floor of the Senate during Question Period.

[*Translation*]

Senator Corbin: I find the attitude of the Leader of the Government regrettable. When I ask questions, he never wants to debate them. When certain other senators ask questions, he makes lengthy speeches.

Is he interested in the potato industry or not? I have heard enough pious words. I could give you shovelfuls of such words.

Senator Flynn: That is certainly true.

Senator Corbin: Here is Senator Flynn once again!

I simply note, honourable senators, that the government spokesmen sneer when we raise the serious problems of the potato industry. I could not expect anything else on their part. Thank you.

[*English*]

Senator Roblin: Honourable senators, I am neither sneering nor laughing at my honourable friend. If he wants an answer to his previous question, my honourable colleague, Senator Doody, is a man of his word, and he will get the answer. As to the nature of my responses, perhaps it may be attributed to the fact that I do not know as much about potatoes as I do about some other subjects.

CONCENTRATION CAMPS

Hon. Peter Bosa: Honourable senators, my question is for the Leader of the Government in the Senate. In the early 1980s when the Conservatives formed Her Majesty's Loyal Opposition in the other place, some insinuations were made to the effect that the government of the day was establishing concentration camps in Canada. Now that the honourable gentlemen opposite have been in government for one year and a half or so, have they found any evidence of the existence of such places and, if so, are there any inmates in them?

Hon. Duff Roblin (Leader of the Government): Honourable senators, if my honourable friend will furnish me with the details of what the accusation is, who made it, what was said and when, perhaps we could investigate it. But on the basis of a general statement such as my honourable friend has given, there is nothing I can say.

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have several delayed answers to questions.

ROYAL CANADIAN MOUNTED POLICE

ALLEGED CONDUCT OF FORMER CORPORAL

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on June 19 last by the Honourable Senator Frith.

Hon. Royce Frith (Deputy Leader of the Opposition): May I hear that one, please?

Senator Roblin: Certainly. It is a great answer.

The honourable senator's question does not fall within the administrative responsibility of the government.

Senator Frith: What was the question?

Some Hon. Senators: Oh, oh!

Senator Roblin: It is in *Hansard*.

Senator Frith: I have about 20 questions that have not been answered and I do not know which one is being answered.

An Hon. Senator: Take any one of them.

Senator Frith: What was the question that did not fall within something or other? What was the question that did not fall in the right place?

Senator Roblin: My problem is that the answers do not include the questions. It says that it is in response to a question asked in the Senate on June 19, 1985, by the Honourable Royce Frith regarding the Royal Canadian Mounted Police—Alleged Conduct of Former Corporal. The answer is:

The honourable senator's question does not fall within the administrative responsibility of the government.

(*Later*)

Senator Frith: Honourable senators, following the example that Senator Roblin used when he sat on this side, I would like to ask a question arising out of the reply to my question. I now remember my question. I believe it dealt with an RCMP corporal who was alleged to have been an informant for the Honourable Elmer MacKay. My question is: What does the reply mean?

Senator Roblin: It simply means that the episode that took place was outside the administrative competence and jurisdiction of the government.

THE ENVIRONMENT

TOXICOLOGY RESEARCH AND DEVELOPMENT—GOVERNMENT POLICY

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on December 17 last by the Honourable Senator Marsden regarding The Environment—Toxicology Research and Development—Government Policy.

(*The answer follows:*)

While there continues to be a high level of concern for the toxic problems in the Great Lakes, most recently in the Sarnia area, the solution of problems there have not been hampered thus far by lack of research or technical expertise, and considerable additional resources were allocated to effectively deal with the situation.

Insofar as a toxicology centre at Guelph, there continues to be a question as to the most effective allocation of federal resources as well as a continued level of active interest at Guelph.

A considerable amount of broadly-based toxicology research is already being done in Canada at present. It is important to note that four university-affiliated centres for toxicology already exist in Canada—a lot of it supported by federal and provincial funds. We must add to this the toxicology research activities in private sector laboratories and in federal and provincial government departments and agencies.

In addition, on June 4, 1985, the federal Environment Minister established the Wildlife Toxicology Fund. This fund is administered by the World Wildlife Fund on behalf of the Government of Canada, with the administrative costs covered by a "no strings attached" grant from a company from the private sector, namely Noranda Inc. The new fund will support high quality scientific work in universities and other non-government research institutions. Areas of research will include: effects of agricultural and forestry chemicals and other toxic pollutants on wildlife; monitoring of the success of measures to mitigate these effects; development and implementation of techniques that use wildlife as indicators for toxic chemicals in the environment; and environmental pathways by which toxic substances may affect wildlife.

Any decision to allocate further federal funds to toxicology research, can only be made on the basis of the information currently being collected on Canada's toxicology research needs. In January 1985, the federal and provincial deputy ministers of the environment identified the need to review the toxicology research requirements of governments and industry. Accordingly three studies are currently underway. Environment Canada is examining government needs in toxicology research; the Science Council of Canada is assessing the strengths and weaknesses of toxicology in Canada; and the National Research Council is updating an earlier report on toxicology in Canada. To date, Environment Canada's consultations with industry have revealed little demand for services that cannot be met by parent companies abroad or by existing Canadian capacity. The provinces are currently responding to the Environment Canada questionnaire on toxicology needs. Once the Minister and his officials have reviewed all relevant information, the Government of Canada will be in a better position to decide what further federal funds should be allocated to toxicology research.

JUSTICE

CANADA COMMISSION OF INQUIRY ON WAR CRIMINALS—COST AND SCOPE

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on January 30 last by the Honourable Senator Haidasz regarding Justice—Canada Commission of Inquiry on War Criminals—Cost and Scope.

(*The answer follows:*)

Application for funding is before Treasury Board. No dollar figures are now available.

The U.S.S.R. has not yet replied to the commission's request regarding travel and investigations. No decision has yet been made as to whether the commission will travel outside Canada. This is a decision entirely within the commission's mandate, and not one to be made by the government.

AGRICULTURE

WESTERN CANADA—DROUGHT CONDITIONS—GOVERNMENT ASSISTANCE—DISPARITY IN CRITERIA FOR PAYMENTS TO GRAIN PRODUCERS AND BEEF PRODUCERS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 4 last by the Honourable Senator Argue regarding Agriculture—Western Canada—Drought Conditions—Government Assistance—Disparity in Criteria for Payments to Grain Producers and Beef Producers.

(*The answer follows:*)

Beef producers have no means of insuring livestock feed supplies against the effects of drought except in a few areas where crop insurance offers forage coverage. Crop producers, on the other hand, can protect themselves against significant drought loss by participating in the crop insurance program.

Crop insurance is designed to cover only the variable costs of a farming operation. The debt load arising from unpaid, fixed costs can rise significantly each year. Consequently, the farmers in the worst financial condition are those who have experienced successive years of drought. Averaging data over the three year period reflects the repetitive nature of the loss.

Farmers outside the drought area can request a review of their situation by completing an Application for Review and forwarding it to the drought office. Once the applications are received, they will be grouped to determine eligibility and level of payment on the same basis as those already within the drought area.

EXTERNAL AFFAIRS

APPOINTMENT OF CANADIAN AMBASSADOR TO IRELAND—ALLEGED PARTISANSHIP OF APPOINTEE

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 4 last by the Honourable Senator MacEachen regarding External Affairs—Appointment of Canadian Ambassador to Ireland—Alleged Partisanship of Appointee.

(*The answer follows:*)

It is not appropriate for Canadian Ambassadors to comment as described.

All representatives of Canada are governed by the Code of Conduct Guidelines.

While Mr. McDermott has been appointed Ambassador-designate to Ireland, he has not yet presented his letter of credentials to the Irish government, nor assumed such responsibilities.

It is the Department's understanding that Mr. McDermott will do so upon his official arrival in Dublin in May, at which time he will have, of course, resigned from his position with the Canadian Labour Congress.

PUBLIC WORKS

CLEANING SERVICES—POSSIBLE LAY-OFF OF EMPLOYEES

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 4 last by the Honourable Senator Marsden regarding Public Works—Cleaning Services—Possible Lay-off of Employees.

(*The answer follows:*)

Several months ago, the government announced its intention to reduce the work force in the federal Public Service by 15,000 person-years over the next five years. As part of this downsizing, Treasury Board instructed the Department of Public Works to reduce its work force by 549 person-years by the end of the 1986/87 fiscal year.

On October 4th of last year, Public Works Canada forwarded a surplus employee notice to 304 of its employees. Among these are 265 cleaning workers providing services to Canada Post facilities. This group includes 55 women and 180 persons over 50 years of age.

Cleaning services represent an important part of the corporation's accommodations costs, that is about 14 per cent. It is possible to obtain these services at a lesser cost from the private sector. It is estimated that these cleaning costs can be reduced by 3 million dollars a year (which represents about 2%).

The statement by John Gordon of the Public Service Alliance is speculative. It is not necessarily true that private sector employees are paid the minimum wage nor that the quality of the cleaning services will be reduced.

Since October 4, 1985, when the 304 surplus notices were issued at Public Works Canada, efforts to facilitate redeployment have included;

—a departmental staffing clearance system, whereby all proposed staffing actions are reviewed centrally and potentially qualified priority candidates are referred for consideration.

—counselling services, by staffing officers, corporate staffing, the PSC and employee assistance programme coordinators who are professional counsellors. Staffing officers have received training to assist them in providing effective counselling services.

—job search activities, including contacts and marketing with both other departments and agencies and outside organizations.

Barriers to the successful redeployment of affected employees are;

—that many live in small towns where there are few job opportunities. Relocation to larger centres is difficult because of the higher cost of living.

—that most of the functions being performed by these employees are being discontinued for referral to similar positions.

CANADA-UNITED STATES RELATIONS

TRANS-BORDER POLLUTION PROBLEMS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 5 last by the Honourable Senator Guay regarding Canada-United States Relations—Trans-border Pollution Problems.

(*The answer follows:*)

The United States' program to locate a site for its second nuclear waste repository identified 20 potential

areas for field studies in a January 16, 1986 draft report which will be finalized this summer. Eight of these areas are in Minnesota, 4 of which are in the Red River basin. No potential areas are in North Dakota. After the field studies, 3 potential areas will be selected in 1991 for intensive investigations, leading to a final selection of one site in 1998.

The Canadian Government was informed of this program last spring and immediately told the United States that any site selected for a U.S. nuclear waste repository must present no risk to this or future generations of Canadians or to the Canadian environment.

The Secretary of State for External Affairs, the Right Hon. J. Clark, and the U.S. Secretary of State, George Shultz, have discussed this issue several times and established Canada-U.S. consultations to ensure Canadian views are addressed by the United States in a timely and effective manner. As a result of these consultations, an area on the Quebec-Maine border near Lac Mégantic, Quebec was dropped from the January report and no areas were identified within 40 kilometres of Canada. The Ministers of the Environment and Energy, Mines and Resources have also raised this issue with their U.S. counterparts.

In addition to continuing consultations, the United States has agreed that no area would be selected that would require field work in Canada and has pledged that the 15-year screening process is intended to ensure no site will be selected which will have harmful effects on either side of the border.

The federal government is meeting with the provinces concerned with this issue in preparation for the next consultations with the U.S., which we expect to take place in March or April.

COMMUNICATIONS

MUSEUM OF MAN—CHANGE OF NAME

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 6 last by the Honourable Senator Robichaud and the Honourable Senator Bosa regarding Communications—Museum of Man—Change of Name.

(*The answer follows:*)

The Minister of Communications announced on January 24, 1986, the creation of a jury to decide on a new name for the Museum of Man. The National Museums of Canada, after more than a year of public input and discussion was unable to resolve the questions.

The Minister stressed that the new name will reflect the new realities of the Museum, now under construction in Parc Laurier in Hull. As the building will be more than simply a container of artifacts, "it will be a living testament to the richness of Canadian history", the Minister stated. It was decided by both the National Museums of Canada and the Minister that a change of name for the new museum, more in keeping with its new mandate, would be appropriate. It also follows the policy of changing names and titles, i.e. from Manpower and Immigration to Employment and Immigration; man years to person years, etc. in keeping with the new realities of the 1980s.

HUMAN RIGHTS

SASKATCHEWAN—PASSAGE OF BILL 144 IMPOSING SETTLEMENT ON GOVERNMENT EMPLOYEES

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 6 last by the Honourable Senator Argue regarding Human Rights—Saskatchewan—Passage of Bill 144 Imposing Settlement on Government Employees.

(*The answer follows:*)

The government is not prepared to initiate a direct reference to the Supreme Court of Canada to question the validity of the Saskatchewan back-to-work legislation and its resort to section 33 of the *Charter*.

The Supreme Court has expressed concern about dealing with complex constitutional questions in the abstract and it is in the view of the government undesirable to refer complicated questions without ensuring an adequate factual background for the Supreme Court's determination.

Issues relating to section 33 are now pending in a number of cases before the Supreme Court of Canada which will likely provide guidance on the circumstances or criteria for applying the override clause. It would be preferable for any affected individuals who wish to challenge the validity of the Saskatchewan legislation to do so in the normal course of judicial proceedings.

RAOUL WALLENBERG

RESOLUTION APPROVING CONFERRING OF HONORARY CANADIAN CITIZENSHIP—NOTIFICATION TO U.S.S.R.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 11 last by the Honourable Senator MacEachen regarding Raoul Wallenberg—Resolution Approving Conferring of Honorary Canadian Citizenship—Notification to U.S.S.R.

Hon. Royce Frith (Deputy Leader of the Opposition): May I have that answer read?

Senator Roblin: Certainly. This is the reply:

With the Canadian connection to the Wallenberg case heightened by the Parliamentary resolution, the Canadian Embassy in Moscow raised his case with officials from the Soviet Foreign Ministry on February 11. The Soviet authorities were informed of Mr. Wallenberg's new status as an

honorary Canadian citizen and were told of Parliament's dissatisfaction with the unsupported Soviet assertions of his death in 1947. Canadian Embassy officials urged the Soviet authorities to explain Mr. Wallenberg's situation. I regret to say that the Soviet authorities were not at all forthcoming in their response.

The government will persist in seeking to ascertain the fate of this courageous honorary Canadian citizen.

FRANCOPHONE SUMMIT

STATUS OF PREMIER OF NEW BRUNSWICK

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 18 last by the Honourable Senator MacEachen regarding the status of the Premier of New Brunswick.

(*The answer follows:*)

Yes, the status of New Brunswick and Quebec is identical.

PUBLIC PENSIONS REPORTING BILL

THIRD READING

Hon. C. William Doody (Deputy Leader of the Government), for Senator Robertson, moved the third reading of Bill C-255, to impose reporting requirements with respect to public pension plans and to amend certain acts in consequence thereof.

He said: Honourable senators, on behalf of Senator Robertson, who is occupied with the Standing Senate Committee on Social Affairs, Science and Technology, I would like to commend the mover of this bill in the other place, Mr. Paul McCrossan, on a rather singular achievement in managing to get a private member's bill through the House with the unanimous support of all parties. I understand that the same happy situation occurred in the committee of the Senate in which the bill was considered. Mr. McCrossan was congratulated by the members of the committee and they indicated their unanimous support for the bill.

● (1450)

I would like to add my words of congratulation to him and commend this bill for third reading.

Motion agreed to and bill read third time and passed.

IMMIGRATION ACT, 1976

BILL TO AMEND—SECOND READING

Hon. Efstathios William Barootes moved the second reading of Bill C-55, intituled: "An Act to amend the Immigration Act, 1976".

He said: Honourable senators, perhaps you will allow me a moment or two to speak of the contribution that has been made to our examination of immigration procedures by Rabbi Gunther Plaut. He is a scholar of great distinction and has been in the front lines of human rights activism for decades. The Minister of Employment and Immigration tabled his report on Refugee Determination in the other place on June 17, 1984, calling it a diligent, excellent work. At that time, the minister promised that the report and public response to it will form the basis of a major overhaul of legislation affecting refugee determination later this year. There are 89 recommendations to be dealt with as well as attitudinal responses that will challenge the Canadian conscience in determining far into the future our willingness to share the riches we have in such abundance in Canada, and to share also the talents and skills of those people who will be coming to Canada.

It is not surprising that there is little argument that we should rush into massive change without the study and the consultation that will ensure support and enthusiasm for what the minister called "a new determination process" down the road; a process which might be outlined later this year and be fully in place within two years to meet the needs of Canadians and those who wish to become Canadians.

That, honourable senators, is what we have to look forward to. However, there are desperately urgent matters to be dealt with first, and that is why we have before us today this bill to amend the Immigration Act. If we do not grasp the opportunity at this time to put our house in order, we will have so clogged the system of immigration appeal as to make it totally unworkable. Five-year waits in processing would invite the conclusion that we have no sensible intention of coming to grips with the real probems of individuals who are anxious to argue that their situations should be put before an appeals board and merit the consideration of a decision on their immigration refugee status.

Urgency has been heaped upon urgency by the decision of the Supreme Court of Canada that every refugee applicant is entitled to a full oral hearing. No longer will rejection of written application be the final word. The Immigration Appeal Board faces a mounting task in dealing with its existing caseload, and the probability of increasing applications for appeals. The Honourable Walter McLean, Minister of State for Immigration, has indicated that the backlog of cases in this system has risen to 20,000, and somewhere between 700 and 800 new applicants are being added every month.

In addition to the foregoing, honourable senators, there has been a steady accumulation in the other parts of the board's workload which is every bit as important as refugee claims. These are the immigration appeals against the refusal of sponsored applications—in short, family re-unification cases. There are over 1,500 appeals of all forms waiting to be resolved, and the current backlog means a wait of almost 24 months before a case will be heard.

What is to be done, honourable senators? That is why we have Bill C-55 before us. This bill provides the bare necessities of updating and facilitating the Immigration Act, 1976 during a period when reasoned consideration of the old act in its entirety will be taken into account. The following are some of

the amendments to the existing act: The Immigration Appeal Board, which presently consists of not more than 18 members, may be increased up to 50 members who will be appointed to deal with the hearings in the manner in which the Supreme Court of Canada rightly insists upon, as well as hearing other appeals. This expansion will be phased in over a period of time, and as the need dictates.

The number of members of the board who can be designated as vice-chairmen shall be increased from 5 to 13. The chairman and a majority of the vice-chairmen shall be barristers or advocates of at least five years' standing and experience at the bar of a province. The chairman may delegate all or part of her or his powers and duties to a vice-chairman.

As a further provision, authority to hear some of the board's caseload will be provided for single members of the board in certain technical areas only. In all other areas of the board's jurisdiction, notably claims for refugee redetermination or appeals of sponsorship refusals, a single member will be used only if both parties consent. Otherwise, these appeals must be heard by a three-member panel.

The bill will abolish the board's authority to dispose of unmeritorious applications summarily on *prima facie* evidence. It will require that a full oral hearing be accorded to all applicants, in accordance with the Supreme Court of Canada decision.

The right of appeal that has been provided heretofore and was available only to Canadian citizens sponsoring an immigrant will now be expanded to permanent resident sponsors. This is a term that has supplanted the term "landed immigrant." We are told that the board's workload in this area alone might increase by a further 200 cases per year.

The Supreme Court of Canada found that existing procedures did not afford refugee claimants fundamental justice. This bill enables the Immigration Appeal Board to allow persons who have been ordered removed from Canada, or persons in Canada whose relatives have been refused admission to Canada, an independent court to which they may appeal such decisions not only on legal grounds but also on discretionary or humanitarian grounds, and to permit the redetermination of refugee claims.

Honourable senators, I would here like to quote from a statement by the Honourable Walter McLean, Minister of Immigration:

> This act is an effective humanitarian response to a critical situation that is causing hardship for many people.

Honourable senators, this is a straightforward legislative step which deserves the support of the Senate.

● (1500)

Hon. Peter Bosa: Honourable senators, I should like to congratulate Senator Barootes on giving us a clear explanation of Bill C-55, and also for having made a reference to Rabbi Plaut's report. I, too, in my remarks intend to make reference to his report.

Although Bill C-55 appears to make only very minor changes to the Immigration Appeal Board, the Liberals have nevertheless opposed it. To understand why, one must be aware of the background of the bill. I speak of Canada's slow progress towards a new refugee-status determination process.

In the past few years it has become increasingly clear that the current refugee-status determination process is a cumbersome, time-consuming one that does not meet Canada's high standards of fundamental justice. I want to make it clear that here we are discussing only people who make a claim in Canada that they are refugees. Under our international commitments, Canada must give these people a chance to have their claim decided, because we are under an obligation not to send true refugees back to countries where they fear they will be persecuted because of their race, religion, nationality, membership in a particular social group or political opinion.

Refugees, church groups, helping societies and immigration lawyers have been saying for years that Canada's method of determining whether or not refugee claims are justified was unfair. In April of this year, the highest court in the land, the Supreme Court of Canada, agreed with them and declared part of the Immigration Act unconstitutional. The part of the process singled out in this case was the power given to the Immigration Appeal Board to make decisions in refugee redetermination matters—appeals really—without any requirement that the board actually see and hear the refugee claimant. At no other stage either did a claimant appear in person before an actual decision-maker. The Supreme Court declared that an oral hearing was essential in light of the importance of the decision to refugee-status claimants—in many cases it is actually a question of life or death. The court declared that the board must hold oral hearings in every refugee case that comes before it. Clause 5 of Bill C-55 requires this.

If the refugee-status determination process could be cured by the addition of clause 5, the Liberals would wholeheartedly support the bill. Unfortunately, this is not the case. The process has deficiencies at every stage. The claimant tells his or her story in the first instance to a senior immigration officer, who has no power to make any decision on the matter, nor indeed is the officer trained to do so. The transcript of that examination is then forwarded to an advisory body to the minister, the Refugee Status Advisory Committee. The committee reads the transcript and makes a recommendation to the minister, or the minister's delegate, on whether the claimant is or is not a true refugee as Canada understands that term under the Geneva Convention.

Honourable senators will note that the people who make this first decision, the committee members, do not, in the normal course of events, see the claimants, although pilot projects where members sit in on the initial examination have been very successful and the committee is to be commended on its initiative. It is where the minister, and the committee, have turned down a claimant that the case goes to the Immigration Appeal Board, as I described earlier.

As a result of the fact that the system is so cumbersome, a very large refugee claimant backlog has accumulated, which now totals close to 19,000 people. The bottlenecks in the system existed even before the Supreme Court of Canada

decision requiring an oral hearing and have become worse because of it. This explains, at least in part, why clause 1 of Bill C-55 increases the number of members of the board from 18 to 50. The board has a large backlog of its own of which fully one half are refugee cases and the other half are sponsorship appeals.

I have described the refugee-status determination system in some detail because it is important to understand that the whole process must be changed. An oral hearing at a later stage in the game will just not do. The government agrees with this as well.

Over the recent past, a number of studies have been undertaken to propose ways of changing the system. The most recent was Rabbi Plaut's thorough and sensitive report, which contained a great number of recommendations for the overhaul of the system. The House of Commons Standing Committee on Labour, Employment and Immigration studied his report intensively and made further recommendations. The government has stated that it is committed to revising the system very shortly.

It should be clear by now why we have strong reservations about this bill. Increasing the number of members on the board and continuing to let the board hear redetermination cases only sends claimants through an unfair process at a faster pace. We need more fundamental change and that is why we have such reservations about Bill C-55.

There are some good features in this bill, which my honourable friend has mentioned. Clause 6 gives permanent residents the right to appeal sponsorship cases, a right reserved until now to Canadian citizens. It is very proper that this change be made now that our Charter of Rights and Freedoms guarantees equality under the law. The expanded workload and the backlog in sponsorship appeals clearly mean the board needs more members and we support this aspect of the bill. We also support the amendment to the bill, accepted by the House of Commons Legislative Committee, that would continue to require a three-member panel to hear these sponsorship appeals. These are not minor or technical matters; they affect the lives of people in important ways and must be heard by three people.

Despite the good features of this bill, our concerns about true reform of the refugee system remain. We trust that the government will move quickly to implement the recommendations of the Plaut Report and the standing committee so that Bill C-55 does not prove to be a band-aid solution where radical surgery was necessary.

I also wish to take this opportunity to make some general comments on the Immigration Act and the current direction of the government's immigration policy. My observations on the act reflect my long-standing concern that the true multicultural nature of the Canadian mosaic should be reflected in its laws and institutions wherever possible. I have long been disappointed in the fact that our Immigration Act, which came into force in 1978, does not make reference to multiculturalism as an objective of Canadian policy. Section 3 of our act states only that it is an objective of Canadian immigration policy, and I quote:

> —to enrich and strengthen the Cultural and social fabric of Canada, taking into account the federal and bilingual character of Canada.

The word "multiculturalism" should have been inserted so it would read:

> —taking into account the federal bilingual and multicultural character of Canada.

True it is that Canada is a federal country; true also that it is bilingual. But to overlook Canada's multicultural heritage is to miss the essence of what makes Canada the great country it is today.

I wish to point out to honourable senators that when this act was being debated on third reading in 1977 there was an amendment proposed that would have made the multicultural nature of Canada a factor to be taken into account in our immigration policy. This amendment was supported by the Progressive Conservatives in the House, although it did not become part of the policy. I wish to remind honourable senators opposite of their commitment to multiculturalism in 1977, and ask if Canada can soon expect to see an amendment of this nature to the Immigration Act? We now have section 27 of the Charter of Rights and Freedoms, which makes specific reference to the multicultural nature of Canada. We should take this opportunity to reflect this renewed commitment to multiculturalism in the Immigration Act.

● (1510)

The second general issue I wish to raise concerns the emphasis of the present government on economic immigration. On January 1 of this year, a number of important changes to the regulations came into effect. A new category of investor was introduced, which makes it seem that Canada favours immigrants who are wealthy. Moreover, the point system was revised upward to make it more difficult for many potential immigrants to come to Canada.

It may well be that wealthy immigrants create jobs, but so do other immigrants. Canada owes a great debt to past immigrants who came to Canada, found jobs, started businesses, employed others and contributed substantially to the growth of the economy. They did this without having to prove that they were investors with a minimum net worth, or entrepreneurs in the eyes of immigration officers.

I urge the government to dispel this notion and to undertake a study of sponsored immigrants who have come to Canada in the last 40 years. I predict that we would learn that these people were entrepreneurs; that they invested in Canada and, in so doing, both they and Canada prospered. Jobs are created by immigrants' hard work and commitment to their new country, and I am sure that a study of the kind I have proposed would bear that out.

One of the ways in which Canada speaks to the world is through its Immigration Act. As one of the few countries still receiving immigrants— the United States and Australia being the others—we should be telling prospective immigrants that

Canada values its multicultural heritage, wishes to enhance it and welcomes them whether they arrive with significant sums of money in their pockets or not. We know that their will to succeed and their work ethic make up for any lack of capital they may have. I urge the government not to turn aside from our immigration policy which has worked so well for Canada in the past.

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE

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

On motion of Senator Barootes, bill referred to the Standing Senate Committee on Social Affairs, Science and Technology.

The Senate adjourned until tomorrow at 2 p.m.

APPENDIX

(*See p. 2093*)

STANDING RULES AND ORDERS

SEVENTH REPORT OF STANDING COMMITTEE

WEDNESDAY, March 5, 1986

The Standing Committee on Standing Rules and Orders has the honour to present its

SEVENTH REPORT

Pursuant to Rule 67(1)(*f*), your Committee agreed to review, at the request of the Standing Committee on Internal Economy, Budgets and Administration, certain proposed regulations for the financial operation of Senate Committees.

Your Committee met on January 23, January 30, February 20 and March 4 to examine the matter and now reports as follows.

Your Committee recommends that Rule 83A be revoked and that the following be substituted therefor:

"**83A.** The financial operation of Senate committees shall be governed by the procedural guidelines set out in Appendix III to these rules."

Your Committee recommends that the following procedural guidelines for the financial operation of Senate committees be adopted.

PROCEDURAL GUIDELINES FOR THE FINANCIAL OPERATION OF SENATE COMMITTEES

1:00 Committee Budgets for Work relating to the Study of Bills and Estimates

1:01 A standing committee that is authorized by the Senate to study bills, the subject-matter of bills or government estimates and that wishes to retain the services of persons not employed by the Senate to assist it in its studies shall first seek authority from the Senate to retain such services by having a member of the committee propose the following motion to the Senate:

> "That the Standing Senate Committee on ..... have power to engage the services of such counsel and technical, clerical and other personnel as may be necessary for the purpose of its examination and consideration of such bills, subject-matters of bills and estimates as are referred to it."

1:02 A standing committee that has obtained an authorization contemplated by guideline 1:01 to retain the services of persons not employed by the Senate shall prepare a budget consisting of an estimate of the expenses for such retainers for the fiscal year and shall submit the budget to the Standing Committee on Internal Economy, Budgets and Administration for consideration.

1:03 When a budget contemplated by guideline 1:02 is submitted to the Standing Committee on Internal Economy, Budgets and Administration, the Committee shall consider it and shall present its report to the Senate for adoption.

2:00 Committee Budgets for Work relating to Special Studies by Standing or Special Committees

2:01 In these guidelines

"special expenses" means expenses for the services of persons not employed by the Senate, for transportation and communications and for miscellaneous matters;

"special study" means a study other than a study referred to in guideline 1:01.

2:02 A notice of motion to establish a special committee or to authorize a committee to conduct a special study shall not refer to special expenses but shall set a date by which the committee is to report to the Senate.

2:03 A committee that has obtained an order of reference pursuant to guideline 2:02 and that anticipates the incurring of special expenses shall, prior to requesting of the Senate the authorization that it will require to incur the special expenses, prepare a budget containing a detailed estimate of the expenses of the committee for the fiscal year and a general estimate of the total cost of the study.

2:04 When a budget contemplated by guideline 2:03 is adopted by a committee, it shall be signed by the chairman and sent to the Standing Committee on Internal Economy, Budgets and Administration for consideration.

2:05 When a budget contemplated by guideline 2:04 is sent to the Standing Committee on Internal Economy, Budgets and Administration, the Committee shall consider it and shall send its report to the chairman of the committee that submitted the budget.

2:06 A committee that has received a report from the Standing Committee on Internal Economy, Budgets and Administration pursuant to guideline 2:05 may present a report to the Senate requesting the authorization that the committee requires to incur the special expenses that it anticipates.

2:07 A report to the Senate contemplated by guideline 2:06 shall have appended to it the budget submitted to the Standing Committee on Internal Economy, Budgets and Administration and the report thereon of that Committee.

2:08 A Committee shall not incur any special expenses until a report to the Senate pursuant to guideline 2:06 has been adopted.

3:00 Guidelines of General Application

3:01 Every budget for a fiscal year prepared by a committee for submission to the Standing Committee on Internal Economy, Budgets and Administration shall be in detail and shall be in the form provided for in the Schedule to these guidelines.

3:02 A committee shall not transfer funds from one of the three headings of its budget to another heading unless a revised budget has been presented to and approved by the Standing Committee on Internal Economy, Budgets and Administration.

3:03 Where a committee needs funds on an emergency basis and the Standing Committee on Internal Economy, Budgets and Administration is unable to consider the budget submission of the committee, the Chairman and the Vice-Chairman of the Standing Committee on Internal Economy, Budgets and Administration together may authorize the committee to incur expenses not exceeding $10,000.00.

3:04 The budget of a sub-committee is the responsibility of its main committee and no sub-committee shall deal with the Standing Committee on Internal Economy, Budgets and Administration except through its main committee.

3:05 Signing authority to certify accounts for payment on behalf of a committee shall be established by recorded resolution of the committee and may be conferred on one or more members of the committee or on the clerk of the committee.

3:06 An account may not be certified for payment if it has not been specifically provided for in the budget of a committee.

3:07 The Clerk of the Senate and the Director of Finance shall monitor all expenses of a committee to ensure that, in their opinion, the expenses come within the terms and conditions set out in the approved budget of the committee and, where this is not the case, shall so report to the Standing Committee on Internal Economy, Budgets and Administration.

3:08 An account that is not provided for in the budget of a committee shall not be paid.

3:09 At the end of every month, the Director of Finance shall forward to the chairman of every committee a monthly financial statement of expenditures charged against the committee's authorized budget showing expenditures for the month in question, total expenditures to date and the unexpended balance of budget under the following headings:

(a) Professional and other services (including salaries);
(b) Transportation and Communications; and
(c) All other expenditures.

3:10 Every quarter, the Director of Finance shall submit to the Standing Committee on Internal Economy, Budgets and Administration a financial statement with respect to each committee.

3:11 These guidelines do not apply to Joint Committees.

Respectfully submitted,

GILDAS MOLGAT,
Chairman.

SCHEDULE TO THE GUIDELINES

(3:01)

FORM OF APPLICATION FOR BUDGET AUTHORIZATION FOR THE COMMITTEE ON..... SET OUT BY FISCAL YEAR

Authority — Notice of Motion:

Professional and Other Services

(including salaries)

1. Counsel, Technical, Clerical and Other Personnel — Details including name, classification, remuneration, (rate and total) and terms of employment proposed for each category must be declared.
2. Expenses of Witnesses (Applicable to special studies by Standing or Special committees.)
3. Honorariums — (A Minute of the Steering Committee is required showing honorarium to be paid.)

$.....

Transportation and Communications

1. Travel Expenses — (Details to be submitted)
   a) Estimated costs with details of proposed travel shall include the place of visits, number of Senators and support staff.
   b) Anticipated expenses of Senators responding to invitations to speak on the work of the Committee.
2. Telegrams and Telephones
3. Postage and Freight

$.....

All Other Expenditures

1. Rental of Office Equipment
2. Purchase of Stationery, Books and Periodicals
3. Meeting Expenses — Details shall be given of proposed expenditures
4. Detailed Costs of Report
5. Other expenditures

$.....

TOTAL $.....

The foregoing budget was approved by the Committee on the _____ day of _____

The undersigned or an alternate will be in attendance on the date that this Budget is being considered.

_____

Chairman, ...

Date: _____

Remarks:

Approved by: _____

Chairman, Standing Committee on Internal Economy, Budgets and Administration

Date: _____

THE SENATE

Thursday, March 6, 1986

The Senate met at 2 p.m., the Honourable Martial Asselin, P.C., Speaker *pro tempore*, in the Chair.

Prayers.

BUSINESS OF THE SENATE

ADJOURNMENT

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(g), I move:

> That when the Senate adjourns today, it do stand adjourned until Tuesday next, 11th March, 1986, at two o'clock in the afternoon.

The Hon. the Speaker *pro tempore:* Is leave granted, honourable senators?

Hon. Senators: Agreed.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, could the Deputy Leader of the Government tell us what business we might expect next week?

Senator Doody: Honourable senators, the most pressing item on the agenda is Bill C-70, to amend the Family Allowances Act, 1973. We hope that the committee will have finished its study of the bill, since it has been engaged in that study for quite some time. In anticipation of its return to the chamber, it is, of course, our responsibility to be here to deal with it.

Senator Frith: I was not suggesting that we should not be here.

Senator Doody: I should stop for the "editorials".

Senator Frith: Thank you.

Senator Doody: It is our hope that Bill C-65, to amend the Royal Canadian Mounted Police Act and other Acts in consequence thereof, will also be returned to this chamber from committee. Bill C-55, to amend the Immigration Act, 1976, is now before the Standing Senate Committee on Social Affairs, Science and Technology.

In addition to those bills, we have approximately 20 items on the order paper which I think can properly be dealt with next week. Therefore, if we apply ourselves, we will have a fairly full week ahead of us.

Senator Frith: Then, if I understand the answer correctly, our work will centre largely around third reading debate.

Senator Doody: I believe that is correct, from the present perspective, barring some unforeseen push from the House of Commons. However, we do not anticipate anything of that sort at this time.

Motion agreed to.

QUESTION PERIOD

[*English*]

INDUSTRY

SHIPBUILDING—GOVERNMENT POLICY

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, representatives of workers in the shipbuilding industry are present on the Hill today, parading and protesting. I remind the Leader of the Government in the Senate that in August of 1984, before the last general election, the position of his party was expressed as follows:

> A top priority of a P.C. government will be to create a more viable and prosperous shipbuilding industry. In achieving this goal, we will consult with provincial governments, maritime industries and labour. We will submit the following proposals to these groups during the consultative process.

Included in that statement was an extension of support for Atlantic ship repair facilities and dockyards.

Senator Perrault: Sunk out of sight!

Senator Frith: No, worse than sunk out of sight and worse than forgotten. The matter was not forgotten because Michael Wilson has since stated, in his budget speech:

> We are eliminating programs such as . . . the Shipbuilding Industry Assistance Program.

Some Hon. Senators: Shame!

Senator Frith: Can the Leader of the Government tell me, first, whether there was consultation with labour before eliminating the programs that the government said it was going to increase?

An Hon. Senator: Never!

Senator Frith: Second, whether there is a plan to consult with the representatives who are on the Hill and whether the government will listen to them while they are here?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I am afraid that I will have to take those questions as notice.

Senator Frith: Lost! So is the question. I will hear about it in June 1988!

Senator Roblin: I will do better than that.

[*Later*]

Senator Frith: May I remind the Leader of the Government, who took my first question as notice and undertook to try to get the information, that part of my question was as to whether or not a meeting would be taking place today and whether or not there were any plans to consult with the representatives of the shipyard workers today. That question should be answered. Perhaps he can give us an answer on that part of the question before we adjourn.

Senator Roblin: Honourable senators, I do not think I can undertake to do that.

THE BUDGET

IMPACT OF PROVISIONS ON FIREFIGHTING PERSONNEL AT AIRPORTS

Hon. Paul Lucier: Honourable senators, I have a question for the Leader of the Government. It is one that he will have to take as notice, because I know that he will not have the answer today. However, I hope that he will be able to get it for me.

There was reference in the budget to loss of jobs in the Department of Transport. I would like to know whether any of those jobs will be related to airport firefighting, either to the administration or to the firefighters themselves. Is there any intention of cutting the firefighting facilities at the various airports across Canada?

Hon. Duff Roblin (Leader of the Government): Honourable senators, it is perfectly true that the government intends to reduce the size of the Public Service by some 2 per cent a year for the next little while, totalling some 15,000 jobs, almost all of which, if not all of which, will be achieved by means of retirement or natural attrition. I do not think it is the intention of the government to reduce in any way the safety procedures or personnel at airports. However, to make doubly sure, I will make a special inquiry of this matter to satisfy my honourable friend.

PROPOSED BUSINESS TRANSFER TAX

Hon. Ian Sinclair: Honourable senators, during the budget address the Minister of Finance indicated that he was changing the level of sales tax, that he was moving away from a value-added tax to a business transfer tax. It has been reported in the press that the chairman of the committee in the other place is already making statements concerning this new tax and what it is going to do. My question is: Does the Leader of the Government have any information regarding a timetable for bringing in this new measure?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I, too, read the report attributed to my friend, Mr. Blenkarn, but my inquiries so far indicate no basis for it in fact. One could speculate and say that undoubtedly there will be some studies made before the next budget in respect of this, because the minister said so; but to the best of my knowledge, no timetable has yet been set.

OIL PRICING—LOSS OF REVENUE

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, since the Leader of the Government is taking some of these questions as notice and will be obtaining some information for us, may I ask whether an estimate has been made of the loss of revenue resulting from the $13-to-$15 per barrel oil price compared to the $22.50 on which the budget was based?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I cannot answer that question.

Senator Frith: But will you try to get the information?

Senator Roblin: I will make inquiries.

HOUSE OF COMMONS

ALLEGED REMARKS BY CONSERVATIVE M.P.

Hon. Peter Bosa: Honourable senators, I have a question for the Leader of the Government. It is reported in today's issue of the Toronto *Sun*, at page 24, that Mr. Thomas Suluk, a Conservative member of Parliament representing the constituency of Nunatsiaq, made an offensive and disparaging remark to Mr. Carlo Rossi, a Liberal member of the other place. I am wondering whether the Leader of the Government, the Prime Minister, or the leadership of the Conservative Party, will make a statement disassociating themselves from the remarks of the Conservative member, who appears to have refused to make an apology.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I believe we should take note of the fact that there are two sides to this question and that the member concerned alleges that certain remarks were made to him that were perhaps not appropriate. Since the matter is under review by the Speaker of the other place, I think we should wait and see what his decision is with respect to it.

● (1410)

TORONTO HARBOUR COMMISSIONERS' BILL, 1985

THIRD READING

Hon. Finlay MacDonald moved the third reading of Bill C-76, respecting the operation of the Toronto Island Airport by the Toronto Harbour Commissioners.

Motion agreed to and bill read third time and passed.

THE SENATE

MOTION TO AUTHORIZE BROADCASTING OF PROCEEDINGS—MOTION IN AMENDMENT—DEBATE CONTINUED

On the Order:

Resuming the debate on the motion of the Honourable Senator Davey, seconded by the Honourable Senator Frith:

That the Senate authorize arrangements for radio and television broadcasting of its proceedings and those of its committees,

And on the motion in amendment thereto of the Honourable Senator Phillips, seconded by the Honourable Senator Doody, that the motion be not now adopted, but that the subject-matter thereof be referred to the Standing Committee on Internal Economy, Budgets and Administration.—(*Honourable Senator Marshall*).

Hon. Jack Marshall: Honourable senators, I rise to address the proposal by Senator Davey that the proceedings of the Senate and its committees be televised. If I can use his own words, he said, "There is no better way to let Canadians see for themselves who we are and what it is we are doing." For the purposes of the debate, and while his proposition is straightforward, there are a number of points that have not been considered fully, although other honourable senators have alluded to them in their speeches on the subject.

First, let us review Senator Davey's assessment of the costs. He uses for comparison the costs incurred for installation of television equipment in the other place. He said that it cost $5 million to set up the system and another $1 million to operate it. I am sure that he will agree that there has been a marked increase in those costs due to inflation.

Senator Doody pointed out the example of the installation at Queen's Park where, when the idea of televising its proceedings first arose, it was estimated that the installation would cost between $1.5 and $2 million. However, the latest figures determined by consultants estimate the costs at $7.3 million. Therefore, when we are told that based on the experience with the House of Commons in 1977, some nine years ago, we should expect the installation of television cameras in the Senate chamber to cost approximately $6 million, we must accept this information with some skepticism.

The second factor which has not been considered, honourable senators, in Senator Davey's estimation of the costs is that the House of Commons installed its system only in the chamber itself. Senator Davey is proposing that television cameras be installed not only in the Senate chamber but also in all of the committee rooms. Therefore, even if we accept for the moment the estimate of $6 million for the installation of such a system in the Senate chamber, the overall costs for this idea would increase considerably when television cameras were provided for committees, and anyone who has read the article on the costs at Queen's Park will know what I mean.

Given these two factors, the rate of inflation since 1977 and the desire to televise the proceedings of the Senate committees, it is neither inconceivable nor unreasonable to assume that the true cost of televising the proceedings of the Senate and its committees would be somewhere between $10 million and $15 million, if not higher. The size of this estimate becomes even more alarming when it is considered that the budget to run all of the Senate's operations for this year is $27 million. Therefore, honourable senators, it can be expected that Senator Davey's proposal to televise the proceedings of the Senate and its committees would cost the Senate approximately half of its annual budget.

I was hoping that Senator Denis would be here today to listen to these figures, because I remember when I was on the other side, he used to complain that I had too many questions on the order paper and that it cost a great deal to reprint them. If he heard these figures, he would really be alarmed.

Senator Doody: They never wasted any money on the answers.

Senator Marshall: Honourable senators, besides the cost, the usefulness of such a system, to my mind, is also questionable. Senator Phillips has already pointed out the fact that at the present time a tape or feed of the Senate proceedings is available to members of the press gallery for use in radio broadcasts. Senator Phillips said that, to the best of his recollection, this service has never been used by any journalist. This lack of interest cannot be blamed simply on the lack of videotape to go along with the audio portions. The truth is that there is far more interest by members of the media and the public in the proceedings of the House of Commons than in those of the Senate. It is highly unlikely that the simple provision of televised proceedings from the Senate will change this fact. Anyone who thinks otherwise, in my opinion, is dreaming, unless there are some vital changes made.

Let us look, for example, at what happened here in the Senate when we sat a week or so ago while the other place was adjourned. I watched very carefully, honourable senators, and even though the House was adjourned, there was not one member of the news media in the Senate gallery for the whole of those three days. I recall one of the headlines when we were away during the Remembrance Day break when someone said that the Senate was snoozing. Certainly, in those three days while the Senate was sitting, some members of the press gallery must have been having a good sleep, too.

I also carefully watched the public gallery and consulted with Senate support staff and noted that there was a total of 41 people who sat in the gallery during those three days that the Senate sat, and that figure includes about 20 students who came in for five or ten minutes because it was part of their tour.

Again, let us look at what the results in the House of Commons have been after nine years of experience with televising. Three weekends ago, I watched a program in which Douglas Fisher, along with another member of the press gallery, interviewed the house leader in the other place on House of Commons reform. Here are three of the phrases with which they all agreed. They said that 90 per cent of the people in Canada are upset with the House. Another expression used was that this was a cat-and-dog-type action. Another expression was that the reputation of the institution is degraded. This is what television has done for them in nine years.

• (1420)

I wonder why Senator Davey, with all due respect, can say that television in the house has been a distinct success. How can he say, as he did in introducing this inquiry, that "it has worked well for Canadians"? If it did Senator Davey, it worked for only 10 per cent of Canadians.

Another phrase he used was, "it has brought parliamentarians directly into the homes and lives of ordinary Canadians." Evidently 90 per cent of them, according to the House Leader in the other place, are not very concerned and they are getting the door slammed in their face.

Now let's look, honourable senators, at what happened during the two-week adjournment around Remembrance Day. We adjourned on the Thursday. Remembrance Day was on the Monday. The House of Commons paid their tributes, as they do every year, and we in the Senate paid tributes, as we do every year, to the veterans. However, in the Canadian Press story the next day was headed: "Commons pays tribute to veterans." They did not say that Parliament had paid tribute.

I called them three or four years ago about this and asked, "Why do you not say that Parliament paid tribute?" I was given the answer, "Well we will change it next year." But it was not changed the next year. It never changes.

I cut out a number of articles that I saw in the newspapers commenting on the fact that we were not sitting during the two-week recess around Remembrance Day. We received more publicity when we were not here than we ever get when we are here, which brings me back to the reference to the "Senate snoozer." They know everything about us. When we are not here we get publicity in the form of editorials and CP stories such as the one I quoted from the Edmonton *Journal*. Furthermore, in my view, Senator Frith should not be advocating television in the Senate. He should be against it. Because, in every one of the stories he is referred to in the first two lines.

I have here an editorial which was published in the *Citizen*. I will just read an extract from it where the memorable words of Royce Frith, Deputy Leader of the Opposition in the Senate, were quoted as follows: "There is no particular reason for our return." We fear that phrase will come back to haunt the honourable senator and his colleagues.

We are criticized practically everywhere. The press know how many hours we work, what we do, where we are, when we are "snoozing" or when we are not "snoozing"—yet they are never here to see what we are doing. So why do we want the cameras and the television in here? Here is what they say:

> The proof of the Senate's present pointlessness emerges most eloquently from its own record. The Senate has sat all of six hours so far in November. It sat 10 hours, 10 minutes in October. It has passed six bills since Parliament resumed its current session Sept. 9.

So they are watching us somewhere—but certainly not here in the Senate. I cannot for the life of me see why we need television coverage.

I have here another item which reads:

> Politicians as a group are probably held in lower esteem, rightly or wrongly, than any other profession or calling. If any political party questions this I challenge them to take a poll on the subject.

So if we are not here we get a lot of publicity, but when we are here we do not get any. Honourable senators, it is very obvious that if the CBC wants to come in on the Throne Speech day we can give them permission. Similarly, if they want to televise the work of the committees we can give them permission to do so. So let them spend their money and let us spend the Senate's money for better purposes.

I wonder how we would broadcast our proceedings in view of our schedules here. I can visualize John Warren on television saying on Tuesday, Wednesday and Thursday: "The Senate will sit from 2 p.m. to, perhaps, 4 p.m., perhaps 4.15 p.m., perhaps 4.30 p.m. or perhaps 5 o'clock." We have no schedule in this chamber; we do not always know what we are going to do, but we always seem to find a way to change something just for the sake of changing it.

Honourable senators, I could dwell on the report of the House of Commons Reform Committee, the McGrath report, because there are enough comments by members of Parliament to make us wonder what is going on. However, I would just say that the examples I have used indicate that broadcasting has not been so successful in the other place.

While I have every respect for Senator Davey and his knowledge of the media and agree that we should let Canadians see for themselves who we are and what we are doing, I think his suggestion of broadcasting our proceedings is the last method we should use to resolve our identity problem.

On the other hand, Senator Phillips' suggestion, to my mind, is a wise one to follow. Instead of bowing again to copycatting—and whenever we have a problem we look to others such as the House of Lords in England, the Australian Parliament or the West German Parliament—we should deal with the matter ourselves. We have some of the most brilliant minds in Canada here. We should ask them what their suggestions would be. Instead of our "me-tooism" attitude to which we seem to resort, why not refer the matter to the Standing Committee on Internal Economy, Budgets and Administration? Better still, instead of dealing with this individual matter, perhaps that committee should review all our rules and procedures in a systematic way to achieve all the reforms we need.

We should not allow ourselves to be imposed upon by the other place as we were during our last joint committee study of Senate reform where we had two chairmen from one party. We were imposed upon by members of the other place in terms of considering reforms for the Senate—which I will never understand in a million years. When House of Commons reforms are proposed, we are never asked to sit on their committees. But on our committee we had NDP members and we know when they are asked to sit on such a committee, they will immediately recommend abolishing the Senate.

Why do we kowtow to someone else instead of considering the matter reasonably and well to see how, on an overall basis, we can carry out our responsibilities as senators, as Sir John A. Macdonald said many years ago, for the betterment of the people of Canada.

Hon. Senators: Hear, hear.

Hon. Louis-J. Robichaud: Honourable senators, the few off-the-cuff remarks I am about to make may be construed as my participation in this debate.

My opposition to the televising of the proceedings of this chamber is well known. I am vigorously opposed to it for reasons which, to me, are obvious. Today we have listened to an excellent contribution made in the Senate by Senator Marshall. I did not time his remarks, but it seems to me they lasted between 8 and 12 minutes. His contribution could have been televised, and I am sure that everyone in this country who had turned their televisions to the channel charged with the responsibility of televising these deliberations would have been terribly pleased. But their pleasure would have lasted only between 8 and 10 minutes, today, March 6, 1986. Unfortunately, I must say that that situation would prevail most of the time. If there were sustained interest in the chamber, yes, I would be all in favour of televised proceedings of the Senate. But there isn't! We must not hide that fact from ourselves.

Honourable senators, we perform important functions both within and without this chamber, in committee and elsewhere throughout the country in our respective constituencies. It is not only within this chamber that the job of the Senate is done, so why televise it? There is nothing to televise. It would merely be something to please certain people, let us say, at the most for one hour of one day.

Honourable senators, I am not talking about the expenditure involved in such an undertaking. Senator Marshall referred to the large amount of money involved. I am not going to talk about that, although I do think it would be extravagant. I think it would be very extravagant. But it is the reason for that unnecessary extravagance that upsets me. I do not think we have one iota of justification to indulge in such extravagance.

Honourable senators, I am vigorously opposed to this proposal. Perhaps for personal reasons I should ask for it, because I do not mind appearing on television. I have done so many times in my life.

Some Hon. Senators: Hear, hear!

Senator Robichaud: This does not affect me, personally, but I ask, for the sake of this institution, that we keep away from the televising of our proceedings.

On motion of Senator MacDonald (Halifax), debate adjourned.

The Senate adjourned until Tuesday, March 11, 1986, at 2 p.m.

THE SENATE

Tuesday, March 11, 1986

The Senate met at 2 p.m., the Honourable Martial Asselin, P.C., Speaker *pro tempore*, in the Chair.

Prayers.

QUESTION PERIOD

[*Translation*]

YOUTH

REPORT OF SPECIAL SENATE COMMITTEE—GOVERNMENT POLICY

Hon. Royce Frith (Deputy Leader of the Opposition): My question is directed to the Leader of the Government in the Senate. He is certainly aware that the Special Senate Committee report on Youth was tabled in February 1986. Recently, Senator Hébert who had chaired this committee brought the recommendations of this report to the attention of the Senate.

My question is the following: Is the Leader of the Government in the Senate in a position to advise us of the government's reaction to the findings and recommendations in this report as well as its reaction to the testimonies heard at the committee hearings which are described in the report?

[*English*]

Hon. Duff Roblin (Leader of the Government): Honourable senators, naturally the report of the Senate Committee on Youth will receive the attention of the government. However, I really think it ought to receive the attention of this chamber first. After all, the report was tabled here and the chairman of the committee, Senator Hébert, tabled a motion in the Senate calling for consideration of the report by this body. For reasons of which I am not aware, Senator Hébert did not proceed. His motion was tabled on February 19, which is a little while ago, and it seems to me we should try to devise some method, if the senator is not in his seat in the chamber in the next little while—

Senator Olson: Yes, he is.

Senator Roblin: In that case, we can ask him to proceed, if he is feeling up to it, because I realize the strain on him at this time.

Honourable senators, I do think we should devise some method to proceed with the consideration of this report because it certainly deserves that attention by the chamber.

Senator Olson: And by the government.

[*Translation*]

Senator Frith: Honourable senators, I have a supplementary question. In the meantime, do I understand that the government intends to study this report.

[*English*]

Senator Roblin: Yes, the government is certainly studying this report, honourable senators.

GOVERNMENT ASSISTANCE

Hon. Lorna Marsden: My question is for the Leader of the Government in the Senate. Now that the Minister of State (Youth) has declared, as she put it in her recent letter which has been the subject of public comment, that there has been a "significant diminution in youth-related spending, close to $100 million since the election," what are the government's plans to redress this cut and do something to help the youth of Canada?

Hon. Duff Roblin (Leader of the Government): I think if my honourable friend had been following this issue closely she would have recognized that the minister made statements with respect to this matter that left a different impression from that left by the question asked.

I think this is a matter that could well lend itself to debate rather than dealing with it on an *ad hoc* basis during Question Period. I hope we will be able to have such a review of the whole matter.

Senator Marsden: Do I understand from the leader's reply that it is not true that $100 million has been cut from youth-related spending since the 1984 election? Perhaps I have not followed the minister's reply closely.

Senator Roblin: I think the minister said that the moneys were transferred to other departments and were to be used for the same purposes.

Senator Marsden: May I ask the leader if he has any information with respect to how the government will address specific questions in this area? I am concerned particularly with the encouragement of youth participation in all the public bodies of Canada, youth innovations and work with other departments to broaden the agenda on youth issues.

These are not the responsibilities of the Department of Employment and Immigration or other departments.

Senator Roblin: Honourable senators, there are many programs relating to the activities of the government respecting the very serious problems confronting the young people of this country.

I do not want my statement to be understood as minimizing the seriousness of the problem, by any means. When we have a debate on this matter we can deal with what has happened in the recent past, what has happened to the young people, and what has happened regarding employment and things of that sort.

The question my honourable friend has asked cannot be dealt with during Question Period. If we have a debate on this subject, I will be prepared to make a further statement.

AGRICULTURE

SUGAR-BEET INDUSTRY—GOVERNMENT POLICY

Hon. Joyce Fairbairn: Honourable senators, I left Ottawa somewhat sadly last week to go on a tour of penitentiaries located in western Canada with my colleague, the Honourable Senator Hastings. The sadness came about because, after a year of pressing the government for a national sugar-beet policy and stabilization payments to farmers, that policy was finally to be announced last Friday and I knew I would not be present.

I should not have worried on that score because, once again, as has happened for almost a year now, another deadline passed with no announcements having been made. The press conference was cancelled.

In view of the fact that the agriculture minister of Quebec now indicates that unless there is an announcement of a national sugar policy by this Saturday, sugar-beet production in that province will come to an end, could the Leader of the Government in the Senate finally tell us the date on which an announcement will be made so that we can give those farmers the certainty they need to make their plans?

Hon. Duff Roblin (Leader of the Government): When I have that information I will convey it to my honourable friend.

Hon. H. A. Olson: A supplementary question. Could the Leader of the Government give us any indication of when that might be? I do not want to get into another discussion to try to define the word "soon", but could he give us some idea when that might be?

Senator Roblin: My honourable friend has asked the same question as that which Senator Fairbairn has asked, and I give the same answer.

Senator Olson: That was no answer at all. The Leader of the Government said he would provide the information when he had it. I did not hear one word mentioned about when he expects such an announcement to be made. That was the point of the question I asked.

Senator Roblin: My honourable friend heard correctly. I did not give any indication of when I could answer because I do not know. When I do know, I will tell my honourable friend.

Senator Frith: Some day!

Senator Argue: It is getting worse instead of better.

Senator Olson: Honourable senators, is the Leader of the Government aware that—and I mentioned this several days ago—there is a definite deadline for farmers to order seed so that they have it in time to produce a crop in 1986, or in any year, for that matter. There are also deadlines for ordering herbicides, fertilizers, and so forth. Senator Fairbairn has mentioned that the Quebec Minister of Agriculture has put a very specific deadline on this—I think she said Saturday.

The farmers in the province of Quebec planted a crop last year; in the southern Alberta area, they did not plant a crop last year. There is no product in the warehouses.

Therefore, will an announcement be made so that a crop can be planted this year in that part of the country?

Senator Roblin: I am taking very careful notice of these deadlines that have been set and they will be part of our calculation when we deal with this matter.

Senator Frith: The government intends to allow spring to arrive this year, does it?

Senator Roblin: As we do every year, we welcome spring. We welcome the contribution of my honourable friend too.

Senator Olson: Any intention of the government as to whether or not they will deal with the deficiency or the stabilization payments for 1983 and 1984 is one thing—and it is important, but what is more important now, in the time frames that are set up, is whether or not the producers and the processors can have a sufficient indication from the government as to what its policy may be so that they can make an arrangement to process the crop. If that is not going to be done, then there is no point in seeding it. Does the government understand that?

Senator Roblin: My honourable friend has made the same point, I guess, about once every two days for the last ten days or so, and his point has registered very carefully with me. I am aware of the points that he is making, but I cannot give any answer further to the one I have already given. When I have the information, I will give it to my friend.

PUBLIC WORKS

CLEANING SERVICES—PLACEMENT OF LAID-OFF EMPLOYEES AGED FIFTY AND OVER

Hon. Lorna Marsden: Honourable senators, in a delayed answer on March 5 the Leader of the Government in the Senate responded to a question I had asked in February concerning lay-offs in Public Works. On March 5, I asked what proportion of the people who are being laid off are over the age of 50 and how many of them are women. My question now relates to the response, which I find even more upsetting than the original fact.

It turns out that 180 of the 265 people who have been declared, as it is put here, "surplus employees," are over the age of 50 years. Slightly less than one quarter of them, 55, are women. In responding, the leader has attempted to list the activities which are being undertaken in order to place these workers again. We find a number of measures are proposed, but then the response concludes that many of the employees live in small towns where there are few job opportunities, job relocation is difficult, and the functions that were being performed are discontinued. Can you tell us today what measures the government proposes to take to look after these people who

are over 50 years of age and whose prospects in our labour force are very grim indeed?

Hon. Duff Roblin (Leader of the Government): In answering my friend's questions, we try to be as accurate and frank as we can be, so, rather than try to fudge the problem that my honourable friend refers to, we laid it out. It does represent a serious problem for which, at the present time, there is no quick or easy answer.

Senator Marsden: Can you tell me what is under way? I realize the problem is a difficult one and I appreciate the tenor of your answer, but as a member of this government, can you tell us what it is that is in mind to help those people in those circumstances—these public servants and others as well?

Senator Roblin: It is perfectly clear that in some circumstances it is not possible to do what my honourable friend wants.

TRANSPORT

FATE OF MONCTON CN SHOPS—REGIONAL DEVELOPMENT IN ATLANTIC PROVINCES

Hon. L. Norbert Thériault: Honourable senators, my question is based again on what I hear day in and day out concerning the job-creation program of this government. I guess it has gone over the half million mark in the last 18 months or so, but the fact of the matter is that in every single province, and in Atlantic Canada, it is not job creation that has gone up but unemployment which has gone up drastically, if that is possible. What is going to happen to the CNR shops in Moncton is of great concern to the people of New Brunswick. Over the past 12 months, we have had statements in this regard, including those from the senator from Riverview, indicating that she had the assurance of the Minister of Transport that nothing would happen to the shops. That statement having been made, we then hear from the member from Moncton indicating that he was uncertain that that would be the case.

● (1410)

As late as yesterday, people in New Brunswick were listening with great attention to what was happening in Halifax when the federal Minister of Transport met with the premier. Honourable senators, the headlines in the paper, which read that there will be no help for Moncton workers in Mazankowski's transport bill, offer no reassurance to the people of New Brunswick.

The minister did make a statement to the effect that regional development, as part of the transport system, will form part of the legislation. It is hard to believe that legislation dealing with transportation, *per se*, will do very much for regional development in the Atlantic provinces unless, by law, the cost of transporting goods to and from the Atlantic provinces is reduced.

My question is twofold and is as follows: First, will the Leader of the Government in the Senate please try to ascertain from the government and from the Minister of Transport what is going to happen to the CNR shops in Moncton? This is a serious problem because, for years, these shops have formed part of a major industry in New Brunswick.

Second, can he enlighten us as to how the new National Transportation Act will help regional development in the Atlantic provinces?

Hon. Duff Roblin (Leader of the Government): Honourable senators, when it comes to discussing the merits or the demerits of transportation, we will have to wait until the bill is before us, because, obviously, it would not be possible for me to anticipate that debate.

With respect to employment generally in the Atlantic provinces, which is my honourable friend's concern, there is no doubt that it is a horrendous problem. I do not attempt to conceal that for one moment. I also think it fair to say that, as the future unfolds, jobs will close down and jobs will open up. That is the nature of our economy. We cannot expect a static situation.

The government's response to this in the last budget, by setting up the Atlantic Enterprise, indicates that they are aware of this problem and are trying to do something constructive about it. It is hoped that the special financial measures—and this is not the first one; it is only the last of a number to promote the development of industry, both the manufacturing and the service industry in the Atlantic provinces—will have a beneficial effect. We are certainly going to try.

Senator Thériault: Honourable senators, the Leader of the Government in the Senate, being from Winnipeg, surely realizes that it was a government decision—or a VIA Rail decision, as I understand it, based on instructions from the government—to build two new repair shops in Winnipeg and Montreal where repairs of cars will take place. A decision by a crown corporation has been made which will take away employment from New Brunswick.

If the Leader of the Government in the Senate has been following the reaction of small business people in the Atlantic provinces, he should realize that the so-called "great spending" of $1.5 billion in Atlantic Enterprise is really nothing more than window-dressing. We can go through the estimates with a fine-tooth comb, but we will not find one single dollar in those estimates of $110 billion that has been put aside to enhance small business in Atlantic Canada.

Senator Roblin: What is your question?

Senator Thériault: My question is: How does the Leader of the Government expect that the so-called Atlantic Enterprise Program is going to create jobs in New Brunswick? Tell us how many applications there are. How many small enterprises are able to borrow $250,000, even with the guarantee of the government?

Senator Roblin: Honourable senators, Question Period is supposed to be a time when we ask questions. It is not the time to make speeches to one another. I suppose I despair at ever having widespread agreement on that principle, but nevertheless I want to maintain that it is correct. If my honourable friend wants to debate the budget, there is a resolution on the

order paper which provides him an opportunity to do so, and I expect that he will grasp that opportunity. I encourage him to do so. When he does, I will be replying to his remarks, in which case we can deal with the Atlantic Enterprise Program.

Senator Thériault: Honourable senators, every time we ask a question of the Leader of the Government in the Senate, he suggests that we discuss the matter in debate. I can tell honourable senators that as far as I am concerned we can stand at our desks and read speeches by the hour. The guy in the government can get up and read speeches by the hour—speeches that have been written by somebody else—and he will tell us what he wants to tell us and not what the people want to hear or should hear.

Senator Roblin: I daresay that my honourable friend will tell us what he wants to tell us. I do not think it has ever been any different. I think that every senator will say what he wants to say, and I do not see why complaints should be made about that. I should like to tell my honourable friend, however, for his edification, that I write my own speeches.

Senator Argue: That explains a lot.

Senator Frith: Write some answers to the questions, then!

ENERGY

OIL AND GAS INDUSTRY—APPLICATION OF TAX INCENTIVES

Hon. Dan Hays: Honourable senators, my question to the Leader of the Government in the Senate arises out of the federal government's adherence to the Western Accord, which provides that any tax base incentives designed to stimulate investment in Canada's oil and gas industry shall be of general application to the industry, without discrimination as to the location of the activities in question or as to the ownership or control of them. In the budget there are provisions which change the investment tax credit. The general investment tax credits were eliminated in all regions of Canada except Atlantic Canada, where they were extended to offshore oil and gas activity and increased to 20 per cent from 7 per cent.

My question to the Leader of the Government in the Senate is: Is this a mistake or is this a difference of opinion between the Government of Canada and that of the province of Alberta, which has complained about this, as to what constitutes a tax incentive?

Hon. Duff Roblin (Leader of the Government): Honourable senators, for 10 or 20 years now there have been different rates of depreciation and investment incentives in force in various parts of Canada. My honourable friend is aware of that. This is not a new policy. It has been in effect for many industries besides the oil industry. The general thrust is that those disadvantaged areas of the country—in which we are including Atlantic Canada, for the purposes of this discussion—get special consideration. I do not think that that breaches any principle, nor do I think that it amounts to the introduction of a new policy.

Senator Hays: Honourable senators, I have a supplementary question. I take it from the remarks of the Leader of the Government that it is a difference of opinion and that the federal government's position is that this is not a special tax-based incentive to the oil and gas industry in Atlantic Canada. My question, then, is: How is the government dealing with the complaint of the Province of Alberta? Are there negotiations on-going or is this a closed matter?

Senator Roblin: I should tell my honourable friend that one of the terms of the Atlantic Accord, with which he will be familiar, was that the tax regime that was available on land would also be available in the oil-bearing waters off the coast of Atlantic Canada. Bringing in this particular clause, therefore, is fulfilling an undertaking made in the Atlantic Accord, which, I think I am correct in saying, was the first of the accords that have been made.

As for a difference of opinion between the two governments, I have no statement to make on that.

HIGHER-COST PRODUCERS—MINISTER'S STATEMENT—REQUEST FOR CLARIFICATION

Hon. Dan Hays: Honourable senators, I have another energy-related question. In this morning's *Globe and Mail* there is a statement which, although it is not a quotation, paraphrases the Minister of Energy to the effect that she expects the price of oil to rise once the higher-cost producers are driven out. It is well known that enhanced oil recovery producers and producers of synthetic crude from oil sands are higher-cost producers. Can the Leader of the Government give us the comfort of knowing that the Minister of Energy did not have in mind those producers in Canada when she spoke about higher-cost producers being driven out of the market?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I think it is elementary, in that she was referring to the high-cost producers in the oil industry around the world. Oil prices are not set by what we do in Canada, as everyone knows very well. They are set elsewhere; and it is to the high-priced producers in other parts of the world that she made reference, because if those producers were to reduce their output for price reasons, it would certainly have a beneficial effect on other people, such as our own producers in Alberta.

● (1420)

INDUSTRY

LAY-OFFS AT CALGARY AND REGINA IPSCO PLANTS—GOVERNMENT ACTION

Hon. H. A. Olson: Honourable senators, yesterday 140 hourly employees at the Calgary pipeworks of IPSCO received their lay-off notices. Lay-off notices were also sent to 555 other hourly workers to take effect between now and the end of the month. In addition—and perhaps Senator Argue was going to ask a question about this—more than half of the

1,380 employees at the IPSCO plant in Regina are now facing indefinite lay-offs by the end of this month.

Part of the reason is, of course, the decline in oil prices. Another reason is the continuing high imports of low-priced steel pipe and tube from offshore. Can the minister indicate whether the government is aware of this problem and whether it intends to take any action to protect the jobs of those people in an industry that is related to activity within the gas and oil business?

Hon. Duff Roblin (Leader of the Government): Honourable senators, if people in the pipeline business feel that foreigners are dumping product in this country on an unfair competitive basis, there is an elaborate machinery already established by which they may appeal. The anti-dumping tribunal stands ready to hear any problems of that sort and to render a verdict based not on politics but on the economics of the situation.

Senator Olson: As a supplementary, the minister knows very well that that particular route toward finding a remedy does exist but that it takes months. These people were faced with lay-offs yesterday. They are effective right now. Other employees will be laid off between now and the end of March. I am asking if the government is aware of the problem and if it intends to take any action—because there are other ways, more immediate ways than he has suggested, of dealing with this matter.

Senator Roblin: Honourable senators, my honourable friend is really asking in a roundabout way whether we intend to do anything about the price of oil. That is the key to the problem, is it not? If the price of oil were $20 per barrel, this would not be happening. So the answer I have to give him is the same as the one I gave him before, namely, that it would be premature for us to attempt to interfere with the market system with respect to oil at the present time. That is my position and I am sticking to it.

Senator Olson: Honourable senators, that is not what I asked the Leader of the Government. I know there is a relationship there and there are actions that could be taken that would probably solve the problem; that's as obvious as saying, "If you give someone some money, they will have more than they had before." We understand that. I am asking if the government is aware of the problem as it relates to supplying secondary industries in the energy sector—in this case the steel industry, which makes tubing and pipe, an industry which is now hit with tremendous impact. Is the government aware of that and does it intend to take any action? I also mentioned the import aspect. Will the government do anything there or will it have a watching brief on this too?

Senator Roblin: Honourable senators, the government is aware of it, of course, and to a very acute degree. But that is not to say that at the present time we should rush in and shore up every dyke that is threatened by this flood.

[Senator Olson.]

ENERGY

OIL PRICING—GOVERNMENT ACTION

Hon. Hazen Argue: Honourable senators, my question is supplementary to that raised by Senator Hays and is related to how the market system works. When will the oil companies pass on to the consumers the benefit of lower prices? Action to do so has been taken in the United States. Our energy minister, the Honourable Pat Carney, says she is losing patience. My question is: When will the government do something about the exorbitant and extortionate prices presently being charged by the oil companies to the consumer? Prices are not going down in Canada. Why not, and why doesn't the government do something about it?

Hon. Duff Roblin (Leader of the Government): Honourable senators, of course, that has been my honourable friend's theme ever since he first entered public life: Why doesn't the government do something about it? Well, there are some things that the government can do and some things that the government cannot do. In connection with this particular problem, as my honourable friend knows, the difference per litre between Canada and the United States is significant. It's about six cents, and I think that is too high. Taking the tax implications into account, the net is about six cents. The Minister of Energy, Mines and Resources does not like it; I do not like it; and we are going to use what influence we have to try to get things speeded up.

Senator Argue: That is my question. Do you have any influence? What are you going to do? The answer was to the effect, "You shouldn't be asking the government to do something." With the greatest respect, I say that the leader's figure of six cents per litre is not correct. The difference is a lot more than that. So far, Canadians have received the benefit of a reduction of two cents per litre. I say that that is a disgrace.

Senator Roblin: We can argue about the figures; they are open to discussion. But I think that my figure is roughly within the ballpark. I repeat, the Minister of Energy has indicated her unhappiness with the situation, and I am certain that she will get something done.

Senator Argue: It has been a long time coming, and it has not come yet.

Senator Roblin: We try to satisfy my honourable friend as best we can.

Senator Argue: That is not really my point. I am concerned about the Canadian consumer, the person who goes to the pumps and who is being gouged. As I said many weeks ago, the American consumer was benefiting from the element of competition, whereas in Canada we have the worst of both worlds. We have neither government action nor the advantage of competition. The only attitude in Canada is that the consumer pays.

Senator Roblin: Honourable senators, we intend to do our best to protect the consumer by getting prices down.

FITNESS AND AMATEUR SPORT

APPOINTMENT OF FEMALES TO ADVISORY COUNCIL

Hon. Lorna Marsden: Honourable senators, last week we saw in the headlines an announcement by the government saying that it intended to take measures to appoint more and equal numbers of women to boards and commissions. In the same week, a colleague of the Leader of the Government in the Senate, the Minister of State (Fitness and Amateur Sport) announced the appointment of an advisory council of, I believe, nine people, all of whom—I regret to say—were men. I wonder if the Leader of the Government in the Senate would inform himself and provide us with some explanation. He does not have to look very far. If he looks behind him he will see Senator Finlay MacDonald blushing with embarrassment over the error made by this minister and the government.

Senator Frith: Right to the roots of his hairs.

Senator Marsden: I wonder if the leader would find out for us why this has occurred, what the government plans to do about it, why his colleague, Senator MacDonald, would agree to serve on this unisex committee—

An Hon. Senator: Shame!

Hon. Duff Roblin (Leader of the Government): Question?

Senator Marsden: Particularly when there are so many women within this country interested in amateur sport.

Senator Roblin: What is the question?

Senator Marsden: I am in the middle of my question. I am asking the leader to please find out what the government is planning to do, how it got into this situation and, particularly, whether it is considering for this board some of the young women of this country who are knowledgeable and expert in this field.

Senator Roblin: Senator MacDonald looks quite normal to me. I do not think that he is blushing.

The fact of the matter is that the minister in question did invite a number of gentlemen to join his committee. I am happy to say that the first group asked has responded positively. At the same time, he also asked two ladies to join his committee. Those invitations are still outstanding, and I do not think that the minister has heard from them yet. So the situation is not quite as desperate as my honourable friend seems to think.

Senator Marsden: I am glad to hear it. I hope the females on the advisory council will increase in number up to 50 per cent. I wonder if the leader would inquire as to whether the minister intends to have half-and-half representation.

Senator Roblin: Honourable senators, my honourable friend should take some satisfaction in knowing that the number of women the present government is appointing to these various activities is substantially in excess of anything heretofore known, particularly when she sat on the government side of this house.

ENERGY

OIL PRICING

Hon. L. Norbert Thériault: Honourable senators, I have for the Leader of the Government in the Senate a supplementary question to those asked by Senator Argue. As of the last week or so, oil has been trading at between $11 and $13 per barrel. As Senator Argue has mentioned, prices at the pump have gone down by two cents per litre. In my province the price varies from 58 cents to 64 cents per litre, and as I go through Quebec and Nova Scotia I see the same prices.

My question to the Leader of the Government in the Senate is this: Will he inquire as to how much, on average, oil in Canada was selling for at the pumps the last time it was priced at $15 per barrel?

Senator Frith: That is a straightforward question.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I shall take the question as notice.

THE ECONOMY

INTEREST RATES—GOVERNMENT POLICY

Hon. H. A. Olson: Honourable senators, I would like to ask a question of the Leader of the Government. I know that for a long time the leader had an abiding interest in interest rates and the value of the Canadian dollar. My question is this: Does the government intend to take any action to re-establish a competitive fairness between Canada and some of the other countries as a result of action that was taken in the last few days? For example, the West German central bank lowered the discount rate from 4.5 per cent to 4 per cent and a similar action was taken with respect to the Swiss franc.

In view of the fact that our prime interest rate, which is the rate paid by most businesses, is now approximately 4 percentage points higher than that in the United States, as I mentioned the other day, and the spread is even wider when you look at some of the European countries, can the Leader of the Government in the Senate advise whether the government intends to take its responsibilities seriously and change things so that Canadian businesses can have this cost factor on a competitive basis with the other western countries?

• (1430)

Hon. Duff Roblin (Leader of the Government): I might say to my honourable friend that it would be even more to the point if he reported that in the United States the interest rate has also dropped half a point, which is far more significant from our point of view than anything else. I say to my friend that yes, we are hoping to get interest rates down. It is, of course, a matter that must be considered in connection with the stability of the Canadian dollar. Fortunately, that has been in better shape these last few days, which leads one to conclude that we may expect better things of the interest rates before long.

Senator Olson: The Honourable Leader of the Government says we can expect better things of the interest rates before

long. Is that an indication that the government will take some action, or at least use its influence to reduce interest rates next Thursday when the weekly rate is announced?

Senator Roblin: No. I think that will be left to the Governor of the Bank of Canada to determine. However, the government's view is that interest rates are now much higher than we like to see them and, insofar as we can do it appropriately within our economy, we intend to do our best to get them down.

ENERGY

HEAVY OILS—CONSTRUCTION OF UPGRADER AT LLOYDMINSTER, ALBERTA—GOVERNMENT POLICY

Hon. Earl A. Hastings: Honourable senators, my question is directed to the Leader of the Government in the Senate and pertains to the upgrader at Lloydminster, Alberta.

As the Leader of the Government in the Senate is aware, there was an agreement reached between Alberta, Saskatchewan, the Government of Canada and Husky Oil to provide for the construction of a $3.2 billion upgrader to utilize the heavy oils of Alberta. We now have the Minister of Transport saying that the government will honour that agreement. At the same time, we have the Minister of Energy, Mines and Resources saying she is not certain that it will be honoured, and we have the Minister of Finance stating in Calgary recently that the agreement will have to be renegotiated. I wonder if the Leader of the Government in the Senate might indicate who is stating policy on behalf of this divided government? If not, would he indicate in his own terms the policy of the government with respect to that agreement negotiated to construct that upgrading facility at Lloydminster.

Hon. Duff Roblin (Leader of the Government): As the Premier of Alberta announced quite recently, that problem is now being discussed between the governments concerned.

Senator Hastings: Is the Premier of Alberta now announcing policy on behalf of the Government of Canada?

Senator Roblin: No, he is not, but it is quite in order for him to say that he is talking to the Government of Canada.

Senator Olson: What is the government's response?

FAMILY ALLOWANCES ACT, 1973

BILL TO AMEND—REPORT OF COMMITTEE

Leave having been given to revert to Reports of Committees:

Hon. Arthur Tremblay, Chairman of the Standing Senate Committee on Social Affairs, Science and Technology, presented the following report:

Tuesday, March 11, 1986

The Standing Senate Committee on Social Affairs, Science and Technology has the honour to present its

[Senator Olson.]

SIXTH REPORT

Your Committee, to which was referred Bill C-70, intituled: "An Act to amend the Family Allowances Act, 1973", has, in obedience to the Order of Reference of Thursday, February 13, 1986, examined the said Bill and now reports the same without amendment.

The majority of the members of your Committee regrets the partial deindexation of payments under the *Family Allowances Act* as provided for in Bill C-70 and recommends that full indexation of these payments be reinstated by January, 1987.

Respectfully submitted,

ARTHUR TREMBLAY
Chairman

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

On motion of Senator Tremblay, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

[*Translation*]

IMMIGRATION ACT, 1976

BILL TO AMEND—REPORT OF COMMITTEE

Hon. Arthur Tremblay, Chairman of the Standing Senate Committee on Social Affairs, Science and Technology, presented the following report.

Tuesday, March 11, 1986

The Standing Senate Committee on Social Affairs, Science and Technology has the honour to present its

SEVENTH REPORT

Your Committee, to which was referred Bill C-55, intituled: "An Act to amend the Immigration Act, 1976", has, in obedience to the Order of Reference of Wednesday, March 5, 1986, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

ARTHUR TREMBLAY
Chairman

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

[*English*]

Hon. Peter Bosa: Honourable senators, in connection with the report on Bill C-55, when I spoke on second reading, I made certain suggestions and I asked a couple of questions of Senator Barootes who presented the bill. I am just wondering whether Senator Barootes will reply to the questions I have raised when we debate the bill on third reading.

Hon. Efstathios William Barootes: Honourable senators, some suggestions were made by Senator Bosa in his very cogent contribution to the debate on Bill C-55. The honourable senator was good enough to discuss the matter with me subsequently and requested that those suggestions be passed on to the minister of the department, inasmuch as the strong suggestions that he had made did not relate particularly to Bill C-55 but rather to a major revision of the Immigration Act, 1976.

In compliance with his request, I sent a letter to the department notifying them of the senator's suggestions and I think a copy was forwarded to Senator Bosa for his attention. I hope you have received it, sir.

Senator Bosa: Honourable senators, in asking Senator Barootes to inform the minister of my suggestions, I was hoping that the minister would make a commitment to include those suggested amendments when the next revision of the immigration policy is done on a more comprehensive basis.

On motion of Senator Barootes, bill placed on the Orders of the Day for third reading at the next sitting of the Senate

● (1440)

STANDING RULES AND ORDERS

SEVENTH REPORT OF COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the Seventh Report of the Standing Committee on Standing Rules and Orders, which was presented on Wednesday, March 5, 1986.

Hon. Gildas L. Molgat moved that the report be adopted.

He said: Honourable senators, the report of the committee was printed in the *Debates of the Senate* and in the *Minutes of the Proceedings of the Senate* and has been before the Senate for a few days now.

For those senators who are members of the Standing Committee on Standing Rules and Orders or of the Internal Economy Committee, no further explanation is required. However, for those senators who are not members of those two committees, possibly a few brief comments would be useful.

The Standing Committee on Standing Rules and Orders studied this matter at the request of the Internal Economy Committee because of problems that arose when requests were made in the Senate for the establishment of either a special committee or for a special study by standing committee. The problem that the Senate was faced with was this; while honourable senators might think the purpose of the study was worth while, there was no idea of the cost of the study. Frequently, the Senate would agree to the request, and then the committee was structured. The committee chairman would then appear before the Internal Economy Committee requesting a budget, and the Internal Economy Committee was faced with a situation in which the Senate had approved the study, technically approving the expenditure of moneys for that study, but not knowing in fact what the cost was going to be. The Internal Economy Committee had its hands, in a certain way, tied—not totally, perhaps. Nevertheless there was an order from the Senate authorizing a committee to undertake a study, and thereby authorizing the expenditure of moneys, so what was Internal Economy Committee to do?

What we have tried to do is to establish a standard procedure whereby the Senate will remain the dominant body and will make the final decisions. This procedure will ensure that the Senate can make those decisions in full knowledge of the financial implications.

So, the committee approached the problem in this way; first of all, by dealing with the standing committees insofar as their regular work—that is, their work related to the study of bills, the study of the subject matter of bills and the study of estimates is concerned. This work is viewed as the normal activity of standing committees of the Senate. At the outset of a session, each committee establishes what its projected budget might be, and the chairman goes before the Internal Economy Committee and gets the budget approved. If there are additional expenditures required during the year for the standard work of a Senate committee, the chairman of that committee can, of course, go back to the Internal Economy Committee to obtain additional funds.

What we refer to in the guidelines as section 100 deals strictly with the regular, day-to-day work of our committees. The Internal Economy Committee deals with those budgets and then comes back to the Senate. We propose one change from the previous practice, and that is that when a report with a budget consideration for a standing committee is presented in the Senate, the chairman of the committee would move the adoption of the report, which would mean that it would be debatable. In the past, those reports have not been debatable, and it was felt that this should not be the case, that the Senate should remain the final body, and that there should be an opportunity to debate the amounts of those budgets, if so desired.

Let us go now to the second section. Section 200 of the guidelines deals with any work relative to special studies, whether undertaken by a standing committee or by a special committee. The procedure here would be that any honourable senator who believed that there should be a special study on a subject would move a motion in the Senate, as has been the practice in the past, and that motion would outline the purpose of the study and how long it was expected the study would take. There would be no costs mentioned in that particular motion. The reason we believe that that procedure is proper is that at that stage, particularly if it involves the setting up of a special committee, there is no way of knowing what the costs are going to be because the committee does not exist. Even if it is a special study by a standing committee, the standing committee at that point has not discussed the subject matter because the Senate has not approved the discussion of it, so the members of that committee have had no means of establishing a budget. At that point there would be a discussion in principle: "Is that particular study a worthwhile project for the Senate to undertake?" If the Senate felt that that was a worthwhile procedure, then it would approve the establishment of the committee.

Let us take a specific example. We have before us now a motion by the Honourable Senator Kelly to establish a special Senate committee on terrorism. In accordance with normal practice, we would debate in the Senate whether or not we considered it is wise to conduct a study on terrorism, and would ask Senator Kelly how long he felt it would take to complete the work.

If the Senate felt that this was a worthwhile subject, it would either establish a special committee or it would refer the matter to one of the standing committees.

The members of that committee—whatever it was called—would then sit down and determine what they wanted to do about that study and whether the study involved any expense. We must remember that many of our studies entail no extra expense. We have just completed such a study on herbicide pricing. That was a special study undertaken by the Standing Senate Committee on Agriculture, Fisheries and Forestry. It was done completely in-house. The Senate had to pass a motion to have that study undertaken because it was a special study and not did come under the normal activities of the standing committee. The standing committee did not request a budget because the members of the committee did not intend to travel, they did not intend to hire any special staff and they felt that no additional costs were involved. They simply conducted the study internally.

I can cite as another example a recent study conducted by the Standing Senate Committee on Transport and Communications on the transport of dangerous goods. No budget was required for that study, yet the work was done.

However, if the members of the special committee or the standing committee decided that they required a budget, then they would have to prepare a budget showing the expenditures in detail for the fiscal year in which we were operating, and if the study were to go into the next fiscal year, what the total cost of the study was assumed to be. They would present that budget to the Internal Economy Committee, and the Internal Economy Committee would review it in light of all of the obligations that the Internal Economy Committee has *vis-à-vis* the budgeting of the Senate and would make a decision. It could approve, it could reduce, or it could oppose it completely. Whatever it decided, it would have to report that decision back to the committee chairman.

The committee chairman would then discuss the matter with the members of the committee. Let us assume that the budget was approved by the Internal Economy Committee. Presumably the committee would decide to go ahead. If the budget were reduced, the members of the committee might or might not proceed with the study. If they decided to proceed, the chairman of that committee would place a second request before the Senate for an Order of Reference. That Order of Reference would include the expenditures, and the report of the Internal Economy Committee would be attached to the motion. Then the Senate would make the final decision.

The Senate would decide, in the full knowledge of the facts, initially what the purpose was, how long the study was to last, what the financial implications were and how to treat the recommendations of the Internal Economy Committee in that regard. The Senate would have all the facts before it and could make a final decision, at that point, as to what it wished to do. So that is the gist of the report. It sets out what we considered to be the best way of retaining the final control by the Senate itself. The Senate would make the decision but in every case in full knowledge of the financial implications, having the review by the Internal Economy Committee.

• (1450)

The other items in the report, which you might call section 300, are general guidelines of an accounting nature which we felt should be put into the guidelines in total so there would be an easy reference.

It is the recommendation of the committee that we rescind our present rule 83A and substitute a short rule simply saying that:

> The financial operation of Senate committees shall be governed by the procedural guidelines set out in Appendix III.

Henceforth these other guidelines would be in the appendix to the rules of the Senate. The latest printed edition of our rules does not contain the appendix as it is in the printing process. You will recall the old rule book, the bound volume, had the appendix at the back and featured a number of forms, other orders and so on. It is our recommendation that, henceforth, when the Senate agrees to a guideline or a procedure, such guideline or procedure would be included in the appendix section of the rule book for convenient reference.

Hon. Duff Roblin (Leader of the Government): I think the committee has struggled manfully with a problem that has been vexing some of us for the last little while, namely the conundrum that we face when dealing with an idea for a committee in one compartment and then having to consider the question of ways and means in another. What we have heard from the committee chairman represents a considerable advance over our present systems, but I really don't know why we have not taken it to its logical conclusion—that is that the committee should have full knowledge of the implications of what it was doing when it did it. As set out in the arrangement just read to us, the Senate will be asked to decide on the principle of a special study, let us say, but will not at that time consider the cost. I am not a person who thinks that money is everything, or that cost should stand in the way of a good idea because, obviously, that would not be the right way to approach things; we have to consider matters on their merits. But I think it would be helpful if the Senate knew what it was getting into.

In the situation that has been outlined to us, the Senate will approve a principle which will then be refined to the point where we know what is intended to be done and how much it will cost. That figure is then sent to the Internal Economy Committee and from there it comes back to the Senate for approval in the final instance. The Senate is caught in the same position, in that case, as the Internal Economy Commit-

tee is caught now. When you have approved in principle to do something, it then becomes exceedingly difficult to say, "But we are not going to do it because we do not have the money or we do not like the expense." The committee is in that invidious position today, but generally it does not take that view. It simply decides to ante up. There may be a discussion and there may be a possibility of re-budgeting the project, and I'm sure that is done, but basically the die is cast.

It seems to me that the Senate will be in much the same position if its authority is sought in the final instance as proposed in the suggestion made by my honourable friend. Would it not be possible to get closer to the heart of the matter and ask those who propose special committees to do their homework? In other words, if you have a good idea that is not enough. The Senate ought to know how it is proposed to carry out that good idea and to carry out the study that is envisaged. We ask them to do it with respect to time—good enough. Why can we not ask them to do it with respect to money? We have a committees' branch of experienced people who can help any senator who has an idea he wants to promote by providing him with a pro forma budget. I do not think it would be necessary to hold the committee to the exact terms of a pro forma budget because circumstances might arise that would make some changes necessary, but it would give the Senate, in the first instance, an opportunity to study the idea and to consider the budget that is attached to it.

I really do not understand why it is not considered practical to do that. As things are, the committee must state the time they are going to take. If they have to know the time it will take to do a study and what they are going to do, then perhaps they should have some idea what it is going to cost them to do it. It seems to me we have taken half a step when we should have taken the full step. I think what the committee is suggesting is better than what we have now, but I think we could go the one step further and ask those who are proposing committees in the house not only to let us know the time they want to take, which is a reasonable suggestion, but closely married to that, what they think they want to spend. I do not think we should hold them to that because when they get going they may find that circumstances alter and we have to be reasonable. But it might be helpful if we knew what we were going to do.

There is a very practical reason why we should know that. It is because we operate on a limited budget. Our budget for committees is not elastic in any meaningful sense—it is a pretty tight budget. There are a lot of other people who are making demands on that budget—not only the special committees that have been set up, but committees that have projects that should be carried to a conclusion and that cost money, and they are going to want some share of that budget. If, however, we approve as we have on the books now, three special committees: one resulting from the splitting of the Agriculture, Fisheries and Forestry Committee; then the committee on Human Rights that has been proposed; and finally the committee on terrorism which has been proposed—and I daresay we will get some more—all those committees are competing with the committees we have now for a limited budgetary allocation and limited personnel—particularly in terms of the government side of the Senate because we cannot staff all of these committees.

So it seems to me that if we are really to understand what we are doing and trying to fit our important committee work into budgetary constraints which are unavoidable, then it would be a good thing to know what the cost is before we start and not because we are going to say it is not worth it, or form a judgment of that nature—that really may be done, but it is not really an essential part of what I am talking about—but it would enable us to fit the numerous proposals we get into our budgetary limitations, having in mind the needs of the standing committees which, in my opinion, come first in this particular respect.

I am not going to oppose this resolution; I am simply going to say that it does not go far enough. I ask the committee whether they would be kind enough to consider what they could do. I am positive they have discussed this among themselves and, obviously, they have not come to the conclusion that I would like, but I really think there is room here for a reconsideration of this process so that we marry not only the subject matter and the time it is expected to take, but some idea of the cost. The point is that if we have those facts in front of us, we can then better decide which of the many important and useful things that are suggested for us we should do first. It is a question of priorities. You cannot deal with priorities unless you deal with the budgetary aspects. So I ask whether the committee might be willing to consider the point that I have made and, if they have already dealt with it, perhaps it might be re-opened because it seems to me that there is some merit in proceeding along the lines that I propose.

Hon. Douglas D. Everett: Honourable senators, I was a member of that committee, and I endorsed its report. I attended quite a number of the hearings on this particular subject. I think the Leader of the Government raises a very good point. I am not sure whether we did consider that particular point. Nonetheless, I think some consideration requiring a putative committee chairman to accompany his request for a special committee with a budget would be a good thing. It would be a good thing in two ways: First, dealing with the issue raised by the Leader of the Government, we have limited resources and, therefore, it makes sense for the Senate to make that decision on the basis of whether or not it is willing to allocate those resources. Second, having had considerable experience as a chairman, before we embarked on some of our hearings which involved an examination of major government departments and, therefore, were of major proportions, we laid out a format which indicated to ourselves, if to no one else, the form the hearings would take; what witnesses we would probably hear; what sort of staff we would require; and how we would generally conduct the hearings. Over and above the idea of allocating scarce resources, I think it is worth while if committee chairmen think through exactly how they will conduct the hearings in the first place.

• (1500)

When Senator Kelly raised the issue of a special committee on terrorism, one of the comments I heard was, "Well, what is he going to do? Is he going to travel around to every Canadian embassy in the world and check them out? Is he going to talk to experts in other countries about terrorism? What sort of witnesses does he want to call? How wide, how narrow and how focused are the hearings going to be?" I think it would have been useful to Senator Kelly's case in establishing the need for that committee if he had been able to lay out how he wanted to conduct the hearings and also what amounts of money would be involved.

I agree that it would be unwise to ask a chairman to indicate precisely how much he or she is proposing to spend, but, I repeat, after having conducted many hearings, it is possible to estimate reasonably what you would expend. It is possible to lay out the method of hearings and how you will conduct them.

While I did not consider it—perhaps the committee did, and perhaps the chairman can add to it—I am impressed by the argument that, in granting general authority, the Senate should, before it does so, have that kind of information.

On motion of Senator Petten, for Senator Argue, debate adjourned.

INTERNATIONAL TERRORISM

MOTION FOR APPOINTMENT OF SPECIAL SENATE COMMITTEE—DEBATE CONTINUED

On the Order:

Resuming the debate on the motion of the Honourable Senator Kelly, seconded by the Honourable Senator Marshall:

That a Special Committee of the Senate be appointed to examine, consider and make recommendations on the problems and issues of current and likely future terrorist activity in Canada, directed at Canadians or using Canada as a base for extra-Canadian activities;

That the Committee make specific recommendations on the Government of Canada's policies with respect to terrorism; the protection of Canadians and Canadian federal and provincial government representatives abroad; the role of the media in reporting terrorist threats and incidents; the ability of conventional law enforcement organizations in Canada to deal with specific terrorist incidents; and the need for an anti-terrorist organization in Canada, its role and reporting relationship;

That eight Senators, to be designated at a later date, four of whom shall constitute a quorum, act as members of the Special Committee;

That the Committee have power to report from time to time, to send for persons, papers and records, and to print such papers and evidence from day to day as may be ordered by the Committee;

That the Committee have power to adjourn from place to place within Canada;

[Senator Everett.]

That the Committee have power to retain the services of professional, clerical and stenographic staff as deemed advisable by the Committee; and

That the Committee present its report no later than October 1, 1986.—(*Honourable Senator Nurgitz*).

Hon. Nathan Nurgitz: Honourable senators, I rise to speak today on the motion of my colleague, Senator Kelly, for the appointment of a special Senate committee to examine, consider and make recommendations on problems and issues relating directly or indirectly to terrorist activity either in Canada or directed at Canadians.

I will deal specifically with some of the matters set out in the motion and the recommendations to the Government of Canada on policy. The motion is framed, in my view, in such a way as to imply that the government does not have any policy or that there is not in place some mechanism for anti-terrorist activity. Surely, as one reads the motion and the comments of my friend and colleague, one is led to that conclusion.

After listening to my honourable friends for the last 15 minutes in this chamber, I do not hesitate to say that the question of a budget and any financial implications arising out of the establishment of a special committee are matters that I would much rather leave to those charged with the duty of overseeing the administration of this place and its committees. I would join with Senator Kelly and, as I recall, Senator Hicks in saying that, if the Senate found it necessary to establish such a committee to fulfill its function, it would or should find the dollars to do so. I would not disagree with that.

I will, however, address myself today solely to the question: Is the committee necessary?

It was in the summer of 1983 that the government of the day, concerned that a para-military national police force was not an adequate way to deal with intelligence gathering—and in the 1980s intelligence gathering was of such a sophisticated level—decided that consideration ought to be given to the establishment of a separate, independent security and intelligence service.

After the introduction of a controversial bill in the House of Commons, the matter was referred to a special Senate committee headed by our colleague, Senator Michael Pitfield. I should like to remind all honourable senators—and, in particular, Senator Kelly—that the overwhelming evidence before that committee was in favour of the establishment of such a separate intelligence gathering agency. Senator Frith, in his comments several weeks ago on this particular motion, referred to the fact that the establishment of this committee would lead to reworking the work of what we called "the Pitfield committee."

In fairness, I should like to say that we are all rather non-partisan on this issue, as I think we were then. My recollection is that the bill itself was a rather courageous move, because I think there were no political kudos to be won in terms of the removal of one part of the RCMP. The government of that day moved in that direction because it felt it was necessary to do so.

The proposals of the Pitfield committee were supported by Senator Flynn, Senator Balfour and myself. It is interesting to note that the establishment of a special, separate agency was opposed by Senator Kelly; that is, he disagreed with the committee report.

Senator Murray: He was not alone.

Senator Nurgitz: No, he was not alone, but, luckily, other members of our committee were not of that view; we arranged for that.

Senator Frith: He is only alone in opposing and then moving this motion.

Senator Nurgitz: I want to be fair to Senator Kelly. He was not against the gathering of necessary intelligence; he was against allowing subversive groups or terrorist groups to operate; but his view was that the *status quo* should remain and intelligence gathering was a function well handled by the RCMP.

I am sure that all honourable senators join Senator Kelly in holding in abhorrence these various incidents of terrorism and violence. I am sure, as well, that we all agree that governments must have a policy and must have a plan in the event that their country or their citizens are the next target.

Senator Kelly's statement that Canadians are not immune is, indeed, correct. In fact, as he has so ably pointed out, we have already had several instances where Canadians were, indeed, victims. There was the incident concerning the Leonard family in Alberta, and instances where foreign diplomats on Canadian soil were victims. I would also refer to the Turkish diplomat who was killed, and some other problems with foreign embassy people in this very city.

Honourable senators, the problem I have is that the main thrust of Senator Kelly's motion is that there is no policy to deal with this dread disease of the 1980s known as terrorism.

Coincidental to my comments today is the fact that yesterday the Solicitor General, speaking in Toronto, talked at some length about the policy, and I should like to review some of those comments. He indicated that countries which fail to take adequate measures to defend their citizens invite terrorists to victimize them. Mr. Beatty said that Canadians must send a clear messsage that we are resolved to protect our own citizens and foreign diplomatic personnel in Canada.

• (1510)

The Solicitor General is the member of the government responsible for these matters and he has outlined the existing policy. Honourable senators, when I say "existing policy" I am referring to a policy not just of this government but of the previous administration—a policy that has been in place over the last few years.

Indicating that Canada has forcefully pressed and continues to press for concerted international action to combat terrorism, we have had in place for some time a consultative process with our allies within the Summit Seven and within NATO. Work also continues in the United Nations forum, where Canada recently joined others in taking appropriate measures against Libya because of its support for terrorism.

The minister also pointed out that Canada recognizes the vital role that reliable intelligence plays in preventing terrorist acts and the importance of anticipating terrorist efforts. Tribute was paid to the Canadian Security Intelligence Service and its constant monitoring of these organizations and their members here in Canada and its exchanges of information with our allies, which indicates that the CSIS quietly performs an essential function.

There is also a criminal intelligence gathering information centre within the Royal Canadian Mounted Police, and that information is shared with both our intelligence service and Interpol.

There has been in place for some time, through the Royal Canadian Mounted Police, emergency response teams in centres across Canada. These teams are made up of regular force members who are on call, ready to be assembled quickly to resolve armed confrontations, including hostage takings. Canada has, over the last number of years, trained and equipped police personnel to deal with the latest techniques in explosives. This is done through the RCMP Canada Bomb Data Centre. In addition to that, there is a special threat assessment group that was formed in 1975 to advise on how to respond to the threat or use of nuclear, biological or chemical agents.

In the speech given yesterday in Toronto, Mr. Beatty said that he was also supported by a group in our police and security branch which co-ordinates the federal government counter-terrorism program. This group works closely with the appropriate federal agencies, including the RCMP, the CSIS, the Privy Council Office and the Departments of External Affairs, Transport, Employment and Immigration, National Defence and National Health and Welfare. This group also consults with the provinces to delineate the authorities and mechanisms by which to deal with terrorist acts.

These, honourable senators, are the policies that this government and previous governments have had in place for some time. While recognizing that the existing policy has done a great deal to prevent terrorist violence and to save innocent lives, yesterday there were announced additional steps that the government will be taking.

Of these several new measures, the first one announced was that pursuant to the Vienna Conventions on Diplomatic and Consular Relations, the RCMP is beefing up its manpower in terms of protecting both embassies in the National Capital region and consular offices all across the country. In addition, there will be increased mobile controls backed up by special support services to provide additional security. The announcement also indicated that the Solicitor General will work closely with the Department of Transport to improve security at all airports in Canada, while taking as much care as is possible not to inconvenience unduly the travelling public.

In response to the threat of hostage taking and all of the tragic consequences that flow from such an event, the Solicitor

General yesterday announced the creation of a permanent special emergency response team to resolve incidents beyond the capability of normal protective arrangements. This, honourable senators, I might mention, is unlike the existing teams across the country that train for part of a day every month for this special combat duty. This is a team that will train constantly and will be upgrading its techniques and equipment in terms of hostage taking. The experience in most countries has apparently been that they are far better off having one outstanding team in one location with arrangements made for the military to move that one, highly specialized team into any area of the country, the assumption being, I take it, that they are hours by aircraft from one point in the country to another.

An interesting point was raised by Senator Kelly in his comments upon the role of the media in reporting terrorist incidents. This has certainly been dealt with on other occasions in this chamber, and I am speaking specifically of the motion of Senator Olson some months ago respecting the tragic death of Mrs. Edward Leonard and her small child. At that time, several senators—I recall Senator Frith and Senator Haidasz in particular— discussed this delicate balance that we somehow fail to find between the public's right to know and the terrorists' goal of international media publicity. That, indeed, is a serious problem. It seems to be a very difficult question and I do not know how one would resolve it. I note that, yesterday, Mr. Beatty announced that he would be meeting with leading members of the media in an effort to discuss that very question.

Having said all of this, I have concluded that there is a policy and a plan in place and that, by and large for Canada and Canadians, it has had some measure of success. I urge all honourable senators, as I urge Senator Kelly, in reconsidering his motion, to allow this policy and plan to go forward and not to form a committee of second guessers. I envisage, as well, the problem that would arise in reviewing such a matter. For example, I do not know how we would discuss in committee details regarding intelligence information. To reveal that sort of sensitive information could be playing into the hands of those against whom we are trying to place counter-measures. The previous administration had in place what appears to be a reasonable policy. With changing events, it is being strengthened. I suspect that in future years as other potential dangers arise it will be yet further strengthened. Because of that, I regret to say that I find no reason for our embarking upon the study of such matters. I would like to close my comments by quoting from the speech made by the Solicitor General yesterday in Toronto.

> We have taken, and will continue to take, firm measures to deal with threats against Canada. There can be no guarantees when dealing with professional, highly-trained and well-financed political terrorists. But we will, as much as any democratic government can, protect ourselves from those who rationalize killing and destruction of the innocent for political ends.

Honourable senators, I appreciate that words, of themselves, will not provide the security that we need for our country. However, it appears to me that, when one reviews the policy as we have done during the course of the Pitfield committee hearings, one would agree that this policy ought to go forward and that this is not an appropriate time to proceed with Senator Kelly's motion. I will not support it and I urge other honourable senators not to do so.

[Senator Nurgitz.]

On motion of Senator Sinclair, debate adjourned.

PARLIAMENT

STANDING JOINT COMMITTEES—PROPRIETY OF COMMONS REFERRALS

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, before the Senate adjourns, I should like to raise a point of order which will require a ruling from His Honour the Speaker. It is not a matter of any great dramatic importance, but is something that I believe should be clarified.

On February 27 the House of Commons referred two items to standing joint committees. The first was Privy Council Vote 15 which was referred to the Standing Joint Committee on Official Languages, and the second was Parliament Vote 10 which was referred to the Standing Joint Committee on Parliament.

In the *Minutes of the Proceedings of the Senate* for Tuesday, March 4, 1986, we were advised that a message had been received from the House of Commons concerning those two items. At the time I asked whether it was possible, correct and orderly for the House of Commons to refer something to a joint committee and simply to advise us that it had done so. I asked whether it might not be a better procedure for the House to advise that it had done so, and ask us to concur in that reference.

In order to clarify the record, and not to let this matter pass with that question mark attached to it, I would now ask His Honour the Speaker to let us know the proper procedure. No doubt he will want to take it under advisement.

Hon. John M. Godfrey: Honourable senators, we discussed this a year or two ago. There was some difference of opinion, and I reached the conclusion that although it was certainly advisable that both houses should concur, either house still had the power, based on precedents, to refer a matter to a joint committee. I can recall that the Post Office Bill was referred by the House of Commons to the Standing Joint Committee on Regulations and other Statutory Instruments without asking for concurrence from the Senate. I merely wish to point that out so that when His Honour is considering the matter he can look up the previous discussions relating to this matter.

Senator Frith: I did not mean to deny other honourable senators the opportunity to discuss this matter. However, we can always discuss it further when we have received His Honour's ruling.

Senator Godfrey: With respect to the motions passed by this house concerning enabling clauses of bills being referred to the Standing Joint Committee on Regulations and other Statutory Instruments, we are still waiting patiently for action by the

House of Commons, hoping that it will concur; but I have taken the attitude that if it doesn't, then the committee can go ahead with the reference of the Senate alone.

Senator Frith: I merely raise the point.

The Hon. the Speaker *pro tempore:* If there are no further comments, I will take this matter under advisement and will give my ruling later this week.

The Senate adjourned until tomorrow at 2 p.m.

THE SENATE

Wednesday, March 12, 1986

The Senate met at 2 p.m. the Honourable Rhéal Bélisle, the Acting Speaker, in the Chair.

Prayers.

QUESTION PERIOD

[*English*]

CANADA-UNITED STATES RELATIONS

MEETING BETWEEN PRIME MINISTER AND PRESIDENT OF UNITED STATES—AGENDA

Hon. Ian Sinclair: Honourable senators, while we are close to the Ides of March, there is another date that we have learned to be careful about, and that is March 17. I am wondering if the Leader of the Government in this chamber can tell us what is on the agenda for the meeting between the Prime Minister and the President of the United States.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I should tell my honourable friend that my mother-in-law's name is Higgins, so I am conscious of the importance of the date to which he refers. With respect to the meeting between the Prime Minister and the President, it is not customary to announce the agenda in advance. We have to wait until the meeting takes place. Then information as to what subjects are on the agenda is provided.

Senator Frith: Does your mother-in-law know? Perhaps the question should be directed through you to your mother-in-law.

Senator Flynn: My great grandfather was Irish.

Senator Sinclair: Honourable senators, if the matter of the actual agenda has not been settled, I wonder if the leader could indicate what areas of public concern might be discussed.

Senator Roblin: I shall have to wait for a statement from the Prime Minister in that respect. I cannot answer the question today.

Hon. H. A. Olson: Honourable senators, I have a supplementary question. I wonder if the Leader of the Government could advise us if the matter of an import duty of some kind on crude oil is on the agenda. There has been a great deal of discussion about this by a number of governors and, indeed, President Reagan has commented on the question as to whether or not he would support an import levy, tax or whatever on crude oil. If such a duty is to be effective, it will have ramifications for both Mexico and Canada. May we know whether the President and the Prime Minister will discuss this matter?

Senator Roblin: Honourable senators, I am sorry, but I do not know what items the President of the United States will place on the agenda.

Senator Olson: Does the leader know what the Prime Minister of Canada will place on the agenda?

Senator Roblin: I have already given the answer to that question.

Hon. M. Lorne Bonnell: Honourable senators, I understand that the Leader of the Government does not know what is on the agenda. I ask him to ask the Prime Minister to put on the agenda the plight of the agricultural industry in eastern Canada with particular reference to the potato industry, which is now in a state of crisis, and the fishing industry to the extent that it is subject to tariffs imposed by the United States. I ask the Leader to ask the Prime Minister to consider putting these two important items on the agenda to get first hand information from the President of the United States in order that we may solve these two very important problems in Eastern Canada.

Senator Roblin: Honourable senators, I can tell my honourable friend that both these items have been on the agenda for the past little while in the discussions between the Secretary of State of the United States, Mr. Shultz, and the Secretary of State for External Affairs of Canada. They are very important items as far as Canadians are concerned, and they have been canvassed with the Secretary of State in the United States. Whether or not it is possible to promote these issues to the presidential and prime ministerial level, I do not know, but I have no problem with saying that I will do what I can about it.

AGRICULTURE

POTATO INDUSTRY—GOVERNMENT ASSISTANCE

Hon. M. Lorne Bonnell: Can the Leader of the Government in the Senate tell me if the Minister of Agriculture has yet come up with any support program for the potato industry in Atlantic Canada and, in fact, all of Canada? The farmers are in a crisis situation. In Prince Edward Island, they are receiving two cents per pound for their potatoes from the provincial government and they are burying them; they are dyeing them so that they cannot be used again; they are using them for feed. Is there any program coming from Mr. Wise, the Minister of Agriculture, to aid these potato farmers?

Hon. Duff Roblin (Leader of the Government): I can tell my friend that the problem has not escaped his notice. It is under consideration by the Department of Agriculture, but as yet there is no decision on which I can give my honourable friend any information.

Senator Bonnell: Honourable senators, I have a bag of Prince Edward Island potatoes here worth ten cents. They are first grade potatoes and, in Prince Edward Island, they are burying them. These cost the farmers six cents per pound to grow and this five-pound bag is worth ten cents.

I am giving these potatoes to the Leader of the Government in the Senate to pass on to Mr. Wise, and tell him that it is a shame, with the hungry people in this country, that these potatoes should be going to waste.

Some Hon. Senators: Oh, oh.

Senator Frith: Let the record show that the Leader of the Government is not accepting the potatoes. Shame; he will not even take them.

Senator Roblin: I am very relaxed about my honourable friend. I know the kind of thing that he gets up to from time to time. I simply tell him that while the potatoes have not been delivered to me, I am sure that someone can make good use of them for St. Patrick's Day and I will see that that happens.

Hon. Eymard G. Corbin: Honourable senators, if the honourable leader will not accept Prince Edward Island potatoes, will he accept a ten-pound bag of New Brunswick potatoes?

Senator Guay: What about Manitoba potatoes?

Senator Flynn: I think you like that kind of show.

Senator Roblin: I think that members can do what they like in this house, and that applies also to me. I do not feel—

Senator Flynn: You know that it is contrary to the rules. You have known that for a long time.

Senator Roblin: There are certain privileges in the Senate which I think should not be breached. If my honourable friend wishes to conduct himself in that way, it is all right with me.

Senator Bonnell: Honourable senators, if I have offended the Leader of the Government in any way, I apologize. However, I am very much surprised that the former Leader of the Opposition and former Leader of the Government in the Senate is still trying to tell the new leader how to run things in this house.

Senator Flynn: I am still concerned with order in this chamber. I do not think you can teach me anything.

Senator Bonnell: Honourable senators, Senator Flynn still thinks he is the Minister of Justice; he still thinks he is the leader of that party in this place; he still thinks he is running the show and he is still shooting off his mouth! In addition, he is still trying to tell me what to do. Honourable senators, I have apologized to the Leader of the Government in case I have insulted him. However, I do want this chamber to realize that the potato farmers of Prince Edward Island are faced with a serious problem and that the people of Canada are faced with a serious problem. I had no malice aforethought, but I do wish that the former Minister of Justice and the former leader of the Conservative Party in this house would stick to his seat. When I speak to him, then he can speak to me.

Senator Roblin: I must say that, as leader of the house, I defend the right of any senator, regardless of where he sits, to rise on a point of order and to express his opinion if he thinks that the rights and privileges of the Senate have been breached. I see nothing wrong with that. I think it is a reasonable thing to expect senators to do and I think my honourable friend's strictures are misplaced.

• (1410)

Hon. H. A. Olson: Honourable senators, Senator Flynn has made a habit of trying to run everything—speeches included—in this house for a long time now. The fact of the matter is that every other senator has exactly the same rights and privileges on the floor of this house as he does, and we do not have to adjust our speeches or our other activities to suit him.

I know there are some senators who may object to what the Honourable Senator Bonnell has done, but some of us are rather tired of constantly having Senator Flynn trying to run this house according to his interpretation of what the rules are. His interpretation is no more valid than anyone else's.

Hon. Jacques Flynn: I have never claimed that my interpretation is more valid than anyone else's; I have never prevented my honourable friend from rising on a point of order.

What the Leader of the Government has said, and what Senator Olson has repeated himself—I do not know if he realizes that he did so—was that any senator has the right to rise on a point of order, and I did so because of the manner in which Senator Bonnell put his question and by wanting this bag of potatoes circulated. I think that is improper, and I have a perfect right to say so.

I am not trying to run you; that would be excessive and presumptuous on my part. In any event, I do not care what you do. You can do what you wish.

Senator Olson: I must abide by the rules of the Senate.

Senator Flynn: I am only thinking of the Senate, and sometimes when I see the way some senators behave, I think it shows contempt for the dignity of the Senate.

Senator Guay: Speaking about yourself!

Senator Robichaud: It's all right.

YOUTH

KATIMAVIK—CANCELLATION OF PROGRAM—GOVERNMENT POLICY

Hon. Eymard G. Corbin: Honourable senators, in putting my question to the Leader of the Government in the Senate I preface it by saying that we are all aware—as I think the public is—that political parties hold their national caucus meetings every Wednesday morning. It has not escaped public attention that one of our esteemed colleagues, Senator Jacques Hébert, is doing his best to prove a point, and that point is that the government—unilaterally, without discussion, without any option for negotiation or compromise—informed him that it was putting an end to the Katimavik program.

Since the parties held their caucus meetings this morning—and I am not asking the government house leader to spell out the secrets of caucus—could he indicate one way or another, while respecting the secrecy of caucus, if the matter of concern to Senator Jacques Hébert, to the members of the Youth Committee, and to all of the youth of Canada was taken under advisement? Is the government disposed, in principle, to reviewing this decision of the Secretary of State?

Hon. Duff Roblin (Leader of the Government): Honourable senators, though I am not the government house leader, I presume the question was addressed to me, so I will do my best to answer it.

My friend has asked me to square the circle by telling him what went on in caucus by not telling him what went on in caucus. Of course, that is an impossibility.

I remark on the fact, as I did yesterday, that on February 19 Senator Hébert tabled the report of his committee in the Senate and moved "that it be taken into consideration at the next sitting of the Senate." That motion was never proceeded with. I do not know why it was never proceeded with; I think it ought to have been, because the very first place to discuss that report is on the floor of the Senate. It is not a report of the Senate; it is a report of a committee of the Senate. We must determine what the Senate thinks about it, and in order to do so we must have a debate on it.

That motion is still before the Senate, and I do not know why Senator Hébert has thought fit not to proceed with it. That is curious, but I think some arrangement should be made, as I said yesterday, to proceed with a debate on this report, because, until the Senate has expressed its view, I do not think we are in a position to ask the government for its views, although I must confess that the government is taking the report under serious consideration.

Hon. Jacques Hébert: My answer is that—

Senator Flynn: It's not a question!

Some Hon. Senators: Hear, hear.

Senator Hébert: My answer to this is: First of all I did my duty, as chairman of this Special Committee on Youth, by touring the country and working almost day and night to promote it through the media during three full weeks. I could not be in the Senate making speeches while I was doing this part of my job, which was to promote the report across the country. I was interviewed by almost 150 media people across the country, so people know about this report. You are quite right, the time has come to ask the Senate to debate it, but could I have done without the work that I finished last Friday in Fredericton? I could not do any better. I would like to know what your answer to this explanation is.

Senator Roblin: I think I should remind my honourable friend that in his letter to the Prime Minister he stated that he had exhausted all the regular democratic processes. Well, I do not think he has. If he does not consider debating the issue in the Senate worth while, no matter what his reasons may be for not having proceeded so far, I do not think his position holds

[Senator Corbin.]

true. I think the Senate has a right to have its committee report discussed here, and I think members and chairmen of committees who make reports ought to see that that is done. That is my friend's responsibility, regardless of any other activity he might have.

Senator Hébert: Well, first of all I have already described that I was three weeks on the road, working day and night. Now I am back, and tomorrow I will start a debate, as was planned. Is that good enough?

Senator Roblin: Yes, that is good enough. That suits me very well. I think it is an appropriate move for my friend to make and I trust we shall have a vigorous and enlightening debate on the subject.

Hon. Robert Muir: Honourable senators, I have a question for the Leader of the Government in the Senate. Would he be kind enough to tell me if Senator Hébert has ever gone on any of these, shall I say "displays", or anything of that nature, either inside or outside of the Senate, when coal mines were closed down on Cape Breton Island under Conservative and Liberal governments, or was it not important enough that hundreds of coal miners were thrown on the street time and time again under both governments? I have never heard of his having done so, but the Leader of the Government may know something about it.

Senator Hébert: This is a question of privilege?

Senator Frith: He does not want anyone who knows about it to speak to it.

Senator Roblin: I am afraid I cannot answer the question. I will have to take it as notice.

Senator Frith: Of course.

Senator Hébert: I think it is a question of privilege, because if you feel that way you can be sure of one thing—I am in a fighting mood. I can answer everyone here.

Senator Frith: Hear, hear.

Senator Hébert: My answer to your insidious question is this: Before I was a senator I never had the privileges I enjoy now as a senator, such as being chairman of a committee that gave me the opportunity to travel across this country and to learn about the misery of our youth. It is because of this privilege that I now feel, as I guess all the other members of the Special Committee on Youth feel, that we are facing a national tragedy. That is why we used such language. After using all the other democratic means, I am obliged to go a little further by doing what I am doing. If I had known as much as I know now during the Liberal regime I would have done the same thing, but I did not know it and so I did not do it.

Senator Muir: This thing was not privilege, sir. I am one who has crawled around in the mud and dirt of the coal mines, with water running down my back. Senator Hébert has been active in public life for many years, and is a man of letters who is well qualified and has written many books and knows what has gone on in Canada. So, in response to his idiotic privilege

may I say that I think coal miners are equally important as citizens of Canada, and should have had greater representation in addition to what many of us on both sides of the house tried to do under many governments, and still try to do to help them out. Not only in one instance should we go on display.

• (1420)

I am unable to understand why a man so brilliant, so qualified, and who knows what has gone on in this country for many years, has never heard of 400 or 500 coal miners—and in one case 1,200—being thrown out on the streets. Senator Hébert did not say a word about it. Where was he living? In Canada? Did he not know about it?

He was a citizen of Canada and, if he wanted to express dissatisfaction or make representations, he could have sat out in the yard or, for that matter, anywhere at all.

AGRICULTURE

SUGAR-BEET INDUSTRY—GOVERNMENT POLICY

Hon. Joyce Fairbairn: Honourable senators, again I would not like to let an opportunity go by without putting my daily question to the Leader of the Government. Unfortunately, even if I should wish to do so, I could not try to present him with a bag of sugar-beets because southern Alberta did not grow any last year.

Some Hon. Senators: Shame.

Senator Fairbairn: I would ask of the Leader of the Government in the Senate again whether he is any closer to being able to tell us the timing of any announcement on a national sugar-beet policy and stabilization payments to the sugar-beet farmers of the country.

Hon. Duff Roblin (Leader of the Government): Now, honourable senators, things are back to normal. I would have been disappointed if I had not heard from my friend, but I can tell her that I am morally certain—note the qualification—that this time tomorrow I will have information for her.

Some Hon. Senators: Hear, hear.

HOUSE OF COMMONS

ALLEGED REMARKS BY CONSERVATIVE MP—ATTITUDE OF GOVERNMENT

Hon. Peter Bosa: Honourable senators, my question is for the Leader of the Government in the Senate.

The Speaker in the other place made a ruling on March 6, 1986, which is to be found at page 11261 of Commons *Hansard* concerning an alleged slur made by the member for Nunatsiaq, Mr. Suluk, against the member for Bourassa, Mr. Rossi.

The ruling of the Speaker was to the effect that he had checked the official report and was unable to find any such remarks in the "blues" and, consequently, was not able to rule on it.

My question to the Leader of the Government in the Senate is: Since that member had been heard by three other members who were willing to testify that he had made such remarks, will he or will the Prime Minister make a general statement saying that members who make such remarks are not welcome in the Conservative Party?

Hon. Duff Roblin (Leader of the Government): I have to say that the matter my friend raises has to do with proceedings in the House of Commons, and that is no business of ours.

Senator Bosa: I also have a supplementary question.

Honourable senators, this goes beyond the rules of the Senate and beyond the rules of the House of Commons; this has to do with fairness. I think the honourable gentleman is a really fair person. I think his party wants to be fair in its treatment of Canadians and minorities.

I think there is a cloud over his party as a result of the fact that no one in the leadership has made a statement dissociating himself from the slurs that were made and heard by people in the other place.

Senator Roblin: What my friend is really saying is that he does not believe the Speaker of the House of Commons ruled correctly. The Speaker of the House of Commons has dealt with this matter. My honourable friend may not agree with the way in which he dealt with it, but I have to concede that that gentleman is dealing with it in an honourable manner as he sees the facts. I really do not think that it is appropriate for me to seek to condemn the Speaker of the House of Commons and go behind his ruling. I do not intend to do so.

Senator Bosa: As a final supplementary, honourable senators, I am not dealing with the rules of the other place, nor am I applying any measure of quality to the kind of ruling that the Speaker made, because that has nothing to do with the question that I am putting to the Leader of the Government. The Speaker ruled on the evidence that he had at his disposal. The remarks were not reported in the "blues". Consequently, he could not make a ruling befitting the situation.

I am asking the Leader of the Government to dissociate himself from the remarks that were made, even though they were not in the "blues", because those remarks were heard by people in the other place who were within close proximity to the person who made them.

Senator Roblin: My honourable friend wants to be the judge. He wants to say that an honourable member did something that he does not like. I repeat that he wants to be the judge and, on the basis of his decision, he wants me to do something. That is not really very sensible.

Senator Bosa: Honourable senators, although I said that it was my final question, the government leader invites yet another supplementary. The member in the other place never denied that he made that slur. In addition, he went beyond an attack on a minority group. He also attacked the police force of Montreal and the police forces in this country. I am not asking the honourable gentleman to point a finger at the member who allegedly made these remarks. I am asking him

to make a statement of policy on behalf of the Conservative Party.

Senator Roblin: Honourable senators, there is absolutely no need to take the action that my honourable friend describes. He is placing his own judgment on the matter; he is asking me to take action on that and I am not going to do it.

STATUS OF WOMEN

ARMED FORCES PERSONNEL—RESTRICTION OF SPOUSES' ACTIVITIES—GOVERNMENT POLICY

Hon. Lorna Marsden: Honourable senators, I should like to ask the Leader of the Goverenment in the Senate a question concerning the position of the government with respect to the Organizational Association of Spouses of Military Members. I have asked previously whether the government is planning to make a statement concerning the situation with which honourable senators are familiar and in which the spouses found themselves when they attempted to get a street crossing light to protect their children on the base. Has the Leader of the Government had any word on that announcement?

Hon. Duff Roblin (Leader of the Government): This problem is under review in the Department of National Defence. I expect that some statement will be made about it in due course. There is nothing that I can advise my friend of today.

ASSOCIATION OF SPOUSES OF MILITARY MEMBERS—STATUS OF GOVERNMENT GRANT

Hon. Lorna Marsden: Honourable senators, I have a supplementary question. The same association applied for a grant from the Secretary of State women's grants program. In September they were told locally that they would not receive a grant but they were told from the national office that they would receive a grant. This matter has remained unresolved from September until now. Would the Leader of the Government be willing to add his inquiry to those that have been made outside of Parliament so as to discover the status of that grant?

Hon. Duff Roblin (Leader of the Government): If my honourable friend will be good enough to give the details behind her question—dates, names, places, and so forth—I will see what I can do about it.

ENERGY

OIL PRICING—GOVERNMENT POLICY

Hon. Hazen Argue: Honourable senators, I should like to ask a question of the Leader of the Government in the Senate. I have been pressing him to make inquiries as to when the consumers of gasoline may expect a drop in price. Would he care to comment on a report printed in the Vancouver *Sun* which states that Vancouver area motorists could be paying up to 12 cents per litre less for gas by May 1, according to figures provided by the provincial energy ministry? I could go on to quote the article further, but the provincial energy ministry of British Columbia believes that producers should be getting a benefit of as much as an additional 12 cents per litre because of the current drop in oil prices. My question is: Does the Leader of the Government feel that that is a reasonable assessment? When can some of these benefits be expected by the consumer?

[Senator Bosa.]

Hon. Duff Roblin (Leader of the Government): I have to tell my honourable friend that it is not my practice to deal with newspaper stories, nor, indeed, is it within the rules of the chamber that I should be expected to, so I do not. I will simply tell him that the information given him yesterday about our desire to get prices down stands. We are anxious to get them down as soon as possible.

Senator Argue: My question is this: Does the minister feel that the tremendous drop in international oil prices does warrant a drop of as much as 12 cents per litre?

● (1430)

Senator Roblin: I do not know whether it involves the question of 12 cents per litre. I do know that I believe the reduction should be very substantial.

FAMILY ALLOWANCES ACT, 1973

BILL TO AMEND—THIRD READING—DEBATE ADJOURNED

Hon. Arthur Tremblay moved the third reading of Bill C-70, to amend the Family Allowances Act, 1973.

Hon. B. Alasdair Graham: Honourable senators, I should like to say a few words on third reading. I presume that Senator Tremblay, the sponsor of the bill and chairman of the committee, will himself have something to say either later today or at a later date.

I shall begin by thanking the chairman and all members of the committee for their courtesy and co-operation. I also thank those witnesses who took the time to come from points near and far to appear before the committee to give very important testimony in connection with the committee's proceedings.

It appears that we are at a crossroads with respect to social programs in this country. The de-indexation of family allowances has set off alarm bells all across the country. There is a tremendous fear that this is merely the thin edge of the wedge. It is felt that the present government has just begun what will become a continuing process of cutbacks in social spending, resulting in very serious erosion of our total package of social programs.

Over the past three weeks the Standing Senate Committee on Social Affairs, Science and Technology heard what could best be described as very moving testimony from some very emotional people. Not one witness who appeared before the committee spoke in favour of the legislation.

There was a general feeling among some of the witnesses that the government had broken another promise, that we as legislators, collectively, were letting them down. They felt that we were taking something away from them that they already

had or that they were entitled to, and they wondered where the axe would fall next.

During yesterday's meeting of the committee I asked the Minister of National Health and Welfare whether or not the government had ever contemplated the restoration of full indexation, and, if so, when and under what circumstances? Mr. Epp responded by saying, "Senator, that is an interesting question and, when I have those answers from my cabinet colleagues, I will be glad to give them to you quite early."

Well, honourable senators, there are those who worry that this kind of heartless action would just pile more worry and more stress upon the stress that already existed. Some even said it was an attack against the family and was having a serious adverse effect on the morale of those who already felt downtrodden and those who were struggling to provide proper nutrition for their children, let alone to clothe them, to provide adequate shelter and to send them to school.

I do not know how to respond to that. I do not believe that the Prime Minister, if he came face to face with those people, would know how to respond. The Minister of National Health and Welfare has not been able to provide them with an adequate response. I do not know of one member of this chamber who would be able to put those terrible fears to rest. Certainly there was no one on the committee who could satisfy the legitimate concerns of people who face the problem of poverty every day of their lives.

One of the problems is that no matter what figures or charts one uses—and God knows we have enough charts and figures to fill several volumes—others will argue, using other charts and other sets of figures, that the people most affected will be worse off in the long run. In between are those victims who feel that things are tough enough and that they are going to get tougher.

● (1440)

Witnesses felt that they were being heard perhaps, but that we really were not listening and that the final decision had already been made, was cast in stone and could not be changed. The fact of the matter is that sometimes governments, no matter what their political stripe, do a lousy job of selling new programs and new directions. If, indeed, the present government has something better to offer down the road—and I have yet to be convinced—I only wish, as I did in the past, that they did the selling job and put in place more adequate programs, if they are to come, before they began the cuts. Again, I believe that we have a responsibility not only for the physical well-being of Canadians in need, but also for their mental attitudes. I also believe, after listening to the testimony of witnesses and interviewing many people across the country, that what we are doing will seriously affect the morale of thousands of our people.

We boast that Canada is the freest, the most bountiful, the most wonderful country with the greatest social programs in the world. There are so many reasons for us as Canadians to count our blessings. Yet, there were times, listening to the testimony in general and listening to individual mothers, that I felt ashamed. Let me quote Ms. Wendy Arbour, a single mother with two small children. She had this to say:

> Come the middle of the month, I am out of milk, bread, diapers for the baby and oddments around the house. Often there is no meat left or not even any macaroni and cheese for the kids' supper.

Ms. Dena Kenny, a mother in a two-parent welfare family with four children, two teenagers and two younger children, said this:

> My family allowance is important to me because, when my welfare cheque arrives at the beginning of the month, I pay my bills, buy my groceries and that is it. By the time my family allowance comes in, I owe money to the corner grocery . . . with the money I lose due to the de-indexation—

That is de-indexation of the family allowance

> —one of my children will not be able to buy a bus pass to go to school. I find it very difficult to lose that money.

Ms. Regena Russell said:

> I have not bought new clothes for several years. I go to a trade centre which deals in secondhand clothing. Buying new clothes for children is very unusual for women on welfare. I have never bought a new pair of shoes for my daughter.

My next quote is from Mr. Bill Bradley, who runs a soup kitchen and is the Executive Director of Shepherds of Good Hope here in Ottawa. He said:

> The other day we served almost 300 meals to poor people who came to us for help . . . .what we deal with are those people who have come down the ladder of economic life until they reached the point where they have nowhere else to turn.
>
> I can tell you from experience that when the government decides to cut we have to pay. Somebody has to feed those people, and if we are not feeding them they will simply go hungry. We commonly run into people, particularly young people, who have not eaten for three or four days.
>
> . . . for the families we deal with, a 50-cent decision is often a very important decision.

He talked of one family of five children and of which the father is unable to work because of a disability. Mr. Bradley related how the man relies on the annual Child Tax Credit cheque. He said:

> —he begins saying in January to his creditors 'Can you wait until my cheque comes in?' In January . . . his furnace broke down. He had to ask the furnace man who came to fix his furnace, 'Do you mind if I pay you when I get the tax cheque?'

Later on, he said:

> If we start eroding these cheques, people like this man will start phoning me or the parish—

Farther on, he said:

> The welfare system is the safety net. We have become the safety net under the safety net, and this situation is growing . . . there are more people on welfare in this city [Ottawa] now than there have ever been—10,400 individuals—and that number is growing.

Mr. Bradley also said that Ottawa was one of the better places in the country, that there are many worse off places. I can tell honourable senators that I agree with that comment from personal experience in my own part of the country. He went on to say:

> We are having a lot of difficulties now with youngsters. They are coming out of homes at 16 years of age where the family has said . . . 'we cannot feed you any more. You have to go out and fend for yourself.' They come to us often times in tears because they do not know how to make their way in life . . . .their anger begins to grow.
>
> For a young person at this stage of their life with no education and no skills, their future looks very bleak. Recently, we had one young boy commit suicide, and two brothers who tried to commit suicide together. They could see nothing worth living for any more.

Mr. Michael McBane of the Social Affairs Office of the Canadian Conference of Catholic Bishops had this to say:

> —we are seeing humanity not being sure about the future to the extent that even procreation is being called into question. These kinds of measures to undercut the basic security and needs of families contribute to that crisis of the future.

Miss Christine Hayden, Chairperson of the East London United Church Outreach Cluster, and representative of the National Working Group on Economy and Poverty of the United Church of Canada had this to say:

> Statistics are indifferent to human pain and cannot effectively convey a true picture of the daily struggle that poor Canadians engage in, as parents—and often single mothers—endeavouring to feed their children.
>
> With a growth from 12 to 14 per cent in the number of poor families in Canada (between 1981 and 1983), with an estimated 1.2 million Canadian children (20 per cent of our children) living in poverty, this Bill is not even a lump of coal, it is a slap in the face to a hungry family.

Monsignor Adolph Proulx, Bishop of Hull, said:

> Society must not succumb to an ideology of restraint that subordinates human dignity and human needs to abstract economic theory.

Instead, he said:

> —at a time when families face grave economic threats, priority must be given to preserving and indeed improving our social programs.

Quoting from the report of the Canadian Mental Health Association on Unemployment, Bishop Proulx said:

> The report documents the fact that with the rising rate of unemployment there are increases in rates of depression, anxiety, youth alienation, children's problems in school and poverty induced consequences such as poor nutrition and inadequate housing. Other devastating effects include family violence, suicide, homicides and rapes, divorce, drug abuse and premature deaths.

As a pastor, he notes:

> We do not believe that we are over-dramatizing this situation by saying that the socio-economic crisis in this country may be creating the conditions of social breakdown.

• (1450)

Honourable senators, according to the budget papers of May 23, 1985, the partial de-indexing of family allowance payments is expected to save the government $15 million in fiscal 1985-86 and $40 million in 1986-87. I respectfully suggest that these savings, when compared to the total federal deficit of over $30 billion, and measured against crying human needs, are really insignificant. The indexation of the family allowance has not been a burden for Canada. With decreasing birth rates, the total cost of this program now accounts for less than 1 per cent of the gross national product. As Ms. Gibson of the Vancouver Status of Women observed:

> Twenty years ago . . . the Family Allowance payments represented 6.1% of the total federal expenditures, and . . . this figure has dropped to 2.4%.

Mr. Terrence Huntley, the Executive Director of the Canadian Council on Social Development, states:

> Of the $228 million to be saved, roughly through de-indexing by 1990, about $172 million or 75% of the amount will come from families with below average incomes.

Other government expenditures could have been reduced or even frozen to achieve the same level of savings. For instance, defence expenditures for 1985-86 will increase by 7 per cent to $9.4 billion. A 0.6 per cent reduction in defence expenditures for 1985-86 would have been enough to cover the full indexation of family allowance payments for the next two fiscal years.

The implication is quite clear. Before expenditures on the needy are cut back, I suggest the government should, at the very least, avoid increasing its spendings on items that clearly benefit the well-to-do taxpayers of Canada. Honourable senators, I could go through the long list which has been recited time and time again about capital gains exemptions and so on, but I do not wish to bore you again with those items.

Other budget measures introduced in May 1985 and in February 1986 could further exacerbate the plight of middle and low income Canadians. These include the 3 per cent surtax on federal income tax, increases in the federal sales tax and hidden taxes down the road. Honourable senators, since low and middle income families spend all or most of their discretionary income on consumer goods, the sales tax increase further reduces their purchasing power. Along with the proposed changes in the income tax system, the burden on lower and middle income Canadians is increased. This suggests that, in spite of increases in the child tax credit, the overall impact

of the last two budgets is clearly to make low income families worse off.

The decision to have children is one which most parents take after very careful consideration. Most families today are choosing to limit the number of children to typically one or two per family. From information gathered by Statistics Canada, it is evident that there is a progressive decline in the number of children being born in Canada. For instance, in 1961 the zero to 17-year age group of our population was a total of 7,095,536, or 38.9 per cent of the total population. By 1971 this same age group was 7,695,813, or 36.7 per cent; by 1981 this group was down to 6,845,138, or 28.1 per cent; and what was most striking for me, honourable senators, was that by 1983 the zero to 17-year age group decreased to 6,663,000, or 26.8 per cent of our population. That, to me, is a startling decline. In one generation, the percentage of children in our society had declined from almost 39 per cent of our population to nearly 25 per cent.

We also know that during this same period—and this is very important to note—those over 65 years of age increased from 1,391,154 in 1961 to 2,496,500. That represents a 55.7 per cent increase in one generation.

We have heard the explanation that changes to child tax credit, child tax exemption and family allowances are being undertaken so that we do not mortgage the future of our youth. Not once have I heard the question raised as to whether there will be sufficient numbers of children to ensure that the future for Canada as we know it, and as our mothers and fathers, grandmothers and grandfathers worked and fought to create, will even exist.

I believe that we are facing a serious crisis in our society. The crisis, as I view it, is not one of diminished fiscal resources, but one of reducing the quality of human resources. If the state persists in turning its back on families raising children, families who have undertaken this special role for our society, how will our future generations respond?

Honourable senators, I believe that now is the time for this chamber to meet a challenge which, to my knowledge, has not yet been addressed in this country, and if it has it has only been done on a piecemeal basis. Families in Canada today are facing significant changes. We cannot avoid dealing with the changing structure of families, the transformation of the roles of men and women in families, the problems of violence in families, the economic well-being of families, the changing work and parental roles, adequate housing for families, the relationship between the education system and families, the relationship between recreation, culture and families, daycare services, social services and social benefits for families, and the law and families. The list, of course, is far from complete, but the need for such an undertaking is, I suggest, critical.

Honourable senators, I propose that the Senate Committee on Social Affairs, Science and Technology seriously consider putting in place a process which would produce concrete proposals for meeting the needs of families today, to the year 2000 and beyond. However, I believe that we should set target dates in this respect. We should begin to develop practical solutions for those people who have the responsibility for designing policies, developing programs and providing services to families directly. It may be that the committee should take on the role of a major task force charged with a solid mandate to develop a concrete plan of action which would lead to the implementation of new and comprehensive policies, programs and services affecting families. Such an effort should be characterized, I suggest, not only by the recommendations of professionals, but even more essentially by the testimony of ordinary Canadians who speak from first-hand experience. The recipients of the more meaningful recommendations to be developed should include federal, provincial and municipal governments; business and labour; those involved in housing, recreation, culture and education; public services, professional groups and community groups. It is to be hoped that the beneficiaries in the long run will be families, especially those who are most in need.

● (1500)

Let me conclude by saying again that there is a great deal of uncertainty, a great deal of confusion and a great deal of frustration out there. A great deal of good has been accomplished, but there is a great deal more which can be accomplished in the future.

I am reminded, honourable senators, of a very touching and very valid slogan I heard when visiting the Philippines recently. This slogan was adopted by the National Movement for Free Elections, commonly known as Namfrel, and I quote: "It is better to light a candle than to curse the dark."

On motion of Senator Marsden, debate adjourned.

IMMIGRATION ACT, 1976

BILL TO AMEND—THIRD READING—DEBATE ADJOURNED

Hon. Efstathios William Barootes moved the third reading of Bill C-55, to amend the Immigration Act, 1976.

Hon. Peter Bosa: Honourable senators, I had been wondering whether the Honourable Senator Barootes was going to speak to the bill on third reading. Since it appears now that Senator Barootes is not going to speak, I should like to make a few remarks myself.

Honourable Senators, Her Majesty's Loyal Opposition opposes this bill not because it has anything against any particular aspects of the bill, but because it believes that it is a band-aid approach to a problem which requires major surgery. The government recognized that. The government went on record to say that the next time it introduces a round of amendments, they will be more comprehensive and will deal with the matter of refugees in a more extensive manner. They will also include some of the recommendations contained in Rabbi Plaut's report, as well as some of the recommendations made by the House of Commons Standing Committee on Labour, Employment and Immigration.

For us, this is the last opportunity to ask questions with respect to future amendments. I am not going to deal with the

matter of refugees, but I should like, however, to ask the honourable gentleman the same question I put to him on second reading, which was: When the new round of amendments are presented, will those amendments also contain an amendment to the objective of the policy? The objective of Canada's immigration policy now reads:

> —to enrich and strengthen the Cultural and social fabric of Canada, taking into account the federal and bilingual character of Canada.

When this measure was passed in 1976, several people from across the country wanted to include in the definition of the objectives the word "multiculturalism". They suggested it should read as follows:

> —taking into account the federal bilingual and multicultural character of Canada.

When an amendment to that effect was moved at that time in the other place, the Conservative members supported it. They wanted to have the word "multiculturalism" included in the objectives of the policy.

So, I am asking the honourable senator now to give us an undertaking that when the new round of amendments is introduced by the government this particular amendment will be included.

Senator Flynn: Or delete any reference to it.

Senator Bosa: This is not a controversial issue; it is not a contentious issue, because we support it and the honourable members opposite support it. Therefore, it is a very easy thing for Senator Barootes to say: "I am going to get in touch with the minister and I will ask the minister to include an amendment to the objectives of the Immigration Act, 1978" which will provide for that. If we have an undertaking from Senator Barootes that he will do that, we can give this bill third reading as soon as he is in a position to say that he has received a commitment from the minister to that effect.

Senator Barootes: Honourable senators, I thank Senator Bosa for speaking on this matter today. He did, as honourable senators are aware, refer to this in his major address a few days ago.

I should like to point out that when he refers to these amendments as being "band-aids", they are perhaps better described as being "temporary". They are a matter of temporary adjustment to the Immigration Act, 1976. This is a temporary adjustment in order to allow the enormous backlog of cases to proceed, and to eliminate the hardship and suffering of many Canadian permanent and immigrant families.

It is admitted by the minister, and it is admitted by those in charge of this legislation, that it is a temporary measure and will be in place until the Immigration Act, 1976 can be seriously overhauled with major amendments conforming to many of the things the honourable senator has spoken about, as well as amendments conforming to the wisdom of that great scholar, Rabbi Plaut, and the judgment of the Supreme Court of Canada in respect of the "Singh" case, which was heard in April of this year, I believe.

[Senator Bosa.]

To do that will take some time. In the meantime, the hardship which people and families are undergoing must be dealt with, and this is a temporary measure to deal with that.

I would parenthetically wish to point out to the honourable senator that these amendments in Bill C-55 were under consideration by the former administration. So, we have been waiting two and a half to three years for some amelioration of this hardship.

Insofar as the objectives of the act are concerned, they are not contained in nor are they amended by Bill C-55. We will have to wait until a major overhaul of the act is under way to amend these objectives. I can assure the honourable senator, as I can assure all honourable senators, that I have written to the minister and to his department in respect of his wish. I have conveyed that wish as strongly as I could, together with the remarks the honourable senator made in the chamber a few days ago. I have not received a reply to that letter. I do hope the honourable senator has received a copy of that letter because I did ask that it be sent along to him.

The honourable senator told me that in 1975-76, when this measure was being proposed, the Conservative Party, then in opposition, supported the insertion of a minor addition to the objectives so that it would read:

> —the federal bilingual and multicultural character of Canada.

I understand that that insertion was not made at that time. This suggestion has been conveyed to the minister so that it might be included in the major redrafting that will take place in the future.

I wish I could give the honourable senator my undertaking that this will be done, but unfortunately we in this house, and I in particular, do not have the power to write that legislation; that legislation will be written by the department. That legislation will be written in the department and I am sure they will take this change in the objective into consideration. I wish I could give you all the assurance that you need, but there is no way that I, in my helpless condition as a senator in this situation, can.

• (1510)

Senator Bosa: Honourable senators, I would like to put a question to the honourable gentleman. I have no doubt that he would support this amendment, but I am asking him to elicit a response from the minister. I know that he sent a letter to him outlining the suggestions that were made on second reading and that he brought to the minister's attention the concerns we expressed. There is no controversy concerning the rest of the bill. We realize that there is an emergency here that needs to be dealt with as quickly as possible. We are asking him to call the minister—I am sure he is able to communicate with the minister without difficulty—and elicit a response from the minister that we hope will say that whoever is going to present those amendments will include this particular minor amendment to the objectives of the policy in the future.

Senator Barootes: I shall be pleased to convey your wish to the minister and then transmit to you his assurances at the earliest opportunity I have.

Senator Olson: Will you support his wishes? That is what he is asking.

Hon. Stanley Haidasz: Honourable senators, in view of the importance of this bill, I would like to ask Senator Barootes how much time the Senate committee spent studying this bill and how many witnesses the committee has heard.

Senator Barootes: I think the chairman of the committee is better able to answer that question, but I do know that they undertook pre-study of the bill in December of 1985. I was not present at those particular meetings because I was not a member of that committee.

Senator Haidasz: Honourable senators, in view of the unavailability of the transcript of the proceedings of the Social Affairs, Science and Technology Committee study of Bill C-55, and in view of the importance of the bill, I move the adjournment of the debate on this bill.

On motion of Senator Haidasz, debate adjourned.

MARRIAGE (PROHIBITED DEGREES) BILL

THIRD READING—ORDER STANDS

On the Order:

Resuming the debate on the motion of the Honourable Senator Stanbury, seconded by the Honourable Senator Petten, for the third reading of the Bill S-2, intituled: "An Act to amend and consolidate the laws prohibiting marriage between related persons",

And on the motion in amendment thereto of the Honourable Senator Flynn, P.C., seconded by the Honourable Senator Bélisle, that the Bill be not now read the third time but that it be amended as follows:

1. Strike out paragraphs (a), (b) and (c) of subclause 2(2) and substitute the following:

"(a) lineally by consanguinity or adoption, or

(b) as brother and sister by consanguinity, whether by the whole blood or by the half-blood."

2. Strike out subclauses 3(2) and (3) and substitute the following:

"(2) A marriage between persons who are related in the manner described in paragraphs 2(2)(a) or (b) is void."— (*Honourable Senator Neiman*).

Hon. Joan Neiman: Honourable senators, I have stood this order for more than a couple of weeks because I wanted to obtain an opinion from the Department of Justice with respect to what I feel might be a constitutional problem with regard to the adoption provisions in the proposed bill. A meeting has been arranged for next Wednesday with departmental officials as well as with Senator Flynn, Senator Nurgitz and myself, at which time I hope the matter will be clarified. Therefore, I am going to stand this motion once again until Thursday, March 20, but if any other senator would like to speak to the matter in the meantime, I would be happy to yield.

Order stands.

AGRICULTURE, FISHERIES AND FORESTRY

CONSIDERATION OF REPORT OF COMMITTEE ON HERBICIDE PRICING—DEBATE CONTINUED

On the Order:

Resuming the debate on the consideration of the Fourth Report of the Standing Senate Committee on Agriculture, Fisheries and Forestry, entitled: "Herbicide Pricing", tabled in the Senate on 13th February, 1986.—(*Honourable Senator Molgat*).

Hon. Gildas L. Molgat: Honourable senators, I simply wanted to comment on the work done with regard to this study and the process by which we arrived at proceeding with this study because I think it is one of the fine examples of the work that the Senate can do and has done in this regard.

When the Agriculture Committee was doing its study on soils and the degradation of soils, one of the comments we received came from a group in Manitoba, namely the Zero-Till Association. They pointed out to us that if there was going to be some great improvements in farming techniques and movement toward less tillage and having regard to the various recommendations that our committee at that point had not yet made, but experts in other fields had made, then the question of the cost of herbicides was one of the very basic elements. Arising out of the report received from the association, the committee decided to proceed with a study on this subject. I think it is fair to say that there was no enthusiasm in this connection from the Department of Agriculture. That was the situation both before the change of government and since the change of government. However, the committee decided to proceed in this area because it had been convinced by the presentations made to it that there was a serious problem, that there were potential answers within our own system—if we could just get some people moving—and that we had to look at it.

The committee proceeded with this study. There were no costs attached. It was done completely in-house by the Senate making use only of its own resources. Witnesses were called from here in Ottawa, so there was no travel involved and there were no expenses, except of course, for the printing of the document. But, as you will see, it is not an expensive printing process. A very valuable recommendation has emerged which can be of extreme importance to the farmers from a cost standpoint. Those who are following the agriculture industry know that right now the question of costs to farmers is at least one of the areas where we can be helpful. We may not be able to be helpful insofar as prices are concerned, where we have to depend on international prices, but so far as costs are concerned we can be helpful.

It does not make any difference which farm meeting you go to these days, the complaint is the same, namely the high input costs. The Liberal Party set up a task force some months ago

which travelled across the country and they received this constant complaint.

I have a clipping concerning a Conservative Party task force meeting in Brandon, Manitoba. It is the same story:

> The high cost of farm inputs is an area where government should take action.

In this regard, the Senate has taken action. I am pleased to say, as well, that the reaction to the committee's report has been excellent. I have here the front page of the *Manitoba Co-operator,* which is the newspaper of the pool in Manitoba. The headline on the front page states: "Senate Study Applauded". It goes on to say:

> Farmers who advocate zero-till practices say they are pleased with the recent Senate report, which has recommended ways to reduce the price of agriculture pesticides. "Its fantastic," said the President of the Zero-Till Association.

I think the report has been extremely useful and well received. The question now is: Will the government take action?

This is where I think the Senate can again perform a useful role because, having now produced the report and having had a good reaction from the farming community, the next step should be to invite the minister to meet with the committee. Let us see what the minister has to say with regard to our recommendations. If he does not agree with them, then we can expect him to tell us why not. It could be that he has some better suggestions, in which case we should discuss them with him. If he does agree with what we are saying, then I think the Senate is in a position to press for action.

● (1520)

We can either request that the House of Commons take action on the matter or, if they do not, we could introduce a bill here so that the action is started here and then proceed to the next step.

Honourable senators, as I said at the outset, this is a perfect example of the kind of work the Senate can do and can do far better than any royal commission that we have ever appointed in this country.

Hon. Senators: Hear, hear.

On motion of Senator Argue, debate adjourned.

THE BUDGET

PROPOSALS—DEBATE ADJOURNED

Hon. H. A. Olson rose pursuant to notice of Wednesday, March 5, 1986:

> That he will call the attention of the Senate to the proposals contained in the Budget Speech made by the Minister of Finance in the other place on 26th February, 1986.

He said: Honourable senators, I appreciate this opportunity to say a few words to draw the attention of the Senate to the Budget speech for two reasons. One is that there are a number of economic matters of great concern to the region of Canada—I am not going to say that I represent—from which I come. Senator Flynn will recognize, of course—because he has made this speech many times—that that ought to be the highest priority of senators; it is to express the views of the region of Canada from which they come.

The other reason that it is appropriate to take advantage of this opportunity by means of an inquiry calling the attention of the Senate to the Budget speech is that that kind of topic gives a fairly wide-ranging opportunity for comment. As my comments unfold, I am sure honourable senators will realize that a number of areas, such as agriculture and the oil and gas industry, find themselves in serious economic difficulty at the present time. I want to make some comment, not so much on the proposals contained in the budget but on the failure of the government to make proposals in the budget, which, of course, does exacerbate the problem rather significantly.

With respect to agriculture, I suppose the outstanding example of this government's abdication of its responsibility is its failure to deal with the sugar-beet problem. Senator Fairbairn, Senator Molgat, myself and several others have raised this question on almost a daily basis for several weeks. Indeed, honourable senators, in a little book I have a list of questions I have asked and it dates back to May 23, 1985, when I first asked the Leader of the Government whether or not the government was going to announce a policy respecting the production of sugar—and sugar-beets, to be more specific—in Canada so that the producers and the processors could get together and make a deal, a contract, or whatever you want to call it. Up to and including today, we have had pretty well the same answer, which has been, "Wait." At some point, the Leader of the Government said, "Soon." Today he said—and I do not have his exact words before me—that probably by tomorrow at this time we would have an answer.

Honourable senators, the fact is that a year to work out a program is too long a period of time, especially when there are all kinds of precedents for what the sugar-beet producers and the sugar-beet processors require so that they can make a contract and, therefore, grow and process a crop. There is absolutely no need to wait until this late. There was nothing in the budget that dealt with it and there has been no announcement since. Honourable senators, this is a complete abdication of the responsibilities of governing this country.

The fact that international sugar prices have been depressed is not relevant because that has happened before. It happened not only this year, but it has happened intermittently for the last 25 years and perhaps even longer than that. What is new and what is devastating to those beet producers is that this government has, for whatever reason, abdicated its responsibility. It has chosen to say nothing. It did not say that a policy was going to be put in place or that payments would be made under a stabilization program. It has said nothing other than that the policy would be announced "soon."

I know honourable senators have heard me ask the questions and they have heard the reasons for my asking the questions on behalf of the sugar-beet producers in my region who are in

a desperate position. They must decide whether they are going to order seed, herbicides and all of those things that are required to grow a crop. More than that, honourable senators, they have to consider the alternatives if they do not grow a crop of sugar-beets. Last year, most of them, on short notice, when it was much too late to seed sugar-beets, decided to seed soft white wheat. For those who do not know, soft white wheat is the kind of wheat that is used for making cake flour. When the producers seed 35,000 acres of additional land to soft white wheat for which there is a very limited market, it wrecks that market for the people who are traditionally growing soft white wheat. I will not go into the details now, but I would point out that it is a special crop for a very small market.

The beet producers have thousands of dollars, in some cases hundreds of thousands of dollars, tied up in equipment that is specific to grow and harvest sugar-beets, and they do not know if the government is simply going to let that industry die. I do not know whether they are or not. It now sounds like we may get an answer tomorrow. At least, they should be fair enough to the producers to say whether or not that is their position. I am sure many of those producers have hung on to their equipment trying to do whatever they can in the face of these great difficulties and depressed prices for some time, and we have not had any answers.

● (1530)

I should now like to deal with another subject, the matter of the crisis in farm financing and the debt servicing charges that are adding seriously and significantly to what was already a very difficult situation. The budget does not contain any relief for that at all except, if I may say so, something about commodity based mortgages. Honourable senators, I have tried to understand what that means. I think it is fair to say that the government itself does not understand what it means, because it will proceed with this plan on some sort of a trial basis. What is important is that the government has allocated $65 million to deal with the whole of the farm credit crisis in a year. If we think of that in terms of the size of the problem, it is something less than one half of 1 per cent. I think that the government should have been more generous in dealing with this severe problem because, in many respects, it caused this problem through its lack of action. I make that contention, and there are many people in this country who follow these matters closely and who find that the government's lack of action is one of the reasons why we now have an interest rate which is about four percentage points higher than that in the United States.

Allow me to clarify what I am saying. The Minister of Finance has made several speeches in public and in the other place implying that the reason for the drop in value of the Canadian dollar to near 69 cents was because of the traders in the Chicago commodity market. He then went on to say that one of these days they are going to be called to account; they are going to pay for what they have done to the Canadian dollar. The government borrowed $2.5 billion—that is in addition to the foreign exchange that was already available to it—to deal with the so-called traders in the Chicago market that were going to be called to account. But the Leader of the Government and the Minister of Finance are aware of one other thing, and that is that there is a momentum built up in terms of what happens in the commodity exchanges. Sitting back and doing nothing, day after day after day, while the Canadian dollar was falling is part of the reason why it fell so far. When it did fall to 69.12 cents, that momentum had already been built up. That is why it cost so much to try to remedy the situation. Anybody knows that in the stock markets as well as other places, the faster something gets moving, the more difficult it is to stop it. The consequence has been that the Bank of Canada had to borrow $2.5 billion, one of its most massive injections of funds, simply to stop the decline in the value of the Canadian dollar. If the government had faced up to its responsibilities sooner, that momentum would not have built up and the cost of stopping the decline in the value of the dollar and turning it around would have been substantially less.

We should also look for a moment at what that cost, and this gets back to the point I was about to make a few moments ago; that is, that we now have an interest rate which is four percentage points higher than that in the U.S. Our prime interest rate is approximately 13 per cent and that in the United States is about 9 or 9.25 per cent. This means that all of the people on floating interest rates with the banks—a situation in which most farmers find themselves—are now paying that tremendously increased interest rate. This is due to the failure of this government to act in time. I am particularly interested in the agriculture sector because it is desperate simply due to low international commodity prices. It seems to me that the government is standing back, putting in place a sort of watching brief on these farm financing problems.

I can tell honourable senators that the lack of action on the part of the government—quite apart from what happened in the international market for wheat, potatoes and other products—indicates that it has not faced up to its responsibility and that has cost us an enormous amount of money in increased additional interest charges. That would not have happened if the government had done what any responsible government ought to do.

Turning to other matters, the same argument can be applied to the energy sector. There is, perhaps, some resentment felt towards people in the oil and gas industry because it is believed that they got a lot out of the consumer some time ago. I do not know about that. What I do know is that a very difficult situation applies in that sector at present. I know that the international decline in crude oil prices is not the responsibility of the Canadian government. I accept that. But this government took some action before the steep decline in oil prices took place. I believe that the effective date was June 1, but, at any rate, the government decided that it would not intervene in the energy market at all. That was something that the Liberals did; therefore, the Conservatives do not do it. Or perhaps there is some other phoney philosophy which provides that they do not have any responsibility to govern with respect to that. They call it deregulation. Well, honourable senators, deregulation

included a number of things, one of which was the end of the new oil reference price.

Let us examine for a moment or two what that means. As I stated at the outset, I do not blame the government for the decline in the international oil prices. That is happening because of the collapse of OPEC agreements and other things, particularly the action of Saudi Arabia, which has led the decision to open the valves and produce a surplus. However, honourable senators, there was in place a policy that was brought in by the Liberal government. However anyone might want to slough it off—by saying that it is the old National Energy Program brought in by the Liberal government or any of the other reasons why anyone would not assume the responsibility of governing this country—the fact is that there was a new oil reference price in place that did a number of things that would have avoided much of the difficulty we are now experiencing, quite apart from what happens to the international price.

The new oil reference price was about $5 per barrel higher than what was being paid for old oil. Oil that was discovered prior to 1973-74 is called old oil, and oil that was discovered through an investment made since 1973-74 is called new oil. New oil got a price approximately $5 per barrel higher.

Senator Bosa: Higher than what?

Senator Olson: Higher than the price of the old oil.

Let me tell honourable senators about this old oil so that they understand that there is an important difference. First, old oil was discovered, developed and brought on stream when the price of oil was about $3.50 to $4 per barrel. Investment was made in the exploration and development on that basis. Therefore, long before 1980 or 1986—I include 1980 as well because that is when the second oil shock came in—all of the capital investment in old oil had been paid off.

• (1540)

There is another factor that is included in this that people should understand. It is that 85 per cent of the so-called old oil was owned by the multinationals: Imperial Oil, Exxon, Shell, Texaco, and so on.

Senator Frith: What percentage of that was still in the ground at that point?

Senator Olson: It is hard to say. It depends on how much of it you can recover. But if you can recover, say, 30 per cent to 35 per cent of those reserves, there is probably 12 years' production left, and that could add up to something in the neighbourhood of from 4.5 billion to 5 billion barrels. That's about the figure.

My point is that there was a policy in place that was going to give some relief to the small and medium-size Canadian companies which had invested at the higher level—that is, after 1974; and there was a price of about $5 per barrel more for that classification of oil than there was for the so-called old oil.

As I have said, 85 per cent of all of the old oil was owned by the multinationals. But this government decided that it was going to throw out the new oil reference price and the differential, and the consequence of that was to hand the multinationals, which had 85 per cent of the oil production, about $5 per barrel. And from whom did they take it? They took it from the small and medium-size Canadian companies which had invested since then, and they gave it to those companies which had made all of the investment at from $3.50 to $4 per barrel and which had been paid back in full long since.

That had nothing to do with the decline in the international price. That happened away back last spring. I believe it was June 1 that the deregulation of that took effect. So this government has to stand up and say that it is guilty of making that change in the policy that was in place, and it cannot simply stand back and say, "Well, we can't do anything about international prices." I accept that they cannot, or at least that they have very little influence.

So what is going to happen? The Minister of Energy, Mines and Resources says that she is not going to make any intervention, because it was a Liberal policy to have NEP. I do not know why she is not going to intervene, outside of this phoney philosophy of "no intervention." I can tell honourable senators that she came to Calgary and had a meeting with the Minister of Energy from Alberta. She said, "The oil industry is going to survive." I, too, know it is going to survive, but the form in which it is going to survive is what is bothering people now—because those big multinational oil companies to which I refer, having owned 85 per cent of the so-called old oil, are also the very same companies that have all of what is referred to as the downstream activity: pipelines, the refining and the distribution—with the exception of Petro-Canada, which, of course, is also involved in that. Imperial Oil, Texaco, Shell, and so on, are the companies which have all of the downstream revenue. There are people who believe that those companies are going to use the downstream revenue to compensate for the loss in the so-called upstream—that is the price of oil that is paid to the producers at the well-head, and so on.

Of course, it is easy to understand why they do not lower the price to consumers. It is because it is in this so-called downstream area, that is after the oil goes into the refinery, that they are not lowering the price—because they certainly have lowered the price by over 50 per cent in the last four months for all of the oil going into the refineries—and this government lets them get away with it. The minister says that the oil industry is going to survive. But I predict that there will be major amalgamation and acquisition of oil reserves by the big companies, which can defend themselves against this situation—buying up, from desperate small and medium-size Canadian companies, the reserves that they have in the ground. That is exactly what will happen, and that is how the oil and gas industry will survive. That is the shape and form it will take after this period—we do not know how long it will be—transferring enormous amounts of reserves that have already been discovered away from small and medium-size Canadian companies into the hands of the multinationals.

We had some kind of policy in place to assist Canada to own a larger share of its gas and oil industry. That was part of the

NEP. I am not here to say to the government, "Re-establish and put back in place all of the NEP." But if that part of it which was designed to help Canadian ownership, to help us toward attaining additional self-sufficiency, was not a good policy, then I would like to hear something from this government about what it is going to do about it—because that is how we will survive. Nearly all of the drilling off the east coast has stopped or is about to stop. They took away the program that was there to delineate what the reserves might be. Obviously, drilling at sea involves a higher cost than drilling for oil on land, but at least some very interesting discoveries were made, and even though it involved a higher cost, we should at least know what we have. All that has been taken away.

But there is more coming, unfortunately. This government has already announced that it is going to deregulate the gas industry. But even after consultation with the industry, it could not decide how it was going to do it. So the government gave itself another year. It is going to deregulate the industry on November 1, 1986. But what everyone is pretty certain about is that the price of natural gas to the producers will go down by about 35 per cent to 40 per cent between now and no later than November 1, 1986, and that will further exacerbate a situation that is already desperate.

If honourable senators do not think it is serious, yesterday we were advised that Husky Oil had laid off 300 people. That was the company that was going to build the upgrader at Lloydminster. So that has gone. Petro-Canada laid off from 300 to 400 people yesterday. They will not tell us how many they are going to lay off in total. I should like to make a further comment on what Petro-Canada is up to. I do not know what kind of instructions they have received from the minister, but it is hard to believe that any company could be that inhuman. People arrived at one of the offices in the two buildings the company has in Calgary to be told that they were through. They were asked to sign a paper for their severance pay and then told to please leave. They could not even go through their desks and take out their personal belongings. They had ordered 50 taxi cabs to be at the front door to take these people away. That is the kind of inhuman consideration given to people under these very difficult and embarrassing situations—

• (1550)

Senator Argue: That is a shame!

Senator Olson: It is, and one wonders what kind of instructions were given to Petro-Canada that it would act like that.

Senator Stewart: That is called carnage.

Senator Olson: It is the most inhuman thing that I have ever heard of.

Senator Argue: It is the Nielsen report.

Senator Olson: A public crown corporation has received instructions from this government to somehow cut costs. It is alleged that they are doing all this in such a way as to make the company look a little more profitable prior to selling shares to the public. If that is so, the government should hang its head in shame. And these people who have been let go are people who have held their jobs for years.

Honourable senators, I will repeat what I just said. Taxi cabs were ordered ahead of time. And when these people went into the offices, they were fired and told to go home at once. I guess it is as a result of the Nielsen report.

Syncrude has decreased its budget by some $200 million. We talk about the downturn in the gas and oil business during the last depression which, by the way, occurred all over the world, not only in Canada where we had the NEP. During that depression of 1980 and 1981, I know of no case where the oil companies cancelled surface leases with farmers. Not once did I ever hear of this happening in the district where I live. But just last week it happened to some of my neighbours. Oil companies came out and cancelled the leases that they had been negotiating for surface rights.

I hope I have been able to impress upon the Leader of the Government that the situation out there is serious.

Senator Roblin: Don't worry, you will hear from me.

Senator Olson: I want the leader to know that the situation is desperate. When I hear from him, I hope that he will say something about what the government intends to do about assuming its responsibility to govern the country in the interest of Canadians. What has happened to date is that in all circumstances where discretionary action—never mind financial commitment—was available to the government it handed over the benefits to people who are not Canadians or who are not necessarily Canadians; namely, the multinationals.

Senator Argue: Ronnie's regiment.

Senator Olson: I hope the leader will tell us what the government intends to do in this area. There are thousands of people in the industry who are wondering whether the government will ever assume its responsibility to govern and do those things that are available to it.

There are many other things in the budget, including tax increases and decreasing expenditures. By and large, I do not object to the government trying to deal with the deficit. I think that over time it is a responsible attitude. However, what I have been talking about, in terms of debt service charges for farmers, in terms of driving the prime interest rate up to 13 per cent because of inaction on the part of the government and in terms of other things it has done in the oil industry, has nothing to do with requiring large amounts of money or increasing the deficit.

I hope the government will begin to take its responsibilities seriously and not sit back with watching briefs. This leader and his colleagues have done exactly the same thing. Canadians deserve to have their government do those things, all things and such things for which the federal government is responsible. It does not have the right to stand by and watch these two important sectors of the Canadian economy go down the drain.

Hon. Douglas D. Everett: Honourable senators, in entering into this debate on the budget, it is perhaps worth while to

enquire briefly into what happened to get the economy into the state that it is in today. You might be interested to know that between 1975 and 1985 government expenditures grew at a rate of 13 per cent per year as against an increase in inflation of 8.8 per cent. In order to neutralize the effect of inflation, the then government created indexed programs and indexed personal exemptions and personal tax brackets. As a result of those expenditures and that indexation, the public debt grew from 17.5 per cent of the gross national product in 1975 to 47.3 per cent of the gross national product in 1985.

As honourable senators know, we had a recession in 1981. That recession was combined with inflation which did not subside at the same time as the growth in the economy did. The government took certain appropriate counter-cyclical actions in such areas as unemployment insurance benefits. However, what really happened was that indexation produced a double whammy. Due to inflation the outlays went up. Due to the indexation of tax brackets and personal exemptions in a receding economy, income went down. Of course, as a consequence of inflation, interest rates went up egregiously, which impacted on the very much larger public debt so that our servicing costs in the fiscal year 1984-85 were 32 per cent of total government revenues.

Before we get terribly concerned about the deficit and the national debt, I think we should put it in context.

Hon. Peter Bosa: Did I understand the honourable gentleman to say that one third of the budget went to servicing the debt, or did he say that one third of the deficit went to servicing the debt?

Senator Everett: I said that 32 per cent of government revenues went to servicing the national debt.

However, as I said, we should put the matter in context. The best way to do that is to compare the size of the deficit and the debt to the size of the deficit and the debt in the United States. Using comparable figures, in 1984 the deficit for Canada was 7.1 per cent of gross national product. In the United States it was 5.4 per cent. The overall debt in Canada in 1984 was 40.9 per cent as against 36.4 per cent in the United States. I mention that because some people say that for our deficit to be compared with that of the United States we have to multiply it by ten. I think these figures are more accurate. They indicate that in terms of total debt we are not badly out of line, and that in terms of the deficit we are not as much out of line as people sometimes suggest. That is not to say that our situation is a good one.

Senator Frith: Or that their's is.

Senator Everett: No, but in comparable terms we are not that badly out of line. That leads me to wonder what really is wrong with deficits. I think there is a great deal of misconception about them. For example, it is said that deficits cause an upward pressure on interest rates. I suppose in one sense that can be true, but during the time that we have had probably some of the worst deficits in history here and in the United States, interest rates have gone down. It is said that deficits cause crowding out of funds for private investment. Yet, at a time when deficits were as bad as they probably ever have been, at a time when the economy was expanding, there was no crowding out. It is said that deficits in Canada cause a certain amount of off-shore borrowing, but no one can prove that equation because off-shore borrowing depends on exchange rates, on interest rates and on the expectation of the changes in those two elements.

● (1600)

It is true that deficits create expectations of inflation in people's minds. They can cause a loss of confidence and no one would doubt for a moment that fiscal policy is somewhat restricted when you have a large debt and heavy deficits. However, in order to discuss this matter of deficits I just want to put something to you. It may have occurred to you that, in Canada, we are told that the reason our dollar is weak is because we have deficits. I think that is usually the reason given to indicate why our dollar is at 69 or 70 cents U.S. On the other hand, if you read the comments in the United States, you will find that the deficit is blamed for high interest rates and, until recently, for the strength of the American dollar. It puts me in mind of following the stock market. When the stock market has just dropped, reporters go to a stock analyst and they say, "Why?", and he will dredge up a reason of one sort or another. It seems to me that this matter of deficits has been explained by dredging up reasons that have no basis in fact.

However, there is obviously a problem with deficits and perhaps we should have a look at what it really is. The federal deficit is not like a deficit of a company or of a province, and for one reason: That is, that the federal government has the central bank there to buy its obligations, whereas a company or a province must float obligations on the market when they have a deficit. The federal government can do that, but it can also have the central bank buy its obligations and finance the deficit in that manner.

Senator Frith: In other words, it owns its own bank.

Senator Everett: That is correct, it owns its own bank with unlimited funds. There are consequences of their doing that, but the federal government has the right to do it. You will hear a lot of people state that the servicing costs of the debt will completely overwhelm us by 1990 or 1995. I say to you, honourable senators, that that just is not so. It is not so because, if that were to occur, then the federal government would monetize the debt; they would print enough money to be able to pay those costs. Inflation would be the end result and it would be exacerbated by a stimulative fiscal policy. That, therefore, is really where the problem of deficits comes in—that at some point, you are forced to monetize them, and the result is inflation.

The other problem, obviously, is the one that we are facing today, and that is if we do not accept the need to monetize the deficit, then we must accept the pain of getting back on track.

A deficit is caused purely and simply by expenditures not being covered by revenues, and there are only three ways that you can possibly handle it. One, as I say, is to monetize the debt; that is, print money in order to cover the deficit. The

second is to increase revenues, and of course the problem with that is that you seriously affect your competitiveness and private initiative. The third is to reduce expenditures.

What has this government done in the most recent budget? The Minister of Finance has claimed that there will be a net expenditure reduction. He states that in 1985-86 the reduction will be $4.5 billion; in 1986-87, $6.8 billion; in 1987-88, $9.7 billion. However, what he fails to tell us is that these are reductions in planned expenditures. What he fails to tell us is that he took the trend line of the expenditures in 1984-85 and said, "They will continue, and therefore my reductions are related to the trend line itself."

What actually has been done? Let us look at what is going to happen to expenditures, and this is according to the Minister of Finance's own budget speech. In 1984-85 there will be a total expenditure of $109 billion; in 1985-86, $112 billion; in 1986-87, $117 billion and in 1987-88, $120 billion. So the trend is up, not down.

On the other hand, taxes will be $71 billion in 1984-85; $78 billion in 1985-86; $87 billion in 1986-87 and $94 billion in 1987-88. In three years, expenditures will increase by 10 per cent, but taxes will be up by 32.4 per cent. That difference will be exacerbated by the partial removal of indexation of personal tax brackets and personal tax exemptions so that that gulf will widen.

However, one must admit that in raising taxes, which is what this budget really does to a much greater extent than reducing expenditures, the government does attack the deficit. In 1984-85 the deficit will be 9.1 per cent of gross national product. By 1987-88 it will be down to 4.9 per cent of gross national product. But so far, tax increases are the main weapon that has been used by this government.

I suggest to you that there are three areas that are available to the government to reduce the deficit further. The first area, of course, is non-statutory programs and I think there the government has done a fairly good job, or is in the course of doing it. They are proposing that in 1984-85 those programs will grow by 10.7 per cent; in 1985-86 they will reduce by 1.4 per cent; in 1986-87 they will increase by .7 per cent; and 1987-88 they will increase by .5 per cent.

● (1610)

They are doing certain things that I think make some sense. For example, I read the other day that there is a private sector committee of executives from large corporations which have gone through a major readjustment in their staffing levels. They have brought those executives to Ottawa to see how they accomplished this.

Yesterday, the Nielsen task force tabled its report in the House of Commons.

The Conservative government of Premier Lyon did that in Manitoba. I think it is a worthwhile exercise; it indicates those areas of government spending that should be reviewed. One has to bear in mind that in Manitoba it really was not proceeded with, and part of the reason for that was that viewing government from a businessman's point of view is very different from viewing it from a politician's point of view. I think it is reasonable to have this sort of examination made, and I congratulate the government on doing it.

I think it becomes much more difficult to implement some of the proposals, but, nonetheless, they are there and they do indicate areas of non-statutory spending that could be inquired into and, perhaps, made a great deal more efficient. But I would say this in warning to the government; global cuts often do not work. When a government comes along and says it is going to reduce spending in a certain department or in a series of departments by a certain amount of money, one really finds in the end—at least that was the experience of the Senate Finance Committee—that they were transferred from one pocket to another and that the reduction was temporary.

Senator Roblin: The tyranny of the *status quo.*

Senator Everett: The tyranny of the *status quo*, that is quite right. I think the only way to control expenditures is to make deep inquiries into how one can improve the efficiency of a department.

When I was chairman of the Senate Finance Committee, that committee made the recommendation that the Department of Public Works be operated on the basis of revenue dependence—that is, with the same discipline as the private sector. What we were really saying—and this is in the course of being implemented—was that it could be operated on a much more efficient basis in that way rather than saying, "Cut your expenditures by 10 per cent."

The second area is one that has not been really approached by this government, and that relates to statutory programs. I understand they constitute some 60 per cent of total program expenditures. This is an area which, somehow or other, we have to deal with.

First of all, there is in our social programs this question of universality. The argument that is put forward by those who are in favour of universality is that if you do not have everybody involved in a program, it starts to lose support. But let us face the fact that the deficits we are suffering mean that we either have to raise taxes to the point that they are uneconomic, we have to monetize the debt—which would create inflation—or we have to find means of bringing our expenditures into line with the taxes that we can raise. In other words, we have to do what we can afford.

I would have thought in those circumstances that if we cannot provide 100 per cent coverage it would be far better and far more compassionate to say: "We will provide proper coverage of these benefits to those who really need it."

That is not a new concept at all. We use it in dealing with the child tax credit; we use it in the guaranteed income supplement. The tax form has provided us with a very convenient and non-demeaning needs test, and it is quite possible today to be able to do away with universality and to say: "We are going to provide proper care for those who need it."

In any event, I happen to come down on that side of the equation. I find it appalling that it was never properly debated

in Parliament or among the public. It should be examined to see if there is not a better way of delivering those services.

I could go on to the example of the great debate in Ontario over extra billing. We have said, by way of legislation, that a province will suffer a penalty in federal grants if it allows doctors to extra bill. Well, I really do not understand that; I do not understand why that should be so. If we are concerned about doctors and extra billing, then why do we not impose a 25 per cent penalty on their fees if they want to extra bill so that the public saves money, and then allow them to bill on top of that? What is wrong with that? Nothing, as long as there is no restriction imposed by the medical profession on the number of doctors. If we are really honest and compassionate and care about people, why do we create a situation in which the costs are so high that we cannot give proper care? Why do we say that every doctor is the same? There are some doctors who are better than others, and if they have to charge higher rates to get a higher income so that they are less of a charge on the system, then I think it makes good sense to allow them to do that.

The other day a task force on Child Care reported, and in that report they said that they wanted to create a system in which there would be no private profit-making daycare centres. They wanted to create a system in which there would be a 50/50 sharing of child care between the user and the government, and for those who could not afford it they would use the Canada Assistance Plan in order to help them pay the other 50 per cent. They projected that by the year 2001 it would cost the Canadian budget $11 billion. It is no wonder we have deficit problems. Why would we not say that if people want to spend their own money and invest in daycare centres, they should be allowed to do so? In my province of Manitoba licences for private senior citizens' homes are gradually being removed. Further licences are not being granted to anyone who wants to build a private senior citizens' home. In order to get into a senior citizens' home, you have to go through a government board. You are also not allowed to pay more than a set rate. Then they wonder why they do not have enough senior citizens' homes. A lot of people would be prepared to pay the extra amount out of their own pockets for better care, thereby leaving more government money for those who cannot afford it. It seems to me to make eminent good sense.

● (1620)

I do not understand why we cannot attack that problem and why these axioms are laid down that we must have universality, that we must not allow private profit-making institutions to enter into these fields; that we must prevent people from using the resources that they have built up throughout their lives any way they want. I do not understand that and I never will.

I want to go on to the third area that I think could be used to attack the deficit, namely the area of taxation. The twenty-second annual report of the Economic Council of Canada stated the tax breaks to corporations were $18.3 billion. To put that in context, in 1954 corporations paid $1.05 billion worth of taxes and individuals paid $1.17 billion—just about the same amount. In 1982 corporations paid $8 billion worth of taxes and individuals paid $26 billion—over three times as much.

I do not blame the corporations, because the programs were there and they took advantage of them, but it does indicate that there is something seriously wrong with our tax system. We should accept some sort of neutral tax system that lowers the rates both to corporations and individuals and says, "You make up your own mind how you want to spend your money." I have never understood why the top marginal rate should be around 60 per cent so that you can go out and invest money in some crazy movie, or a MURB, or something similar—on which you are probably going to pay far too much and make very little return—in order to reduce your tax rate. I know the government has introduced a minimum tax, but that purely and simply proves the point. Would it not be far better if we lowered the tax and did away with those incentives?

I am interested to learn that the government is considering a business transfer tax, which is a form of value added tax. In the report of the Finance Committee entitled "Growth, Employment and Price Stability", we made a strong recommendation that this sort of tax be brought in, and I think it would be useful.

Finally, in dealing with this problem that we have of debt and deficits, we somehow have to attack the problem instead of each other. It is, perhaps, a little naive on my part to suggest that, but, nonetheless, I think it is true. The Minister of Finance, in his speech, blames everything on the Liberal government. The Liberals retaliate by saying, "You are killing off the lower and middle classes by increasing taxes." The truth is somewhere in between. We are in a mess, but we can get out of it. It does not make it any less valid for the opposition to criticize the government—so it should—but mindless criticisms on both sides will get us absolutely nowhere.

The problem can be cured. It does not mean that you are not in competition or in a fight in party politics, but it also does not mean that you have to have mindless debate.

On motion of Senator Bosa, debate adjourned.

The Senate adjourned until tomorrow at 2 p.m.

THE SENATE

Thursday, March 13, 1986

The Senate met at 2 p.m., the Honourable Martial Asselin, P.C., Speaker *pro tempore*, in the Chair.

Prayers.

[*Translation*]

YOUTH

CONSIDERATION OF REPORT OF SPECIAL SENATE COMMITTEE—DEBATE ADJOURNED

Leave having been given to proceed to Order No. 12:

The Senate proceeded to consideration of the Report of the Special Committee of the Senate on Youth, entitled: "Youth: A Plan of Action", tabled in the Senate on 19th February, 1986.

Hon. Jacques Hébert: Honourable senators, yesterday I was delighted to see that my colleagues, and especially my friend the Leader of the Government, were very anxious to start debate on the report of the Special Committee of the Senate on Youth. I suppose they realize the urgency of dealing with the problems of a large segment of our youth which has been referred to as the lost generation . . . However, members of our committee believe this generation can yet be saved by speedy action on the part of the various governments.

I am therefore delighted with the interest shown by the Leader of the Government, who even scolded me for not making this speech sooner. Even after nearly three years in the Senate, there are still a lot of things I don't know. Quite frankly, I thought that before making speeches, the chairman of the committee should spark the interest of the Canadian people by explaining this report and its recommendations. In three weeks, I gave nearly 150 interviews on television, on the radio and to the press. It was a real marathon, with very little time for eating or sleeping, that I can assure you. After this tour, I have the impression that the majority of the population is aware of the dramatic situation of so many young Canadians, and that our report has been well received. I am a little surprised at the apparent criticism of this vast public relations operation which should help to have the committee's recommendations taken seriously by the various levels of government at which they are aimed.

Considering my present concerns, I had little time to write a speech commensurate with the importance of the committee's report. In fact, since Monday I have given more than 100 interviews where the subject was, basically, youth and the committee's report. Every day, I start with a first interview at around seven o'clock and the last one is around eleven o'clock at night. Which means that I had to impinge on my usual sleeping hours to respond to the wishes of the Leader of the Government. In fact, I am glad he insisted, because it is entirely appropriate that the Senate should discuss youth problems which, according to the editor of the Ottawa *Citizen*—which I read yesterday—has gone in three days, and I quote, "to the top of the nation's agenda".

[*English*]

It is with much pride that on behalf of my Liberal and Conservative colleagues I present for debate the report of the Special Senate Committee on Youth entitled "Youth: a Plan of Action." This report and its 26 recommendations were unanimously adopted by the full committee, and already in the four weeks since its release, the response by the public, young and old alike, has been overwhelming. By the way, by the end of last week, the first 15,000 copies of the report had already been distributed and we are printing more.

We looked at a broad range of issues of equal importance. Although our focus was wide, we regret that it was not more detailed. In fact, producing our report convinced Senator Yuzyk, myself and our colleagues that a more thorough investigation would be in order. As we say in the conclusion of our report, "If we have sparked the imagination of Canadians who will suggest other ideas, we will consider our task to have been a success."

The committee was originally formed in the Senate under the previous government in April 1984 to consider the problems facing Canadian youth. The committee was dissolved when the federal election was announced that summer, and was re-established in December. Our goal was to examine more fully and understand the reality of life in the eighties for the youth of Canada. To this end, in April 1985 we started on a series of hearings across the country, visiting a total of 11 cities and listening to over 200 oral presentations, as well as receiving 500 written submissions.

At first, our young witnesses were sceptical, and sometimes critical, of our approach to solving problems which, to them, seemed insurmountable. Yet, they convinced us of the absolute seriousness of their situation and of the intolerable nature of their problems. Criticized for having no *ex-officio* youth members on our committee, we undertook to speak directly with as many young people as possible. While the nature of the consultation process is such that it often focuses on those who have criticisms and who are experiencing problems, we readily admit that the majority of our young people are doing rather well. The 80 per cent who are in school, pursuing university degrees and have jobs are not without problems. However, their relative good fortune stands in striking contrast to the dismal situation of the 20 per cent with whom we dealt.

A further problem is that educational qualifications and standards vary from province to province, making it next to impossible for those who must move to continue their educa-

tion in any consistent manner. University students are equally frustrated by this problem, as well as that of inadequate funding, a problem we well understood.

These obstacles in the education field make the transition to work difficult. Youth has always suffered a disproportionate level of unemployment. However, in February 1986 youth umemployment stood at 16.4 per cent, the highest level since June 1985.

[*Translation*]

The Prime Minister, who starts spouting statistics the minute he hears the word youth or unemployment, should add this one to his list. I repeat: in February 1986, youth unemployment was at 16.4 per cent, the highest rate since June 1985. Another statistic we never find in the government's endless enumerations: the incredibly high number of unemployed young people between 14 and 24—more than 600,000.

Youth unemployment reaches tragic proportions in certain provinces, especially in Newfoundland. Last June, at public hearings held in St. John's, the president of a youth association in Bell Island, a small Newfoundland community, told us: "There are 146 young people in our community. Only two have jobs . . ."

[*English*]

The youth unemployment rate is consistently double that of adults. Young people are first to be fired, last to be hired and are often caught in low-paying, dead-end jobs. Their frustration is mounting. With International Youth Year already forgotten and youth unemployment rising, we wonder how long the patience of our young people will last. To describe the problem as a national disaster is not an exaggeration. The hundreds of young people we spoke with are living testimony of the bitter accuracy of such a statement.

Problems in our Pacific and Atlantic regions are particularly severe. Last month, the rate of unemployment for young men aged 15-24 in Newfoundland was 36.0 per cent. While these figures speak for themselves, our committee unanimously agreed that the problem has grown to such proportions that our report must demand swift and immediate action to help the nearly 20 per cent of our young people who are in a state of despair. The social, educational and employment problems they face are intertwined and inseparable. The distinctions made in our report by each of the chapters served more to outline the problems than to divorce them from each other. The relationship between all problems led us to conceive a package of 26 recommendations which could begin to alleviate the situation of our youth.

● (1410)

As a committee, we were heartened by the energy and enthusiasm of the young people we met. We are also optimistic that the government, and all governments in this country, will be alerted, as we were, by the gravity of the situation for too many of our young people. We must believe that our colleagues in the Senate and in the other place will show the sensitivity, the compassion and the understanding to consider our report and its recommendations and to move towards solving some of the problems illustrated in our report.

Our plan of action focuses on co-operation—co-operation between governments, communities, educators, business people, young and old alike. It is through co-operation that the problems will be better understood, and through swift positive action that these problems will be solved.

[*Translation*]

Honourable senators, I would have a great deal more to say about our committee's report, but as I pointed out when I started, circumstances kept me from spending more time preparing this speech. However, I am sure that my colleagues on the committee and many other senators are ready to continue where I have left off. Thank you.

On motion of Senator Phillips, for Senator Yuzyk, debate adjourned.

ROYAL CANADIAN MOUNTED POLICE ACT

BILL TO AMEND—REPORT OF COMMITTEE

Hon. Joan B. Neiman, Chairman of the Standing Senate Committee on Legal and Constitutional Affairs, presented the following report:

Thursday, March 13, 1986

The Standing Senate Committee on Legal and Constitutional Affairs has the honour to present its

TWENTIETH REPORT

Your Committee, to which was referred Bill C-65, intituled: "An Act to amend the Royal Canadian Mounted Police Act and other Acts in consequence thereof", has, in obedience to the Order of Reference of Thursday, February 13, 1986, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

JOAN B. NEIMAN
Chairman

THIRD READING

THIRD READING

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

[*English*]

Hon. Richard A. Doyle: Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(b), I move that the bill be read the third time now.

The Hon. the Speaker *pro tempore:* Is leave granted, honourable senators?

Hon. Royce Frith (Deputy Leader of the Opposition): We do not usually grant leave for third reading immediately unless there is going to be Royal Assent, or for some other valid

reason. But there is another reason, which has been explained to me, for requesting third reading immediately. As I think is well known, we do not oppose this bill and, therefore, we grant leave and support third reading.

Motion agreed to and bill read third time and passed.

CANADIAN ARSENALS LIMITED DIVESTITURE AUTHORIZATION

BANKING, TRADE AND COMMERCE COMMITTEE AUTHORIZED TO STUDY SUBJECT MATTER OF BILL C-87

Hon. C. William Doody (Deputy Leader of the Government), with leave of the Senate and notwithstanding rule 45(1)(e), moved:

> That the Standing Senate Committee on Banking, Trade and Commerce be authorized to examine the subject-matter of the Bill C-87, intituled: "An Act to authorize the divestiture of Canadian Arsenals Limited and to amend other Acts in consequence thereof", in advance of the said Bill coming before the Senate or any matter relating thereto.

Motion agreed to.

CANADA SHIPPING ACT AND RELATED STATUTES

TRANSPORT AND COMMUNICATIONS COMMITTEE AUTHORIZED TO STUDY SUBJECT MATTER OF BILL C-75

Hon. C. William Doody (Deputy Leader of the Government), with leave of the Senate and notwithstanding rule 45(1)(e), moved:

> That the Standing Senate Committee on Transport and Communications be authorized to examine the subject-matter of Bill C-75, intituled: "An Act to amend the Canada Shipping Act and to amend the Arctic Waters Pollution Prevention Act, the Maritime Code Act and the Oil and Gas Production and Conservation Act in consequence thereof", in advance of the said Bill coming before the Senate or any matter relating thereto.

Motion agreed to.

ADJOURNMENT

Hon. C. William Doody (Deputy Leader of the Government), with leave of the Senate and notwithstanding rule 45(1)(g), moved:

> That when the Senate adjourns today, it do stand adjourned until Tuesday next, 18th March, 1986, at two o'clock in the afternoon.

Motion agreed to.

QUESTION PERIOD

[*English*]

THE BUDGET

VERSION OF BUDGET PAPER SENT TO CANADIAN EMBASSIES

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I would like to ask the Leader of the Government whether it is a fact that there has been a budget paper entitled "The Canadian Budget in Perspective," which has been circulated to our Canadian embassies abroad, which paints a picture of the state of the Canadian economy, particularly the Canadian debt, that is distinctly different from the picture which is contained in the budget papers circulated to Canadians, particularly to Canadian parliamentarians.

• (1420)

Hon. Duff Roblin (Leader of the Government): I must take the question as notice, honourable senators.

Senator MacEachen: I thank the Leader of the Government for taking the question as notice.

In making his investigation, if it is a fact that this particular paper has been made available abroad, would the Leader of the Government ensure that copies are made available to members of Parliament and to senators so that we can be informed as to what may be an analysis and perspective that is different from the one we have received to date?

Senator Roblin: At first blush, I see no reason why I should not accept the request, and I will make inquiries about it.

CANADIAN WHEAT BOARD

CRITICISM CONTAINED IN STUDY TEAM REPORT TO TASK FORCE ON PROGRAM REVIEW

Hon. Hazen Argue: Honourable senators, I should like to direct a question to the Leader of the Government in the Senate stemming from one of the volumes of the Nielsen report, namely, "Economic Growth *Agriculture*". I refer to what I think are some inaccurate, unfair and disparaging remarks about the operation of the Canadian Wheat Board. I and, I believe, the country would value the opinion of the Leader of the Government in the Senate on this important question.

I quote from the report, which states:

> The lack of concentrated leadership shows up in the lack of planning.

The leadership is not concentrated in one person; it is concentrated in five commissioners who have equal authority. I think there are great advantages in that.

The report goes on to state:

> It was admitted that no thought had been given to what would happen if one of our large markets disappeared.

I do not believe that to be accurate. The board has markets in mind all the time, and I believe they have developed markets in 60 countries quite apart from those of our big customers. I

know from experience that the board is giving a tremendous amount of thought not just to what will happen if the big markets are lost but to maintaining those big markets and to improving our position in those markets, one of which is the Soviet Union. The big challenge to Canadians is to buy more goods from the Soviet Union than we now do so that they will, we hope, continue to buy $2 billion worth of grain or more, annually, from us in the years ahead.

Then, after the deep-thinkers have looked at the operation of the Canadian Wheat Board, the report goes on to make the following amazing statement:

> In closing, one has to wonder whether an organization such as the Canadian Wheat Board is a liability or an asset.

Senator Perrault: Shame!

Senator Argue: I say that they have no analytical powers, no common sense, and they lack information.

The report then goes on to state:

> It—

—whatever "it" is; perhaps "it" is this liability—

> It discourages criticism, tends to stifle innovation, slows down strategic thinking and could become a vehicle to hide mistakes.

The board encourages criticism. It has an advisory committee consisting of 11 elected farmers to discuss their affairs at monthly meetings and to hear the criticisms of farmers. They go out among the farmers and hold public hearings to hear criticisms and comments. The report says that they "stifle innovation." They are so innovative that the Americans have been pushed out of what they thought were some of their markets; and the result is an increase in our share of the world market.

I ask the Leader of the Government to comment on this statement. In my judgment, the Canadian Wheat Board operates the most successful business in Canada.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I may go some distance in relieving the anxiety of my honourable friend about the Canadian Wheat Board if I tell him that the opinions presented in this series of reports are nothing but that. They are options; they are not even recommendations. As the committee itself recognizes, the government will undoubtedly find some of these options to be workable and others that are not:

> The groups of people brought together for a few weeks to brainstorm the management of $92 billion worth of public services were not restrained by either the burden of political responsibility nor an intimate program knowledge of public administrators.

When my honourable friend hears those words, I think he will perhaps find that it by no means follows that because an option has been presented in this report, it will become the policy of the government. None of these matters at the present time is the policy of the government, with the exception of several which, in the course of the past 18 months, have been dealt with. But I must tell the honourable senator that I, too, am a fan of the Wheat Board.

Senator Argue: Well, that's a pretty neutral comment. I thought that the government leader would not make exactly that comment. The preamble was okay, but I thought there would be some recognition of the tremendous amount of good work, of efficient work, of businesslike work, that the Canadian Wheat Board continues to do in the international market to sell all of our high quality wheat at premium prices. That is a very major accomplishment. I would have liked to see some supportive statements of what is there and how the government could support this tremendously good operation—instead of this neutral attitude: "They came in, they were not inhibited, they made lots of criticism," but no defence of this operation, which is fully supported by the producers in western Canada.

Senator Roblin: My honourable friend cannot really object if I described to him the words of the committee itself, how it regarded the options it has presented. I am just giving the honourable senator the facts of the matter.

As for the Canadian Wheat Board, he and I have been on several committees of the Senate and we have been interested in the question of wheat; and I do not believe that Senator Argue and I have ever had any disagreement about the value of the Canadian Wheat Board, or the regard in which it is held by farmers in western Canada. It is an institution, and I believe it will long remain such an institution, in the marketing of our wheat; and in the next few months, and in the years to come, when we are facing enormous difficulties, I suggest, in the marketing of wheat, the value of the Wheat Board will be demonstrated over and over again.

Senator Argue: I appreciate that answer as being a much more helpful one. I would ask the Leader of the Government what role can be played by parliamentary committees, either in the other house or this house, if some of these actions might be seriously contemplated, at a time when agriculture generally and western Canadian grain farmers in particular are facing very difficult circumstances. Can we get some assurance—just a plain statement—that there will be no removal of the cash advance provision that is now available, and that there will be no attempt to assess a risk premium for credit grain sales against the Wheat Board, which is against the price of wheat paid to the producers?

Senator Roblin: Honourable senators, I believe the policy of the government is very clear. We intend to consult Parliament on every one of these issues. That is not to say that we are going to act on every one of these issues, because we certainly are not. We will find some good and some bad; but we think the proper procedure to follow is to let the parliamentary process unroll. Consequently, in the House of Commons all the reports have already been referred to the appropriate committees, and I have been giving some thought to what we should do in the Senate. I took the liberty of consulting with the honourable the Leader of the Opposition this morning on what might be the best method to follow so that the Senate might have a full opportunity to examine all of these issues, no

matter what our preconceived opinions might be—because we all have some. I believe the Senate should have the opportunity to examine them.

If we want to have hearings, that should be done so that we can come to our own decisions as to which of these things we wish to throw out and those which we do not. After the Leader of the Opposition and I have various caucuses to obtain their views, I hope that before long we can get this rather massive job on the road.

● (1430)

CANADA-UNITED STATES RELATIONS

MEETING BETWEEN PRIME MINISTER AND PRESIDENT OF UNITED STATES—AGENDA

Hon. Ian Sinclair: Honourable senators, yesterday I directed a question to the Leader of the Government in the Senate concerning the agenda for the forthcoming meeting between the Prime Minister and the President of the United States. At page 2130 of the *Debates of the Senate,* he said:

> —it is not customary to announce the agenda in advance. We have to wait until the meeting takes place.

Similarly, with regard to my question dealing with matters not on the agenda but of public concern, he said that he would have to wait for a statement. I am informed by a source that I consider completely reliable, though I am not at liberty to disclose it, that a briefing took place yesterday morning between senior government officials and members of the press in which the matters to be discussed at the meeting next week between the President and the Prime Minister were outlined and discussed. I wonder if the Leader would care to comment.

Hon. Duff Roblin (Leader of the Government): Honourable senators, my honourable friend is quite right. Such a meeting did take place. I am not entirely sure, though, that anything more happened than the presentation of the background to some of these issues, such as acid rain, to bring people up to date on the issues that had already been placed on the agenda on previous occasions and which would be covered again. Since my honourable friend has raised the point, I have received a booklet, a background booklet, which was the subject of the meeting the other day with respect to this matter. It gives some idea of those items which background books cover which, obviously, would reiterate the fact that, for example, acid rain is an unfinished item on the agenda. I would like to send my friend a copy of that book so that he will know as much as I do about the matter.

Senator Sinclair: In a report by the Canadian Press it was stated that the third item on the bilateral agenda includes defence and security issues. In light of the importance of security matters, I wonder if the leader could comment on that item.

Senator Roblin: Honourable senators, I think that I had better stick to my plan, and that is to send my honourable friend a copy of the document which was discussed at the meeting. It will tell him better than I can the exact status of these various matters. Frankly, I was under the impression that every member of the Senate had received a copy of the document. However, I shall see that my honourable friend gets one.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I have a supplementary question. Do I understand that the Leader of the Government is saying that all that was discussed at this confidential press meeting was this document, the background papers that were circulated to members of the House of Commons and to members of the Senate? Is that all that took place at that meeting?

Senator Roblin: Honourable senators, I was not present at that meeting, so I cannot answer categorically. However, I shall make inquiries to see whether or not the discussions branched into other subjects.

Hon. H. A. Olson: Honourable senators, I have a supplementary question on the same matter. Yesterday I asked the Leader of the Government whether or not energy pricing and related matters were on the agenda. Now he tells us that there was published a pamphlet that explains the background to the items on the agenda. How in the name of common sense can you get an explanation of the background of the agenda items without knowing the agenda? I asked the leader whether or not the crisis in the international energy market would be on the agenda. His answer was to the effect that I should know as well as he does that we do not announce the agenda. Then the government holds a press conference about the agenda. Is this an indication of the new way in which we are going to see Canada governed?

Senator Roblin: Honourable senators, my honourable friend need not disturb himself. After he has seen a copy of the document I am talking about, he will have a better idea of what went on. However, I realize that I have been asked if there was more to the meeting, and I intend to find out.

Senator Olson: May we have an answer as to whether or not energy is on the agenda? It should not be difficult if the leader has read the document. Is the subject included or is it not?

Senator Roblin: I cannot enlarge upon my previous answer.

Senator Olson: Then it is a new form of government.

FOREIGN INVESTMENT

EFFECT OF PRIME MINISTER'S STATEMENTS

Hon. Ian Sinclair: Honourable senators, I have a question for the Leader of the Government on a different matter. I have recalled to members of this chamber the very distinguished Canadian, Leonard Brockington, and his tremendous ability for running numerous adjectives before nouns. He has been known throughout Canada since time immemorial, and I am sure the leader, being from Winnipeg, will have heard of him many times. It seems as if his ability to run adjectives before nouns has been picked up by others. I would like to quote a news article in today's Ottawa *Citizen*, which states that the

Prime Minister, while at an investment meeting at the Conference Centre in Toronto, said:

> Bring your investment capital to Canada and you will find a secure and a productive and an interesting, challenging and stimulating country that we can build here together.

In light of what the Prime Minister had to say at the meeting of the Economic Club in New York shortly after the election of 1984, why have we not been inundated with American dollars over the period of his stewardship of Canada?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I do not know of my own knowledge whether the statement made by my honourable friend is true. I shall investigate the figures and perhaps I can give him a delayed answer.

Senator Sinclair: Honourable senators, you may recall that not very long ago the Prime Minister of Canada in full flight of rhetoric said, "Canada is broke." How can it be a good place to invest, "interesting, challenging and stimulating"?

Senator Roblin: Honourable senators, after the recent budget, Canada will be a little less broke.

Senator Frith: A little less!

AGRICULTURE

SUGAR-BEET INDUSTRY—STABILIZATION PAYMENTS—GOVERNMENT POLICY

Hon. Joyce Fairbairn: Honourable senators, I hold in my hands a press release from the government entitled, "Domestic Sugar-Beet Policy".

Some Hon. Senators: Hear, hear!

Senator Fairbairn: I am almost breathless—

Senator Doody: Almost?

Senator Fairbairn: —after a year of waiting for this short document. Before I fling my arms around the Leader of the Government in the Senate—

Some Hon. Senators: Oh, oh!

Senator Frith: Let the record show that Senator Roblin said, "Hear, hear!"

Senator Fairbairn: I find that the document raises as many questions as I had hoped it would answer. Briefly, it speaks of the policy for the future as being a cost-shared stabilization program, that the government will complement it by continuing to seek an international sugar agreement for the future and that the government will provide assistance to seed a crop this year. However, I cannot find in the document even mention of a reference to the stabilization payments for the crops grown in the years 1983 and 1984. I wonder if the Leader of the Government in the Senate would indicate where these payments, which I had understood were to be in some way part of this policy, stand in relation to this announcement.

● (1440)

Hon. Duff Roblin (Leader of the Government): I can tell my honourable friend that sugar-beets have not so far been a named product under the Agricultural Stabilization Act, so there has been nothing in the past that enables a stabilization payment to be made in the way in which she indicates. When we came into office, we found that no provision had been made for any form of payment of this kind in the 1982-83 budget, or, indeed, in the 1983-84 budget. I think those were the years, honourable senators. Therefore, we were faced with the fact that there had been no provision made for 1983 and 1984, which makes it difficult for us to provide for payments for those years.

Senator Olson: That is absolute nonsense.

Senator Roblin: In 1985 the government made a contribution to the sugar-beet industry in order to ensure the planting of a crop that year, and we intend to do the same thing this year. There is a fund of approximately $11 million or $12 million which has been set aside for seed money for the 1986 crop year, and we are now talking with the sugar-beet growers to decide the way in which that money should be distributed to them.

For the next year, the federal government will be setting up a stabilization fund with the growers, and for subsequent years we shall try to negotiate a three-way stabilization fund in which the provinces will take part.

There is another very significant aspect to the government's policy and that has to do with who benefits from the sugar quota that we have in the United States, which is worth quite a lot of money. It is the opinion of the government that the sugar-beet growers should have access to some of that advantage, and we are promoting that idea and hope to have an agreement between all elements of the industry on that before too long.

Hon. H. A. Olson: I have a supplementary question, honourable senators. The Leader of the Government seems to think for some reason that if there was not a provision made in an earlier budget for the stablization payment for the 1983 crop, it was the fault of the previous government. Why does he not tell the truth? The truth is that you do not establish any stabilization program under the Stabilization Act until the production from the crop is accounted for. The 1983 crop, of course, is processed in the fall of 1983 and is sold throughout the year. Therefore it is not until the fall of 1984 that you can even calculate the figures that both the producers and the processors get for the 1983 crop year.

If my honourable friend's memory fails him, I would like to remind him that this government was elected on September 4, 1984, and took office on September 17, 1984. Under all of the ordinary circumstances that I have just described, action with respect to stabilization payments is taken after the crop is sold from the previous production year, because it is only then you can decide what the stabilization payment ought to be. Therefore, he cannot come into this chamber and say that there is a problem because someone previously did not make a provision. If he wants to be honest and say that this government has no intention of making a payment for the 1983 crop, he can do so. Now, apparently, the government has no intention of making a

payment for the 1984 crop or for the 1985 crop. In any case, in Alberta they will not need it for the 1985 crop, because there was none. Nevertheless, the Leader of the Government in the Senate should not try to mislead this house as to the mechanism and process for setting the stabilization payments.

Senator Roblin: I have no intention of trying to mislead the house. I will examine what I have said carefully and, if I am in error, I will admit it. There is no difficulty in that.

I simply say that in 1985 we did make some financial provision for the sugar-beet industry and we are doing so in 1986. We hope that from then on we will have the matter properly dealt with under a regular stabilization fund, in the first instance between the federal government and the growers and, in the second instance, in subsequent years, if we are successful, with the provinces that are concerned as well as the federal government and the industry.

On those matters, we have been in consultation over recent days with leaders of the industry and while one cannot be sure as to the final outcome, we believe that they will do the best they can with the offer that has been made.

Senator Olson: I have a supplementary question, honourable senators. I have received a press release from the Minister of Agriculture and the Minister of State for the Wheat Board, Mr. Charles Mayer, which says that there is a provision of funds for a payment for the 1986 crop, but there is no mention of the 1985 crop, of which one was grown in Manitoba and another in Quebec, of the 1984 crop or the 1983 crop. Does that mean that the government is announcing that there will be no stabilization payment for those crops?

Senator Roblin: What the government is announcing is that there will be a contribution which might be described as seed money for this present 1986 seeding season and that at the end of the 1986 season, when the stabilization plan is in effect, if there is a deficiency for the 1986 crop that the stabilization plan ought to make up, it will be in order to do so.

Senator Olson: That is an interesting statement, but it does not answer the question I asked. I asked whether the government is saying, by its silence in this release, that there will be no stabilization payments for the years 1983, 1984 and 1985.

Senator Roblin: I am saying that the government has $12 million, and that is all, to contribute to the sugar-beet industry at the present time, and it is being distributed in the form of seed money.

Senator Frith: The answer is that you are right.

Senator Olson: Yes, I am right.

Hon. Hazen Argue: By way of a further supplementary question, I would like to ask whether the Minister of Agriculture is continuing to ask for stabilization payments for 1983, 1984 and 1985. His predecessor, the Honourable Eugene Whelan, would have campaigned so hard that we would have undoubtedly had stabilization payments in each of those three years, to the consternation of the Minister of Finance and a lot of his colleagues, but he would have won. My question is: Has Mr. Wise given up the fight?

Senator Roblin: Mr. Wise never gives up the fight. He does not always win, but he continues to fight.

Senator Argue: Is he continuing to press for stabilization payments in 1983, 1984 and 1985?

Senator Roblin: With respect to that precise question, I will have to ask him.

Senator Fairbairn: I have a further supplementary, following from the questions of Senator Argue and Senator Olson. The question of those previous years is a vital one, particularly for the younger farmers whose very existence in the industry, if it is to continue, will be very much in jeopardy if none of that stabilization money for the past years is made available to them. My supplementary question is to ask the government whether the money that is described as providing assistance to seed a crop this year will be offered to the farmers prior to the seeding of their crop. Secondly, would this be a one-shot payment prior to the seeding of the crop to assist them in that sense, or would it in some way be paid after the seeding of the crop?

Senator Roblin: It is the hope of the government that the industry will agree that the major portion of the money should be distributed quite soon. It may be that some remainder will need to be left over because the way in which these moneys are distributed is related to the sugar-beet content of the crops from the various farmers in the various parts of the country, and you never know that until it is all over, as Senator Olson has so graphically outlined. Therefore, the balance of those payments may need to wait until the sugar-beet content of the various supplies has been decided. However, the hope is to distribute most of the money soon for this spring's operation.

The Minister of Agriculture and his department are canvassing this situation with the sugar-beet growers, because we may have ideas but they will have theirs, and we want to see how close we can come to a meeting of minds as to the best way to handle the matter.

Senator Fairbairn: I have another supplementary question. I am sure that the growers will be doing their best to use whatever money is in the fund to the very best effect so that a crop can be produced. Can the Leader of the Government in the Senate indicate whether there is any agreement this year with the provincial governments, as there was during discussions last year, that they will be matching or contributing in any way towards providing assistance for the seeding of this year's crop?

● (1450)

Senator Roblin: Without speaking authoritatively or on behalf of anybody else, I think there is an expectation in certain quarters that some of the provincial governments will add to the payments that we have been talking about.

As for the official stabilization plan, we expect it will be a two-party plan for the first year, simply because we do not want to have the whole thing hung up because we have not reached an agreement with the provinces as of the present

time. We think it is better to go ahead on a two-party basis and at least nail that down.

In the following year, having given the provinces reasonable notice so that they can adjust their affairs, we would want them to participate in a tripartite arrangement.

POTATO INDUSTRY—STABILIZATION POLICY

Hon. M. Lorne Bonnell: Honourable senators, I wonder when the Leader of the Government in the Senate can tell me how much longer I will have to wait before I can raise my hand and say, "I am pleased to have in my hand a potato stabilization policy for Canada."

Hon. Duff Roblin (Leader of the Government): Honourable senators, I recall, in connection with the sugar-beet industry, that when the Minister of State (Canadian Wheat Board) was making the distribution of payments to the sugar-beet industry last spring, he said at that time he expected to have a policy for this year in place by April 1, 1986. Although that was not soon enough to suit some people, I am glad that he made that target.

I am going to tell my honourable friend that I want to save the potato growers' representatives in this house the pains of having to ask me on a daily basis what the government is going to do about the potato industry. I tell my honourable friend that I will do my best to see that we get as prompt an answer as we can.

I can tell him that the question is on the table and that I am hopeful there will be an answer—

Senator Bonnell: Soon.

Senator Roblin: I am not going to say when; I have learned my lesson on "when". I am not going to say when, I am not even going to say soon—

Senator Frith: How about, "In due course"?

Senator Roblin: I will simply say that I will press for that as quickly as I can. I am not even going to say, "In due course".

Senator Frith: "Later", then.

ENERGY

REDUCTION IN GASOLINE PRICES

Hon. Hazen Argue: Honourable senators, I believe that the price of gasoline went down by 2 cents a litre at the pumps today. Does the government anticipate a further reduction in prices in the near future? I also ask the Leader of the Government in the Senate to comment on the statement made by the minister in the other place yesterday to the effect that prices in Victoria had dropped by 11 cents a litre since mid-January.

Is that a misquotation? Is that a hope? Or did the oil companies double-cross the minister and not drop the price by that amount?

Hon. Duff Roblin (Leader of the Government): My honourable friend is right when he says that there has been a reduction in gasoline prices. The price went down by 2 cents a litre in February, and in many cases the price went down by 2 cents a litre again, but it is interesting to know that in some places the price has gone down even more. In Vancouver the price of gasoline has been reduced by 3 cents, and in parts of southern Ontario, according to the press report I have, the price has gone down by more than 8 cents due to the keen competition in that part of the country, which is probably the best thing that could happen.

Regarding Victoria, I saw the minister's statement; I do not think it is accurate. I think the minister was reading from the wrong clip sheet. We will have to ask her to look at it again.

Senator Argue: Since the price in the United States today is slightly over 30 cents a litre Canadian money, does the government think that that lower price can be reached here?

Senator Roblin: I do not know about that, but I am not going to be pleased myself unless our prices show further and substantial reductions.

AGRICULTURE

POTATO INDUSTRY—STABILIZATION POLICY

Hon. Eymard G. Corbin: Honourable senators, my question is for the Leader of the Government in the Senate and follows on the comments made by my colleague from Prince Edward Island, the Honourable Senator Bonnell.

I am slightly worried on this day, now that measures have been announced for the sugar-beet industry, that some of our representations could be misinterpreted or the wires might be crossed, so to speak. I know that with respect to the sugar-beet industry we are talking about seed money; in the potato industry it is not so much seed money that is required—because we have the seed—but it is the seeding money that is at stake for this year. That would only be a short-term solution and would benefit this year's campaign only.

I think what Senator Bonnell and I are trying to impress on the government is the need for a long-term strategy to deal with the dynamics and the mechanics of the potato industry with respect to marketing and the various forces within it. It is much more complicated, I believe, than the Canadian sugar-beet industry—and I am not taking any merit away from that particular sector.

What I really want to impress on the Leader of the Government, so that he will relay it to Minister Wise, is that we should do something to help the growers this year in terms of cash, but more important, that there should be a long-term strategy for the potato industry in Canada. I say this so that there may be no confusion in the message we are trying to get across to the government.

Hon. Duff Roblin (Leader of the Government): I assure my honourable friend that his message is received.

A dollar is a dollar is a dollar these days, and it is important to get some financial support, but I understand my friend's view that he would rather see a consistent long-term program as opposed to an *ad hoc* one.

Whether it is possible to satisfy him or not, I do not know, but I will certainly see that his views receive consideration by the minister.

Senator Corbin: So that there is no confusion, I am not at all saying that there should not be an *ad hoc* program for this year in terms of the cash needs of the growers. In fact, federal governments in the past have, through stabilization formulae, helped the potato industry. As I forewarned last year, I suspect that the government may well have to do that again this year.

But the potato farmers do not want handouts; they want a long-term stabilization program. Having said that, I can add that the Leader of the Government and I are on the same wavelength.

CANADA-UNITED STATES RELATIONS

MEETING BETWEEN PRIME MINISTER AND PRESIDENT OF THE UNITED STATES—STATUS OF DOCUMENT

Hon. Allan J. MacEachen (Leader of the Opposition): The Leader of the Government, I believe in replying to questions asked by Senator Sinclair, referred to a document that had been circulated in connection with the Washington Summit. That document is entitled: "Washington Summit, March 18-19, Background Papers".

May I ask the Leader of the Government whether this is a paper put out by the Department of External Affairs as a background document, or does it have any other status? All I can find on the document is "External Affairs, Canada", which would lead me to believe that it is a document that was put out by the bureaucracy, but I should like to know whether that is correct or not.

Hon. Duff Roblin (Leader of the Government): I think it is quite likely that the bureaucracy prepared the document. I am sure, also, that it had the overview of the minister, but I will try to get a more explicit definition of just who is responsible for that document.

Senator MacEachen: I think that is quite important, because there is in the document more than just background papers; there is quite a bit of commentary. One section is entitled: "Canada's Relationship with the United States—an Overview". I should like to read one sentence from that overview. It states:

> On December 10, 1984, the Prime Minister gave a major speech to the Economic Club of New York in which he outlined initiatives to manage bilateral affairs and declared that the Government was committed to rebuilding Canada's image as a free, tolerant and independent nation—

I would take great offence if it were my understanding that the officials in the Department of External Affairs subscribe to the view that before that speech Canada was not a "free, tolerant and independent nation." I think that is pretty insufferable. Whatever one may think of the Prime Minister's enthusiasms, it certainly is offensive to have a document circulated and in the hands of every American newspaper in Washington which more than implies that Canada was not a free, tolerant, and independent nation. I would like to know whether officials take responsibility for repeating this kind of nonsense and, if so, whether they will be prepared to defend their views before our committee at some time. I take a very serious view of this matter and I believe it would be a good idea if this paper were either corrected or withdrawn because of this implication and this statement. After all, Canada is not the Philippines, and on December 10, 1984, the Prime Minister was not Cory Aquino and able to say that Canada heretofore was not free, independent and tolerant. It is offensive not only to those of us who have served in the government, but I think it is offensive to the Canadian people—

● (1500)

Some Hon. Senators: Hear, hear.

Senator MacEachen: —to suggest that Canada was not a tolerant, free and independent nation and that the Prime Minister had to fix that up. Really, isn't it going too far and shouldn't External Affairs try to do something to correct that particularly offensive paragraph?

Senator Frith: Hear, hear.

Hon. Duff Roblin (Leader of the Government): I really do not find it surprising that a government document should quote the Prime Minister. Whether one agrees with what he said is a matter of opinion. You can disagree with it.

Senator Frith: It is not whether "one" agrees; he is asking whether "they" agree.

Senator Roblin: Well, if my honourable friend will just contain himself a little, I will give him my opinion, for what it is worth.

Senator Frith: That is not what he is asking for.

Senator Roblin: Just a minute. Wait until I finish my statement. The minister, as all ministers must, makes himself responsible for that document. I do not care who wrote it; if it comes under the aegis of his department he has to accept the responsibility for it. I think that is pretty clear. If my honourable friend wants to discuss it with the minister some time before a suitable committee, I daresay we could prevail upon the minister to be there. The fact that this document quotes a statement of the Prime Minister which has already received wide publicity in the United States—in view of where it was originally uttered—I do not think we can be too harsh on those who prepared it. They are dealing with a statement made by him. You do not like the statement, that is fair enough.

Senator MacEachen: Honourable senators, it is clear that different documents issuing from External Affairs have different status. Some documents never reach the minister and are put out under the authority of the department. Oftentimes, when documents are put out by departments, the statement is included, "Published under the authority of the minister." This simply says, "External Affairs, Canada." In the overview article, the Prime Minister is not directly quoted; there are no quotation marks. His speech at the Economic Club was a long speech. Obviously somebody had to select what was to be

included in the overview and at least make reference to that part of the speech in which this subject was dealt with, even though it was not quoted. I want to know whether the minister read this and approved it or whether it was put out by Mr. Taylor and departmental officials, because the document itself leads us to believe that it was departmental officials who, I would hope, when confronted with such total nonsense, would say, "Well, isn't it going too far to suggest that in recent years Canada was not free, independent and tolerant?" To have this material sent down to the United States and become a document that will be part of our history is what concerns me.

I was offended when the Prime Minister made his speech at the Economic Club in which these references are included, but it was a speech of 16 pages in length and not all of it referred to in this overview. I would like to get some satisfaction on this point from the Leader of the Government. I do not think it is enough to say, "Well, the minister takes responsibility for it." That is not what is said in the document.

Senator Roblin: I will do my best to find out under what authority it was issued. That is what he is asking me.

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have two delayed answers to questions. I like to have some every week, if I can, because I have to feed the lions on the other side, throw them a bone, as it were!

CANADA-UNITED STATES RELATIONS

TRANS-BORDER POLLUTION PROBLEMS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 19 last by the Honourable Senator Guay regarding Canada-United States Relations—Trans-border Pollution Problems.

(*The answer follows:*)

The United States Department of Energy issued a draft report on January 16, 1986, narrowing the number of areas under consideration for the second U.S. nuclear waste repository from 235 to 20. Though there were no areas within 25 miles of the Canada-U.S. border identified in the report, there are a number of areas that are in or very close to drainage basins that flow into Canada. There are four areas in Minnesota in the Red River basin, as well as areas in the Great Lakes basin and another in the St. Croix River basin. After the report identifying 20 areas is issued in final form in July, 1986, field studies will begin on these areas to identify 3 finalists in 1991. The final, single selection will be made in 1998.

The Canadian government has been very active in telling the United States that any site selected for the U.S. nuclear waste repository must present no risk to this or future generations of Canadians or to the Canadian environment. The Secretary of State for External Affairs, the Right Honourable Joe Clark, has discussed the issue several times over the past year with the U.S. Secretary of State Shultz. They can be expected to discuss it again at their next meeting. Last spring, these discussions established Canada-U.S. consultations to ensure that detailed Canadian views are addressed by the U.S. in a timely and effective manner. The Ministers of the Environment and Energy, Mines and Resources have also raised this issue with their U.S. counterparts. The Secretary of State for External Affairs has written to Secretary Shultz, in addition to their discussions, and the Canadian Embassy in Washington, on his instructions, sent two diplomatic notes to the U.S. Government setting out the Canadian position.

The Government is continuing its cooperation with the provinces. The Premier of Manitoba has thanked the Prime Minister in a letter for the cooperation and support Manitoba has received from the Secretary of State for External Affairs. The provinces are contributing their analyses and concerns to the Canadian preparations for the next consultation with the United States, which will take place in early April.

ENERGY

INTERNATIONAL OIL PRICING—AGENDA ITEM AT ECONOMIC SUMMIT

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 13 last by the Honourable Senator Austin regarding International Oil Pricing—Agenda Item at Economic Summit.

(*The answer follows:*)

International oil pricing is not currently an agenda item for the Tokyo Summit, although officials anticipate that it will be addressed in broader terms.

Canada, in its first year of deregulation, is not likely to endorse the concept of a production ceiling or floor price for oil. However, we would not be averse to encouraging constructive dialogue between producing and consuming nations towards solving current difficulties in the international oil market.

FAMILY ALLOWANCES ACT, 1973

BILL TO AMEND—THIRD READING—DEBATE CONTINUED

On the Order:

Resuming the debate on the motion of the Honourable Senator Tremblay, seconded by the Honourable Senator Flynn, P.C., for the third reading of the Bill C-70, intituled: "An Act to amend the Family Allowances Act, 1973".—(*Honourable Senator Marsden*).

Hon. Lorna Marsden: Honourable senators, the bill now before us for third reading in this chamber has two major

components to it. The non-contentious part of this bill concerns the presumption of death of a child and gives the minister powers to determine the date of death of that child for purposes of the administration of the Family Allowances Act. Although there was extensive discussion and evidence from witnesses in the committee in the other place, it has not been the subject of debate here in the Standing Senate Committee on Social Affairs, Science and Technology. I will not comment on this component of the bill except to say that it seems reasonable and acceptable.

The contentious element of the bill concerns the partial de-indexing of the family allowances paid largely to mothers in Canada for each child up to the age of 18. Here again there are two issues at stake in this proposed change—a change which a majority of members of our committee profoundly regret that the government has decided to make; a change which we believe will not serve the interests of families and children or the values of Canadian citizens.

The two issues concerning the partial de-indexing are, on the one hand, poverty, and on the other, policy toward families and children. The issue which was the subject of Senator Graham's speech on this bill yesterday was poverty. We are in agreement in the committee that there are too many families living in need in Canada. We are in agreement that children are suffering deprivation with possible long-term effects on their health and well-being, and that too many parents are struggling terribly hard against great odds to give their children decent lives. We are in agreement that redistribution of income is required so that those who are well off share their worldly goods with Canadians who are less well off, and so that all Canadians share with those families who are bringing up children—who are, after all, the country's greatest natural resource and our future.

There is no disagreement among us on those ideas and concepts, so far as I can tell.

On the issue of poverty, where we part company is in determining how this sharing shall take place, and in determining who are, in fact, the people in poverty. The thrust of the government's changes in the family and child benefits package at the legislative and budget level has been to plan a significant decrease of universal benefits through the partial de-indexing of the family allowance and the reduction of child tax exemptions, and a major increase in the negative child tax credit, a targeted program. Although we have been in favour of increasing the negative child tax credit because it does provide more money to those families who have the lowest incomes, we have disagreed strongly with the reduction in the turning point at which significant benefits are received from the child tax credit. In effect, the definition of "being in need" is squeezed lower and lower now to apply to families with less than $15,000 per year. So the problems of the working poor who, for many years, have been the most neglected and needy group in Canada, are dramatically intensified. When, after the recent budget, the newspapers ran stories about working people and those who used to consider themselves to be middle class now going to food banks and other community sources of help, the media were showing the impact of pushing down that point at which redistribution occurs. More and more people are being forced on to community, church and private sources of charity.

● (1510)

There is no point in increasing support to those "most in need," as the Conservative government says, if those "most in need" are, in reality, the truly desperate. Those "most in need" constitute a much larger group of Canadians for whom the harsh facts of daily life mean that transfer payments such as family allowances and child tax credits are crucial parts of the family budget.

Even on the poverty issue, we take strong objection to the reduction in the level of income for access to the child tax credit and to the labelling of desperately-struggling people, a growing class in our society, who need a great deal more than is being offered, as "those most in need," a phrase which is becoming a euphemism for desperation.

Leonard Marsh, in his study, *Social Security in Canada,* published in 1943, was reacting, in large part, to the circumstances of the depression. The discussion which he raised is important to the ongoing study of social security revision. He points both to the special circumstances of poverty which arose from that depression and the normal ups and downs of family life and income which go on when the economy has improved.

I would like to concentrate this afternoon not on the poverty issues, real though they are, but on the other issue at stake in this debate, and that is the need for family allowances in all families, not only families in poverty.

Two major points were brought home to us by the witnesses who were kind enough to appear before our committee recently. The majority of witnesses made reference to the very important symbolic significance of the family allowance. It is, as they pointed out to us, the only recognition directly given by Canadians as a whole, through their government, to the crucial and important roles of parents and children in Canadian life. The family allowance arrives each month, and its arrival has an important positive message: "You are receiving this money because you are a mother, or a parent, with young children, not because you are poor; not because you live in an economically-depressed region; and not because you are better or less well-educated than the mother next door: You are receiving this money because you are undertaking, on behalf of all of us, the nurturance and development of a young Canadian." That is the significance of the family allowance as opposed to all other forms of income redistribution and benefits for families and children.

The amount of the family allowance cheque may not be as significant for some people as the symbolism of that cheque. For women, in particular, who are at home with their children and who have no other independent source of funds, the family allowance cheque is a reminder of the importance which we attach to their work as mothers and as parents in Canadian society. They are not forgotten and not unrecognized by all of us. The mere fact of being a mother brings the family allow-

ance. It is not a competitive situation. You do not have to be the best mother, the brightest mother, the most beautiful mother or the poorest mother. It is being a mother—or, in some cases, a father—which is enough to qualify you to receive this cheque.

Senator Bonnell proposed in the Senate report, "Child at Risk"—and I agree—that this allowance should begin when the mother is pregnant—before the child is born—so that the development of the child, through care for the mother, is proceeded with carefully.

We should not underestimate the symbolic importance to Canadians—those with children and those without, including mothers, fathers and grandparents, the rich and the poor, people of all viewpoints and persuasions, all of those who have thought about it—of the family allowance.

That the family allowance should be subject to income tax as is the other income of the family is only reasonable, but that is quite a separate matter from the symbolic recognition of receiving the allowance. To give the family allowance universally and then tax it back on the basis of family income is to recognize the role of parenting and to redistribute at the same time.

Should the family allowance be only a small symbolic amount of money, which it is rapidly becoming under this scheme proposed by this government, as discussed by Senator Graham and others? Is it reasonable to reduce the family allowance to insignificance by 1990 in comparison to the more redistributive, negative child tax credit? I leave aside the question of child tax exemptions which are more beneficial to those who are paying higher taxes and which are regressive in the tax system.

I should now like to state the reasons why I believe the family allowance should not be only a symbolic sum. These reasons were discussed by Leonard Marsh and others in the 1940s. Paying wages in our society is a very arbitrary system born of our history and the differentials in power which groups have in our economy. As the debate on pay equity has shown, over the last 10 to 15 years in Canada some people are paid less than others not because the value of their work is less, but because they have not, traditionally, commanded the power to raise their wages relative to those of others. It has been shown by experience, by the wage system in Australia, that equal pay for work of equal value does not have distorting effects on the labour market; does not cause women to lose jobs—in fact, female labour force participation has increased since they introduced that system in Australia in 1972—and it does not bankrupt employers.

One of the peculiarities of our wage system has been the systemic inequality between women and men and between some occupational groups and others. Another peculiarity is that the wage system attaches to individual workers and not to the family or the life needs of that worker. That is born of our history. A senator with children or elderly parents to support, or other dependents, earns no more than a senator without dependents. Our occupational group is no different from any other. We do not have a system of family wages.

[Senator Marsden.]

The means of dealing with this inequity were addressed through child tax exemptions long before the family allowances appeared. The problems with child tax exemptions, of course, are several, but foremost among them is that one has to be paying tax to receive benefits, and many are not. The measures are not, in any way, a visible recognition of the family or of the special role of parents. They are not a positive statement. They carry no message. They come once a year and they do not put any spending power, any money, into the hands of mothers or parents, but only fail to take away less from some than they take from others.

The family allowance, then, has the advantage of providing a strong, positive benefit which recognizes the importance and the additional immediate costs of bringing up children. Family allowances are taxable and if the tax system were as fair and progressive as it could be, the redistributive effect attached to family allowance would be every bit as good as the negative child tax credit. Evidence of this point was brought home forcefully to us by Professor Kitchen from York University. It would be considerably better in that it would not leave out the question of where the child tax credit should be cut, that is, the turning point. As Professor Kitchen pointed out, in countries such as France and in many western European countries, the family allowance is very much larger than it is here. It is taxed and it is an important feature of social security.

Substantial family allowances show the importance which our society attaches to the job and responsibility of being a parent and does not simply attach importance to helping those who are less well off than others, important though that is in itself.

Those of us who disagree with this bill and with the government's child benefits package disagree on several grounds. Philosophically, we believe that the family allowance is a strong, positive measure which shows that Canadians care about families and are willing to put cash into their hands for family expenditures, even if income tax diminishes on an annual basis the family allowance as it does with other money income. Philosophically, we believe that redistribution is essential, but that it should maintain the dignity of the individual which the family allowance does very easily. We also believe that those in need should be supported and that it is intolerable to have children in need of food, shelter and proper care in our prosperous society. In this we are in sympathy with the government's stated intentions of redistributing more money to those with the least income, but we believe that considerably increasing the family allowance on a taxable basis, in addition to the child tax credit, would be a more satisfactory way of helping families in need.

● (1520)

In speaking on second reading of this bill, I argued that this measure was dividing us into socio-economic classes in Canada, something which I believe is pernicious to the stability and future of Canadian society. Partially de-indexing the family allowance will not alone lead to such a state of affairs.

Rather, it indicates a line of argument, a manner of thinking, and, as some of our witnesses put it, "the thin edge of the wedge" for the dismemberment of universal recognition of the importance of children and their parents; a redefinition of poverty and the placing of boundaries around one group of people who are then labelled "poor", with all of the connotations of that label in a capitalist society, with some latent social Darwinist tendencies.

The combination of the benefits package of the child tax credit changes, the early payment of part of the child tax credit, and the partial de-indexing of the family allowance, and reduction of the value of the child tax exemption, does not take human behaviour into account. As some Canadians concerned about this issue have pointed out, it is a "ledger book" approach, where the rights and dignity of the individual, the value of parenthood and families, and the individual equality of Canadians is lost to an accounting procedure that sees a statistical category of "low-income Canadians", or "those most in need"—"whoever they may be" seems to be the rest of that phrase. So we do not like it.

So between Conservatives and Liberals there is a deep rift of this method of approaching child and family benefits. It is not a rift of personalities at all; it is a genuine difference in philosophy about public policy. We are forever reading in the uninformed press that there is no difference between Liberals and Conservatives in what they think and do in relation to policy. That is simply not the case, and this bill demonstrates it. There are fundamental insurmountable differences on this issue. I know that Senator Tremblay is anxious to proceed to further consideration of reform in the area of social security. Senator Graham has indicated that he too perceives this as being necessary. So I am anxious to make these philosophical differences in our approaches quite clear at this point.

As Amy Gutmann, professor of political theory at Princeton University, has described them in her book *Liberal Equality*, liberals—even modern day North American liberals—start from the premise that all human beings have equal value in their passions and in their reason. Liberal equality in modern day life presses for equality both in participation and in distribution. We may not all deserve the same income, or the same treatment, or the same respect because of the way we work, or don't, behave toward others, and so on, but we are entitled to the opportunities and access to participate in society and to live decently, simply because we are human beings—not because we are poor or rich, and not because of any of our other characteristics.

Because we believe in that philosophy, we believe in the importance of a universal and significant family allowance—"significant" being recognized in terms of its value. We believe that Mila Mulroney should have that family allowance, because quite apart from her other work, her other talents, her opinions, or anything else, she is a mother; and we believe that that family allowance should then be vigorously taxed back from the Mulroney family on the grounds that their income is in the top one per cent of Canadian families.

But we also recognize—regretfully, I must say—that the Canadian people elected a large Conservative majority in the last election. Whether they thought it would lead to the partial de-indexing of their family allowances, I very much doubt, but unfortunately we have no way of knowing that. We must and do respect that vote, and that has constrained the actions of some of us who would very much like to defeat this bill. But we hope that honourable senators will notice that the recommendation attached to the report from the Standing Senate Committee on Social Affairs, Science and Technology, read by Senator Tremblay, indicates our very profound unhappiness and disagreement, and expresses the hope that the government will restore full indexing by January 1987.

On motion of Senator MacEachen, debate adjourned.

THE BUDGET

PROPOSALS—ORDER STANDS

On the Order:

> Resuming the debate on the inquiry of the Honourable Senator Olson, P.C., calling the attention of the Senate to the proposals contained in the Budget Speech made by the Minister of Finance in the other place on 26th February, 1986.—(*Honourable Senator Bosa*).

Hon. Peter Bosa: Honourable senators, I would like this order to stand until March 26, 1986.

Hon. Jack Marshall: I shall be watching that date!

Order stands.

CAPE BRETON DEVELOPMENT CORPORATION

PROMPT DELIVERY OF COPIES OF TABLED REPORT TO SENATORS' OFFICES

Hon. Robert Muir: Honourable senators, before the Senate adjourns, I should like to raise a point of order. Earlier today the Leader of the Government tabled some reports, among which was the report of the Cape Breton Development Corporation. I am sure that Senator MacEachen and Senator Stewart (Antigonish-Guysborough) join with me in applauding the Leader of the Government or the Deputy Leader of the Government in seeing that those reports were delivered to our offices, as they should have been, at the proper time. Obviously, someone within the various government departments has come to his senses in ensuring that we do not have to wait for the reports and get them only several days after they reach the offices of the members in the other place.

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I thank Senator Muir. It wasn't easy.

The Senate adjourned until Tuesday, March 18, 1986, at 2 p.m.

THE SENATE

Tuesday, March 18, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

TWENTY-FIFTH REPORT OF COMMITTEE TABLED

The Hon. the Speaker, Chairman of the Standing Committee on Internal Economy, Budgets and Administration, tabled the committee's twenty-fifth report, approving the supplementary budget of the Standing Senate Committee on Banking, Trade and Commerce.

(*For text of report see today's* Minutes of the Proceedings of the Senate.)

QUESTION PERIOD

[*English*]

CANADA-UNITED STATES RELATIONS

MEETING BETWEEN PRIME MINISTER AND PRESIDENT OF UNITED STATES—ACID RAIN—GOVERNMENT OBJECTIVES

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I wonder if the Leader of the Government can throw any light on what are the objectives of the Government of Canada with respect to the question of acid rain at the summit that is currently taking place in Washington.

Hon. Duff Roblin (Leader of the Government): It is expected, honourable senators, that the President and the Prime Minister will make statements on this subject tomorrow. I understand there will be two separate statements, although I cannot confirm that that will actually be the case. However, a statement of the positions will be made public tomorrow.

Senator MacEachen: Do I take it that there will be one statement by the Prime Minister and a separate statement by the President on this subject, indicating their different views?

Senator Roblin: I cannot forecast what will be in the statements, but we will know soon enough.

Senator MacEachen: Honourable senators, I appreciate the Leader of the Government's telling us that there will be a public pronouncement, but what I really wanted to know is what the government wants out of this meeting in Washington on that subject. In other words, what is the objective of the government?

Senator Roblin: I think that those points will be covered in the statement.

Senator MacEachen: Honourable senators, the Leader of the Government is, I am sure, being a bit coy. Surely it is not unreasonable to ask what it is that the government has in mind. For example, if there is a pronouncement that acid rain is a trans-boundary problem and if the President acknowledges that fact, as is prominently stated, will the Government of Canada be satisfied?

Senator Roblin: I think we will be pressing the Government of the United States to go as far as we can possibly get them to go on the whole question of acid rain. If one assumes—and that is all I am doing now—that a recognition of the problem is one of the points at issue, then such recognition will certainly be a small step, but I think we are hoping for much more than that. However, I do not think I should give my friend the details of the negotiating position at the present time, particularly since we will get a statement on the matter tomorrow.

Senator MacEachen: I must say that I agree with the Leader of the Government when he stated that if all that comes out of the discussion is an acknowledgement that acid rain is a trans-boundary problem, that that indeed would be a very small step. I think the Leader of the Government is being very generous in regarding it as even a "small step." I thought I heard our ambassador in Washington say during a radio interview that that acknowledgement was regarded as an "historic step." I could not believe my ears, and I probably misheard the ambassador, but surely the appointment a year ago of two envoys of the stature of Mr. Davis, the former Premier of Ontario, and Mr. Lewis on this subject was in itself an eloquent acknowledgement that this is a trans-boundary problem. So, to repeat that would be almost offensive to the intelligence of the Canadian people.

What else does the government want? What will it be asking the President in this new intimacy that exists between our Prime Minister and the President? In the words of the Minister of the Environment, who was quoted yesterday as saying, "Now is the time for the payoff." We have given in to the United States on energy, we have given in on foreign investment, we have given in on the crown share, now is the time for the payoff. What, in the government's view, is the "payoff"?

Senator Frith: Let's hear it for the Minister of the Environment.

Senator Roblin: I agree with my honourable friend when he says, "Let's hear it for the Minister of the Environment." He is dedicated to his task, and I rather liked the statement he

made. How far we can go towards meeting the points he raised remains to be seen.

I do not wish to be offensive to our ambassador in Washington, but I would not have used the word "historic" to describe the recognition of this as a trans-border question; I certainly agree with my honourable friend on that. I think that has already been fairly well established. I did not raise this particular point—my friend did in his opening statement—but I hope that we can go beyond that. We will have to wait and see.

Senator MacEachen: Of course, we must wait and see, but I am trying to get from the leader what it is the government wants in Washington besides an acknowledgement from the President. What else will the Prime Minister be saying to the President of the United States when he says, "This is what is essential for me to have when I return to Canada"? What else will he be saying?

Senator Roblin: If my honourable friend and I were to be present at the meeting, we would know the answer to that question, but as we are not, neither of us knows the answer to it.

Senator MacEachen: Am I to take it that these matters are not carefully examined by the cabinet beforehand, that ministers are not involved in laying out the Canadian position?

Senator Frith: Not the Minister of the Environment.

Senator MacEachen: Am I to take it that it is no longer a matter for cabinet consideration, and that even the Leader of the Government in the Senate does not know what the Prime Minister will say?

Is it true, as we read in the press, that this is now a presidential form of government and that everything is decided in the Prime Minister's office and that the ministers have to wait to hear the news accounts from Washington to know what the Prime Minister will be saying on a matter of major importance between our two countries?

Senator Phillips: A speech straight from the heart!

Senator Roblin: If one wants to engage in reflections on a presidential prime ministership, I think that the ice was broken by a previous occupant of that office—not Mr. Turner, but his predecessor. If ever there was a presidential prime ministership, his was it.

I want to say to my honourable friend that he cannot ask questions and expect answers on our negotiating position at this stage of events. I am simply not able to give him that information. We will find out what the facts are when the statements are made tomorrow, and I cannot enlarge on that.

Senator MacEachen: May I put it another way, then? What, in the view of the Canadian government, must be done by the United States to make progress in reducing the hazards of acid rain?

Senator Roblin: These matters are the subject of the discussions. The Prime Minister will be laying them down when he speaks to the President. It would obviously be improper for me to try to conduct that negotiation or give that information now. It will be available tomorrow.

Senator MacEachen: I am not asking the Leader of the Government in the Senate to conduct a negotiation; I am asking what, in the view of the government, is essential in terms of a solution to this problem. I am asking him what has to be done on a co-operative basis. What must Canada do, and what does Canada expect the United States to do?

I think that would have been a legitimate question a week or two weeks ago, because surely the government must have some idea as to what it wants if there is to be a reduction in the hazards of acid rain. What the Leader of the Government is saying is, "I don't know; the government doesn't know, but what we think will be determined in Washington, and then that will be conveyed to the Canadian people."

Senator Roblin: Well, my honourable friend must not let himself get carried away. I am not saying that I don't know; I am not saying that the government doesn't know; and I am not saying that our policy will be determined in Washington, because none of those statements is correct.

Senator MacEachen: Then, the Leader of the Government does know what the position of the Government of Canada is on acid rain; he has acknowledged that. Would he tell us what the position of the Government of Canada is on the question of the resolution of the problem of acid rain with the United States?

Senator Roblin: I tell my friend again that this will be covered by the Prime Minister tomorrow and I am certainly not going to upstage him.

Senator MacEachen: Well, I must protest at the inability of the Leader of the Government to tell us anything about the policy of the Government of Canada. He does not know; that is clear. He has not been involved, his colleagues have not been involved, and they do not know what the Prime Minister is going to put up before the President. Obviously, they do not know.

Senator Roblin: My friend can speculate on that all he likes, but I tell him that he is wrong.

Senator Frith: Well, then, tell us what is the position.

AGRICULTURE

WORLD GRAIN PRICES—INITIAL PAYMENT FOR WHEAT

Hon. Hazen Argue: Honourable senators, I would like to ask a question of the Leader of the Government in the Senate in the same general sphere, but concerning a different particular.

Grain producers in Canada are very concerned about the United States trade policy with regard to the export of grain. There is a major move by the United States treasury to reduce international prices for grain by way of offering grain on the world market free of charge, by way of reducing their own loan rate until this, in fact, does lower world grain prices.

Is the Prime Minister putting forth a Canadian position on the international trade in grain, and is the Prime Minister

endeavouring to get the United States, in co-operation with Canada, to adopt policies that will strengthen the price of grain rather than to follow the narrow policies outlined so far by the American administration, which will wreak havoc in Canada and in the grain markets of the world?

Hon. Duff Roblin (Leader of the Government): The answer is yes, honourable senators.

Senator Argue: When is the initial price for wheat likely to be announced? Spring is around the corner and the planting season is coming. This is the time that, ordinarily, the initial prices are announced. Will the government, as part of its policy, put the treasury of this country behind the wheat producers in Canada as the American treasury is being put behind, and in support of the American grain producers, or is the policy going to be that the Canadian wheat producer has to accept the world price and will get nothing more?

Senator Roblin: Well, my honourable friend is making a lot of requests for statements of policy about which I do not intend to reply. These matters are under review and, if any proposals are to be made, they will be placed in the public arena for discussion—and I am not saying that they will be.

With respect to the question of the initial payment, that will be announced in the usual course at about the usual time.

Senator Argue: Is the Leader of the Government in the Senate prepared to make his position clear—and the honourable leader has made his position clear on a number of things in the past—that the full expected drop in international prices should not be borne by the Canadian wheat producers in the initial prices that are established?

Senator Roblin: The question of initial prices is a matter to be decided by my colleague. I can make no comment on that.

Senator Argue: Is it no longer a decision that is made by the cabinet? Is it a decision that is made by one colleague? I believe it is a cabinet decision and the initial prices are established by the cabinet.

Senator Roblin: My friend is correct in that.

• (1410)

YOUTH

GOVERNMENT POLICY

Hon. Eymard G. Corbin: Honourable senators, we all know that the Minister of State for Youth represented the Minister of State for Fitness and Amateur Sport at the opening ceremonies of the 1986 Arctic Winter Games on Sunday, March 16. Of course, we all wish northerners the very best of success with their games.

My question to the Leader of the Government is: When will the Minister of State for Youth quit hopping from game to game, pinch-hitting for other ministers? When will she tackle the more fundamental problems affecting youth in this country? Indeed, when will the government tell that minister to come out of the deep freeze and start writing a real youth development policy along the lines suggested by the Special Senate Committee on Youth?

[Senator Argue.]

Hon. Duff Roblin (Leader of the Government): My honourable friend can express his views on that, but I do not think I would care to make any comment.

Senator Corbin: That is a very disappointing comment in itself. The country is crying for the government to come forward with credible development policy proposals—credible alternatives.

So far, we have had a Youth minister who, last year, was hopping from place to place selling—and I suppose she could give some time to it—International Youth Year. We all know that the problems facing youth in this country are serious ones. Certainly, one of our colleagues is doing his best to arouse the sympathy of the government to that fact.

Why would the Minister of State for Youth continue travelling from one end of the country to the other when, indeed, she should sit down, develop a credible policy and then try to sell it to her cabinet colleagues and the rest of the country? Why is that not happening? Why would a minister spend so much time going from one place to another when we have these crying needs in the country? That I cannot understand.

Senator Roblin: Without attempting in any way to minimize the problem of youth unemployment in the country, because it is a very serious one, I assure my friend that he can take some comfort in the fact that there has been a substantial decline in unemployment as it affects the youthful section of the population in the past few months. The rate of unemployment has gone down by about 2 per cent, and about 50,000 more young people are employed. I do not give that statistic to indicate, by any means, that we are satisfied with that situation, because we certainly are not and the matter is being carefully considered.

We have the report on youth which the Honourable Senator Hébert presented in this chamber recently and, when the Senate debates it, I am sure it will also receive consideration by the government to see what useful ideas can be extracted from it to help the situation.

FOREIGN AFFAIRS

CENTRAL AMERICA—USE OF MILITARY FORCE—GOVERNMENT POLICY

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I should like to ask whether the Government of Canada has a policy with respect to the use of armed force in Central America and whether it has a policy on the efforts of the United States to escalate the military situation in Central America by the provision of very substantial additional support to armed groups in that area.

Hon. Duff Roblin (Leader of the Government): I think my colleague, the Secretary of State for External Affairs, covered that question when he responded to a similar question in the House of Commons not too long ago when he said that our thrust in the Central American situation was to support, as far

as we can, not only with words, but also with money—because we have programs there—the Contadora process which is aimed at bringing about a peaceful solution to the problems in that area and does not contemplate the use of military force. I think that remains our constant position.

Senator MacEachen: I am pleased by the comment made by the Leader of the Government, because neither the Deputy Prime Minister nor the Secretary of State for External Affairs was prepared, in the House of Commons, to go as far as the Leader of the Government in the Senate has gone by saying that Canada opposes the use of military force in the solution of the problems of Central America. I agree with that. I think it is a sound policy. I wish the Deputy Prime Minister and the Secretary of State for External Affairs had made that very clear because, even yesterday, the churches were asking the Prime Minister to clarify that point.

What I really want to know is whether the Prime Minister will tell the President that Canadian policy is directly opposed to his efforts to provide additional military strength in Central America.

Senator Roblin: I do not think that in my statement I have gone an inch beyond what is recognized as the policy of the government. I would be surprised, indeed, if I had. I do not think that it will come as any news to President Reagan to know that we have a different point of view on the matter.

Senator MacEachen: That is the problem—the Government of Canada is timid in making its foreign policy views known to the United States. Surely we ought to do more than say, "Well, it should come as no surprise." Is there not an obligation on the Prime Minister to explain to the President why we disagree with the policy of the United States in Central America and, let us hope, to influence his decisions? His policy—namely, the escalation of military force—is one which neither the former government nor the present government supports. My question is: Is it the intention of the Prime Minister to make that a point in his conversations with the President?

Senator Roblin: I have every expectation that that is correct.

Senator MacEachen: I appreciate that indication and I hope that the Leader of the Government will tell us, after the summit, exactly how the matter came up, whether the Prime Minister did make the point and what was the response of the President. I believe that it is important that Canada maintain its record of developing its own foreign policy and of not automatically accepting the foreign policy of the United States. On this question our views are clearly divergent from those of the United States and we ought to make that clear. I will be asking the Leader of the Government for a report on the matter.

Senator Roblin: I shall be pleased to provide a report on this because I agree with my honourable friend that we are making our own foreign policy. Whether we disagree with all of our allies or agree with them, we will make our own foreign policy. As my friend knows, this is not the first occasion on which we have had independent views to express, and I suspect that it will not be the last.

Senator MacEachen: I agree with what the Leader of the Government has said, but I was dismayed by a statement attributed to the Secretary of State for External Affairs, and then repeated by the Deputy Prime Minister, that Canada was likely to lose its influence if it expressed views contrary to those of the United States; that that would be regarded as unsolicited and gratuitous advice. Therefore, I welcome the stiffening of the attitude shown by the Leader of the Government, which was not shown by the Secretary of State for External Affairs or by the Deputy Prime Minister, who, presumably, wanted to express these views in Canada but did not want to take the extra step and express them directly to the American administration. That is what the churches and other groups expect the government to do. I will come back to the leader on this matter later.

Senator Roblin: One has to leave it to the Prime Minister and the Secretary of State for External Affairs to decide the way in which they will express their views to the authorities in the United States. There is more than one way to skin a cat.

Senator Frith: Would that we could treat them as cats to be skinned on this issue.

MIDDLE EAST—MISSION OF SECRETARY OF STATE FOR EXTERNAL AFFAIRS

Hon. Jack Austin: Honourable senators, related to these foreign affairs matters, my question has to do with the announced trip of the Secretary of State for External Affairs to the Middle East. I should like to ask the Leader of the Government whether there is any proposal on the part of the government and the Secretary of State for External Affairs to amend existing and established bilateral policy with respect to Arab-Israeli matters during the course of his visit. In particular, is there any intention on the part of that mission to meet with or engage in any way with the PLO?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I think that the mission is an exploratory one. I have not in my possession the agenda which indicates the people with whom the Secretary of State will meet. I presume—and this is only a presumption—that he will probably meet with the same set of people that the Senate committee met with when it visited the same area two years ago.

EXTERNAL AFFAIRS

APPOINTMENT OF CANADIAN AMBASSADOR TO IRELAND—APPLICATION OF CODE OF CONDUCT

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I want to raise a point with respect to the delayed answer which the Leader of the Government was good enough to give me on March 5 with respect to the appointment of a Canadian ambassador to Ireland. Earlier I had read to the Senate comments made by Mr. McDermott following his appointment as ambassador. Some were of a

partisan nature and others had to do with voluntary organizations in Canada. I asked whether this was acceptable—

• (1420)

Senator Roblin: —behaviour.

Senator MacEachen: —behaviour. I thank the Leader of the Government. I appreciate his interest. However, I must say that the reply finesses the problem, because it states:

> It is not appropriate for Canadian Ambassadors to comment as described.
>
> All representatives of Canada are governed by the Code of Conduct Guidelines.

So far that seems clear enough. But then it goes on to say:

> While Mr. McDermott has been appointed Ambassador-designate to Ireland, he has not yet presented his letter of credentials to the Irish government, nor assumed such responsibilities.
>
> It is the Department's understanding that Mr. McDermott will do so upon his official arrival in Dublin in May . . .

My question is: Does the Code of Conduct apply from the moment the ambassador is appointed, or does it apply only upon his arrival in Ireland in May; and, in the meantime, is he free to speak as anyone can speak, that is, as a private citizen?

Hon. Duff Roblin (Leader of the Government): Honourable senators, without having the benefit of the departmental brief at my disposal, I would hazard a guess that the rules respecting ambassadors apply from the date of appointment. But I would be prepared to allow Mr. McDermott a little time to learn the ropes of his new job, and I really do not think that we can expect him to make any further statements that might prove to be objectionable to my friend.

FAMILY ALLOWANCES ACT, 1973

BILL TO AMEND—THIRD READING—ORDER STANDS

On the Order:

> Resuming the debate on the motion of the Honourable Senator Tremblay, seconded by the Honourable Senator Flynn, P.C., for the third reading of the Bill C-70, intituled: "An Act to amend the Family Allowances Act, 1973".—(*Honourable Senator MacEachen, P.C.*).

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I would like this order to stand until tomorrow.

Order stands.

IMMIGRATION ACT, 1976

BILL TO AMEND—THIRD READING—ORDER STANDS

On the Order:

> Resuming the debate on the motion of the Honourable Senator Barootes, seconded by the Honourable Senator MacDonald (*Halifax*), for the third reading of the Bill C-55, intituled: "An Act to amend the Immigration Act, 1976".—(*Honourable Senator Haidasz, P.C.*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, for Senator Haidasz, I would like this order to stand until tomorrow.

Order stands.

YOUTH

CONSIDERATION OF REPORT OF SPECIAL SENATE COMMITTEE—DEBATE CONTINUED

On the Order:

> Resuming the debate on the consideration of the Report of the Special Committee of the Senate on Youth, entitled: "Youth: A Plan of Action", tabled in the Senate on 19th February, 1986.—(*Honourable Senator Yuzyk*).

Hon. Paul Yuzyk: Honourable senators, the problems of youth in general had never been of special concern to the Canadian Parliament until recently. It was the large-scale unemployment of our youth, causing much suffering among the young people, that attracted the attention of the leaders of our country, and voices were heard during the election and in Parliament asking for remedial action.

In attempting to deal with this embarrassing situation, the federal government recently established a Youth ministry, and during 1985, which was celebrated throughout the world as International Youth Year, this new ministry sponsored and financed a large number of programs and activities for youth across Canada under the supervision of a 24-member youth advisory council. In the course of my remarks on this subject, I shall be using sub-headings. The first is:

Functioning of the Senate.

It was the Senate, however, that decided to conduct at the federal level, for the first time in our history, an in-depth study of the important problems facing youth today. The Special Senate Committee on Youth was originally established in April 1984 but was dissolved when the federal election was called in June and, finally, was re-established in December of that year. The committee consisted of 12 members—eight males and four females—of various origins, backgrounds and experiences, representing the regions of Canada. All have a keen interest in the welfare of our youth.

In April 1985 the committee issued an invitation to young Canadians, youth organizations, organizations working for youth, and government officials to submit written briefs. In May and June the committee toured the provincial capitals and other large centres where the submitted briefs were discussed. New ones were collected and oral presentations were heard. Some of the best briefs and presentations came from university student bodies and from youth leaders trained within the government-financed Katimavik program. Experts from various fields associated with youth problems, some from the U.S.A., were called to give testimony. Successful youth

programs in the U.S.A., the United Kingdom, Austria, West Germany and Sweden were studied.

As a result, a report dealing with problems of Canadian youth between the ages of 15 and 24 and proposed solutions was tabled in the Senate on February 19. The first 15,000 copies were quickly snapped up across Canada, and to meet the growing demand the printing of another 10,000 copies was approved. Senator Jacques Hébert explained the work of the committee and the recommendations of the unanimous report in the chamber on March 13. He made an enthusiastic appeal for fast action in order to save our youth.

Concerns of Canadian Youth.

We know that the majority of young Canadians in the adolescent age group is busy getting an education or holding down a job. They are concerned with the sombre realities of the eighties, the threat of nuclear war, youth unemployment, the destruction of the environment and the complicated and frustrating problems of Third World nations. They also have their own concerns which directly affect their own lives—that is, education and employment. Many issues and concerns that were discussed by the youth at the committee's hearings fall within the mandate of governments. For example, social services for youth with personal problems, concerns about the various education systems and problems with job training and work.

We are convinced that solutions do exist to combat the problems of youth. These problems are sometimes created—or at least augmented—by social and economic decisions taken by governments. They must be solved, not only for reasons of social justice, but because these problems will continue to grow and cause distress and violence in our society.

Saving the "Lost Generation".

Since most of the witnesses who appeared before the committee focused on specific problems that they were experiencing, this report concentrates primarily on the approximately one-quarter of all youth between the ages of 15 and 24 who are more or less directionless. Entitled "A Plan of Action", the report presents 26 recommendations on how to alleviate the problems of Canadian youth. It is our firm belief that through vigorous and concerted action on the part of governments, the co-operation of youth organizations, and of those bodies and institutions involved with youth, this "lost generation" can still be saved and find a useful place in our society. While we were unable to establish a direct relationship between youth unemployment and the upsurge in alcohol and drug abuse, prostitution, suicide and deliquent behaviour in general, the members of the committee concluded that while unemployment may not be the only cause of these problems, it is nonetheless a leading one. It must be remembered that the leading cause of both youth and adult unemployment is a shortage of over one million jobs in this country, rather than the personal characteristics of the unemployed. We are mindful that over 630,000 are classified as unemployed. This very high figure includes 500,000 youth noted by Statistics Canada and over 130,000 others who, having despaired of finding work, have simply stopped looking and are, therefore, not included in the official statistics. This is the "lost generation" that must be saved.

• (1430)

In focusing attention on what were identified as the major problems of Canada's youth, four areas were singled out: the changing lifestyle and values of youth in Canadian society; native youth; the transition from school to work, and employment and unemployment. Thus, the committee's report is arbitrarily divided into four chapters.

The Place of Youth in Canadian Society.

In chapter one, we examined the interaction between youth and social institutions with which they deal. An overview of the social characteristics of young people concentrates on their attitudes and behaviour, as well as the changing expectations of the family, the school and the workplace. The work of community, social and health services for youth is outlined. Housing, sexuality, eating disorders, suicide, smoking, alcohol consumption, illegal drug use and law enforcement are issues of particular importance. We applaud the efforts of youth who wish to establish their own institutions such as advisory councils, lobby groups of youth and youth television networks to make their voice heard.

The committee concludes that young people must participate fully in existing government, political, social, economic and educational institutions, and that these institutions, now managed by adults, must openly encourage youth involvement. Young people are concerned with the implementation of democracy and with maintaining and promoting Canada's multicultural and bilingual identity. Some spoke with pride about Canada's multicultural and bilingual identity; some spoke with pride about Canada's cultural and linguistic variety and stressed the need for school curricula which would reflect the social, political, economic and cultural variation in our country. We believe that young Canadians should be aware of their rights and freedoms, guaranteed in the Canadian Charter of Rights and Freedoms of the new Canadian Constitution of 1982.

Native Youth.

Although the mandate of our committee did not include a study of native youth, we had a Canadian of Indian origin, Senator Len Marchand, on the committee and two Canadians of Inuit origin, Senators Willie Adams and Charlie Watt, participating in the meetings. Therefore, we felt obliged to assume some responsibility for the members of Canada's First Nations as well. Chapter two is devoted to this subject.

The difficulties facing young people across Canada are even more pressing in the case of native youth. Housing, cultural clashes, suicide, crime, and drug and alcohol abuse need urgent attention. In response to this need, recent initiatives of native people themselves have addressed problems in the areas of health, legal issues, education and government. Our recommendations reflect our belief that the native people can themselves best identify and solve the problems affecting them. I am sure that at least one of the above-mentioned three sena-

tors will join this debate and speak on the difficult problems of native youth.

From School to Work.

Chapter three presents the committee's views on education, training and work experience. In the transition period from school to work, education and employment cannot be considered as two separate, unrelated entities. The choice of courses and programs that students make in school influences their future work. Our committee commends the successful training and apprenticeship programs undertaken in some European countries and proposes similar, though modified, initiatives in Canada. We endorse the recommendations of the Johnson report on the funding of post-secondary education.

We are, of course, aware of the fact that education and training are matters of provincial and, at times, joint provincial and federal jurisdiction. That is why our recommendations are generally addressed to governments for the next three decades. We call upon the federal and provincial governments to recognize their respective areas of jurisdiction, and to accept their responsibilities by joining their efforts to fulfil a common objective. Addressing the situation of youth in the 1980s must be done as soon as possible and by every available means. I believe that someone will deal with this chapter and the recommendations more fully.

Employment and Unemployment.

The final chapter probes the issues of youth employment and unemployment as the sources of the greatest concern for our young people. Our study of this problem convinced us that the situation can no longer be tolerated and that immediate, innovative steps must be taken to find work for over 630,000 young Canadians who suffer from a disproportionate level of unemployment, as compared with adults. Inadequate training and education serve as barriers to finding work. Demographic forecasts show that unemployment among young people will remain high over the next few decades. This is especially true for young people in eastern Canada, for handicapped youth, or those with learning disabilities and for those with low levels of education.

In this chapter, we discuss a number of potential solutions to youth unemployment, and look at successful examples in other countries. Our committee makes a number of recommendations, none of which is a panacea in itself, but, if implemented as a whole through immediate and concerted action, the situation of our youth would improve greatly and the "lost generation" could be saved.

Bleak Prospects for Youth Employment.

In addition to suffering from a disproportionately high level of joblessness (16.5 per cent for 1985, as opposed to the national adult rate of 8.7 per cent), Canadian young people between the ages of 15 and 24 are the first fired and the last hired, are more easily shunted into part-time jobs and are frequently victims of the "ten-week syndrome", in other words, periods of short-term employment which qualify them solely for the next stint of Unemployment Insurance. Recent studies shatter the myths that young people are lazy, lack a concrete sense of the value of work and enjoy being "taken care of" by the state. Findings of the survey of youth attitudes carried out in June 1983 by Goldfarb Consultants show that young people are surprisingly realistic in their appraisal of current jobs prospects. Of those who were employed, most were satisfied with their jobs—81 per cent—while "being successful" and "having a job" were two of the highest priorities. They were willing to be flexible in order to adapt to an ever-changing market, be it through further education or retraining programs.

Unemployment statistics and labour force analyses only take into account those Canadians who are employed or who are actively seeking work. The hidden thousands of people, young and old, who have given up on Canada Employment Centres and the full-time, yet fruitless, task of job-hunting often resort to other means of earning at least some money. We see youth taking to the streets offering services such as hairdressing, mending, mechanical repairs, painting, babysitting and other odd jobs. Some young people follow adults into the drug traffic trade, prostitution and theft to procure money, even though that choice cuts them off from the mainstream of society.

• (1440)

Canadian economy projections of the Macdonald Commission and the Conference Board report indicate that unemployment will remain high in this country through the year 2010 unless structural changes occur. This model shows that the current group of 15 to 24-year olds may well carry their unemployment problem with them as they age, which means that they will be unable to find a job during their lifetimes. High rates of unemployment for youth will continue. The proportion of young unemployed people will decrease somewhat because the proportion of 15 to 24-year olds will decrease, but the absolute numbers of young unemployed will not decrease.

Proposals to Alleviate Youth Unemployment.

In order to help the youth in their desperate situation, the committee is concerned that the deficit reduction should not be achieved at the expense of the unemployed youth. It is gratifying to note that the current government has taken this into account in its recent budget. The committee believes that Canada has much to learn from other countries where significant reduction in unemployment has been achieved by providing the jobless with a decent minimum income and offering temporary employment training programs and recycling programs in response to the real needs of the labour force.

The committee recommends:

> —that the government examine the possibility of adapting to Canadian conditions and experience some training and apprenticeship programs which have been successful in West Germany, Austria and Sweden. These are obligatory, involve co-operation between schools and business, and give young people the paid status of apprentices within business establishments.

Governments and large businesses will necessarily have to join efforts to guarantee financing for small businesses, in

particular those set up by young people. The committee recommends, therefore, that various levels of government establish or promote the establishment of foundations headed by people knowledgeable about business. The funds in these foundations should be used to finance small businesses launched by young persons and to provide advice on business techniques.

Better Use of Unemployment Insurance.

Committee members studied the benefits, effects and implications of unemployment insurance. Benefits of the UI amounted to about $12 billion in 1985, a large part of the national deficit. Without reducing these benefits, which perform a safety-net function, they could be put to use to generate long-term employment. There are apparently some abuses in the UI scheme and we, therefore, welcome the re-examination of the scheme. We, however, propose an additional way of using UI benefits, which is now practised in several European OECD countries. There, employees who have worked for some appreciable time in established enterprises often launched their own successful ventures, suggesting that entrepreneurship is not innate, but is learned by studying masters of the art.

The committee recommends that legislation concerning unemployment insurance and social assistance benefits be amended so that the federal government could subsidize the wages of new trainees previously receiving UI benefits and thus encourage employers to hire jobless youth. This system could also be used to finance government public works. Unemployment insurance recipients could start their businesses with unemployment insurance or social assistance money and continue to receive benefits without disqualification for a period of 52 weeks, this initial period being the most crucial in the life of a new business.

Part-time and Volunteer Work.

To meet the urgent needs of unemployed Canadians, there were suggestions to reduce the work week and increase part-time work. Keeping in mind that by the end of this century one of every four workers will be employed on a part-time basis, which would deprive employees of adequate wages and benefits, we feel that all workers should be entitled to equal prorated benefits and no one category of employees should have to accept only part-time work. The committee recommends that the government launch urgent pilot projects to test the feasibility of work sharing and job sharing as a means of increasing youth employment.

The celebration of International Youth Year in 1985 in Canada brought to our attention the importance of international youth co-operation. Considering how important it is for our country to increase its contacts with the Third World and to co-operate in its development, considering how beneficial it would be to our society to have as many Canadians as possible attuned to world problems, and considering that we have a pool of young Canadians with diplomas and some experience who are unable to find jobs, the committee believes that Canada should provide as many as possible with an opportunity to work for a period of two years in a Third World country. The committee recommends that the government, acting through CIDA, take steps to allow non-governmental organizations to train and ensure presence in the Third World of as many youth volunteers as those countries require. The government should also promote youth exchanges, particularly with Third World countries.

Assessment of the Katimavik Program.

Of all the youth that appeared before our committee in the hearings across Canada, it was the young people who were trained under a national youth program called Katimavik that made the strongest impression on us. These young men and women were most articulate in presenting the problems and concerns of the young generation and unquestionably displayed the fine qualities of leadership that are so needed in our country at this time. We studied the Katimavik program, which has been in operation for ten years, and came to the conclusion that it was a positive and constructive force in Canadian society, even though costly.

The committee looked at similar programs in the U.S.A. During the period of the Great Depression from 1933 to 1942, President Roosevelt conducted a national work program, the American Civilian Conservation Corps, which employed 2.5 million people. Some states and large cities have set up their own programs, the biggest being the California Conservation Corps, with 1,800 participants. In March 1984 San Francisco launched the San Francisco Conservation Corps and a few months later Mayor Ed Koch of New York created the National Service Corporation.

• (1450)

The Senate committee proposes a more ambitious program than its American counterparts—"that the government establish a Young Canadians' Community Service Program, open to all Canadians aged 17 to 24, either by using Katimavik as a model or by giving Katimavik, now a non-government organization funded by the Secretary of State, the means to expand." The Young Canadians' Community Service Program should be designed not only for job-creating purposes but also as training for various community services and leadership.

It was most unfortunate, however, that the government decided to cancel the Katimavik program a week before the Senate Youth report was tabled. Senator Hébert, a founder of the Katimavik program, was greatly incensed, stating that the government could have waited for the Youth report before announcing its decision. After appealing to Prime Minister Mulroney, with no response, Senator Hébert at noon on March 10 went on a hunger strike in the rotunda of the chamber, where he remains to the present day. I am glad he is here with us in the chamber today.

Some Hon. Senators: Hear, hear.

Senator Yuzyk: In the meantime, the Prime Minister has replied to Senator Hébert, stating that:

> Katimavik had been channelling a significant level of financial resources towards a relatively small segment of the youth population.

He announced that the government would—and I quote again:

make more effective use of this money to benefit a wider cross-section of youth.

And:

... that instead of spending money on make-work projects, the greater need is to focus scarce dollars on building the permanent job market for Canadian youth.

Further, the Prime Minister stated that the government

—has committed $700 million directly to youth employment and job training programs at a time when we have been forced to reduce government spending to deal with the deficit and natonal debt we inherited ... some 219,-000 young Canadians will benefit from employment related programs in the current fiscal year.

Now my position as Deputy Chairman of the Special Senate Committee on Youth is the following. I believe that the government should have waited a week for the report of the committee before making its announcement to cancel the Katimavik program.

Some Hon. Senators: Hear, hear.

Senator Yuzyk: The committee unanimously approved the recommendation that the government establish a Young Canadians' Community Service Program. By cancelling Katimavik, I expect that the government will have a better, more far-reaching and effective program in its place in the very near future.

Youth Action Councils.

Finally, the committee recommends the creation of youth action councils in all Canadian communities, and the establishment of a non-government body to promote and co-ordinate the activities of these local councils and to provide information on youth related issues. These councils would be easy to organize and could be financed at the community level. This would prove to young people generally and to the unemployed youth in particular that they could count on the understanding and support of the adults and the institutions around them. Moreover, an active youth council could complement the local employment centre and stimulate it to provide better and more personalized service for young people. It has already proven to be successful in many places, for example, Oromocto in New Brunswick, the Industry-Education Council in Hamilton and Frontiers Foundation in Toronto. Local communities should continue to play the protagonist's role, supported by provincial governments and the federal Ministry of State for Youth.

All-Canadian Solution.

Despite the economic recession from whch we are barely recovering, Canada is one of the richest countries in the world. We have at our disposal the means by which to help our young people. The political and public will to remedy the situation must be displayed without further delay.

Some Hon. Senators: Hear, hear.

Senator Yuzyk: Each Canadian community must assume control of its own affairs and put its imagination to work so that we may improve the present and future lives of our young people. All Canadians should treat the deplorable situation of our youth as the acute national crisis that it is, and concentrate their energies collectively to overcome this serious problem.

Some Hon. Senators: Hear, hear.

Hon. John M. Godfrey: I would like to ask Senator Yuzyk a question. Did the committee consider the effect of abolishing mandatory retirement on youth unemployment?

Senator Yuzyk: Yes, the committee did. I hope that honourable senators have looked at and have studied this report. I was not able to give you all the details, but I did, however, concentrate on the most important ones and you will find your answer by reading this report.

On motion of Senator Petten, debate adjourned.

RULES OF THE SENATE

MOTION TO AMEND RULE 77(7) TO PROHIBIT SMOKING AT COMMITTEE MEETINGS REFERRED TO COMMITTEE

On the Order:

Resuming the debate on the motion of the Honourable Senator Frith, seconded by the Honourable Senator Cottreau:

That the *Rules of the Senate* be amended by adding, immediately after Rule 77(7), the following:

"(8) Smoking is prohibited at all meetings of Senate commitees."—(*Honourable Senator McElman*).

Hon. Charles McElman: Honourable senators, I wish to defer to the Honourable Senator David, who will speak at this time.

Hon. Paul D. David: I thank you most warmly, Senator McElman, for permitting me to speak on this motion at this time.

[*Translation*]

Honourable senators, as a physician and cardiologist, I am certainly not going to object to the motion of Senator Frith or to the bill presented by Senator Haidasz, prohibiting the use of tobacco in Senate committee rooms. I am sufficiently embarassed as it is about confessing to my habit in public.

Quite frankly, I was fed up with my daily attempts to stop smoking. One day, my subconscious decided in favour of a perhaps shorter but at least happier life. Who knows, the measures you are proposing may provide a new incentive for me to butt out!

I cannot disagree with the statistics that show a clear connection between smoking and lung cancer in smokers. However, Senator Frith, I think the connection is far less obvious in the case of those breathing sidestream smoke. The statistics for this group somtimes contradict each other and are often not significant. Nevertheless, tobacco smoke is, I agree, one of the many causes of pollution in the air we breathe.

That being said, I am glad to see a substantial decrease in smoking among Canadians, which demonstrates the beneficial impact of education. Because of health reasons, pressure by

non-smokers and increasingly heavy excise taxes, smoking is slowly but surely dying out. In fact, I have noticed an increasingly aggressive attitude towards smokers. I must say that I find the dogmatic approach, in medicine or anywhere else, vastly irritating. In fact, in medicine there are far fewer certainties than uncertainties. This is where medicine is on a par with other fields of activity that combine human and scientific knowledge. I think we would have to include economics and politics.

Heart disease (angina pectoris, coronary thrombosis) is, as you know, the worst killer on this continent, whether we are talking about the U.S. or Canada. Several risk factors have been identified in an attempt to explain this phenomenon. One of these factors is smoking. The other factors are a diet rich in cholesterol, sedentary lifestyle, high blood pressure and diabetes. Stress is often mentioned, but since it cannot be measured, it cannot be quantified in scientific articles. Everybody talks about it, and no wonder. Of course it is hard to do much about heredity.

However, even when we know all these risk factors and heredity is good, we still see young individuals, especially males, who do not smoke, get lots of exercise and are not obese, suffering a heart attack at a relatively young age, at least younger than average. Why?

We know that alcohol is an important risk factor for a number of diseases, and this aside from the psychological and social disruption and the disruption to families. However, the commercials are all over our television screens . . . Can we go on tolerating this situation?

And how are we going to prevent all the psychosomatic illnesses that account for 50 per cent of visits to the doctor's office? We know these are caused by any number of factors and could be cured by a better and healthier family, psychological and job environment.

So there are many factors that can cause, aggravate or prolong disease. And there are a lot more factors we do not know about. However, the fact remains that even if we did manage to eliminate all these factors, which is wishful thinking, humans would still, be it at a later age, succumb to an identifiable and total disease.

Yesterday, it was senior citizens. Today, we are one step further. Perhaps tomorrow we will be talking about immortality.

To get back to smoking, the situation has changed a great deal in twenty years. As you know, honourable senators, at meetings of all kinds, smokers are gradually becoming the exception, and that is a good thing. We see the same thing happening in trains and aircraft, where the smoking section has been gradually shrinking from year to year. Usually, the smoking section is in the rear.

Don't you have the impression, honourable senators, that the problem is solving itself? A ban on smoking will of course add official approval to a virtue that has practically become compulsory. Personally, I prefer virtues one acquires as a result of persuasion rather than imposing bans. I think the former attitude is more tolerant, more compassionate and perhaps also more sincere.

That being said, I wish people would be more inclined to let time take care of the few smokers who may die as a result of their habit and replace them with serene non-smokers who will meet the same fate at a later age, as a result of more mysterious causes.

● (1500)

[*English*]

Hon. John M. Godfrey: Honourable senators, I have a question for Senator David. Would he suggest that we permit smoking in the Senate chamber? If we are to continue the practice in committee rooms, what is the difference between a committee room and the Senate chamber?

[*Translation*]

Senator David: Certainly not; I am a disciplinarian. However, I think discipline has its limits. I think we are being slightly intolerant with people who have weaknesses.

[*English*]

Senator McElman: Honourable senators, I have been the brunt of a fair amount of good-natured ribbing from some of my colleagues with respect to this motion and my habit of smoking.

I was one of those who grew up in the depression years when one of the vices I learned was to smoke. I started smoking at the age of 14 and have been a continuous smoker since—that is, for 51 years.

Senator Marshall: And you are still living!

Senator McElman: Senator Marshall has much greater fortitude and control than I. He has quit—for the moment at least. I have had occasion to tell him, during some of his much more obdurate times, that I wished he would take it up again.

In any event, having smoked for all of those years, some ten years ago my doctor—who was also a beloved friend of mine and who has since passed on to his reward—convinced me that my consumption of cigarettes—then some three packs a day on a normal day and four packs a day under pressure—was a bit much. My health had deteriorated somewhat. I took his advice and I quit smoking cigarettes, cold turkey. It was quite an experience. Three days later, at breakfast, my good wife said to me, "Good morning, Charles," and I replied, "What do you mean?" and was ready to do battle. Her response was, "For goodness sake, get out your old pipes and start smoking again; you're intolerable." As some of my colleagues know, I am not too tolerable at any time, but I was truly intolerable at that time. I am still a smoker. I do appreciate the feeling of some honourable senators who have given up the awful habit that they are suffering from the effects of secondary smoke. Although I am, on occasion, inclined to think to myself that there is no sinner like a reformed sinner, I try to push that thought behind me. I do appreciate that there is a sincere concern on the part of many about the effects within confined quarters of secondary smoke.

• (1510)

I do not wish to either gather or use in debate arguments against the intent of this motion. I suggest, however, to the mover of this motion, that we follow the procedure that has long been established in the Senate. Rather than having this motion brought to a vote in the Senate at large, perhaps it would be useful and appropriate that the debate be concluded, the motion withdrawn and the matter referred to the Standing Committee on Standing Rules and Orders so that all of the implications of the motion can be considered in some depth by that committee, after which its report and recommendations will come to the Senate for consideration.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, unless anyone else wishes to speak to the motion at this time, I accept the suggestion of Senator McElman. I think that that is the proper procedure to follow. I would like to take a moment, however, to say that this motion has produced some interesting side effects—to make a bit of a pun—one of which was a series of interesting cartoons on the subject which has been collected by Senator McElman. One of them in particular has a remote connection with the intervention of Senator David. It depicted a railway passenger car or a bus—I was not clear which—in which many people were smoking. One very annoyed pipe or cigar smoker was saying to a young woman opposite him, who was the only person not smoking, "Miss, this is a smoking area so either light up or get out!"

Honourable senators, I suggest that the minutes show that there is an amendment to the effect that the motion be not now adopted, but that its subject matter be referred to the Standing Committee on Standing Rules and Orders for study, report and recommendation.

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I think that that is acceptable, but I suggest that somebody else move the amendment.

Senator Roblin: You cannot amend your own motion.

Senator Frith: No, but I can accept such an amendment.

Senator McElman: If it is acceptable to the Senate, could it be considered that I have moved that amendment?

Hon. Senators: Agreed.

The Hon. the Speaker: Honourable senators, it is moved by the Honourable Senator Frith, seconded by the Honourable Senator Cottreau:

> That the *Rules of the Senate* be amended by adding, immediately after Rule 77(7), the following:
>
> "(8) Smoking is prohibited at all meetings of Senate committees."

In amendment, it is moved by the Honourable Senator McElman, seconded by the Honourable Senator Argue, P.C., that the motion be not now adopted, but that it be referred to the Standing Committee on Standing Rules and Orders for consideration and report.

Is it your pleasure, honourable senators, to adopt the motion in amendment?

Hon. Senators: Agreed.

Motion in amendment agreed to.

The Senate adjourned until tomorrow at 2 p.m.

THE SENATE

Wednesday, March 19, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

NATIONAL FINANCE

TABLING OF COMMITTEE REPORT

On Reports of Committees:

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, Senator Leblanc was to have tabled the report of the Standing Senate Committee on National Finance respecting Supplementary Estimates (C). I understand that Senator Leblanc has been detained but will join us presently. I would ask permission to revert to Reports of Committees when Senator Leblanc is present.

Hon. Royce Frith (Deputy Leader of the Opposition): Is the report ready?

Senator Doody: Yes. In fact, honourable senators, the research assistant to the committee and the clerk of the committee are outside the chamber. They told me that Senator Leblanc has approved the report and they are waiting for him to sign it.

Senator Frith: Could the deputy chairman not table the report?

Senator Doody: He is not present either.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

PETROLEUM INCENTIVES PROGRAM ACT

ENERGY AND NATURAL RESOURCES COMMITTEE AUTHORIZED TO STUDY SUBJECT MATTER OF BILL C-85

Hon. C. William Doody (Deputy Leader of the Government), with leave of the Senate and notwithstanding rule 45(1)(e), moved:

> That the Standing Senate Committee on Energy and Natural Resources be authorized to examine the subject-matter of Bill C-85, intituled: "An Act to amend the Petroleum Incentives Program Act", in advance of the said Bill coming before the Senate or any matter relating thereto.

Motion agreed to.

QUESTION PERIOD

[*English*]

AGRICULTURE

WORLD GRAIN PRICES—INITIAL PAYMENT FOR WHEAT

Hon. H. A. Olson: Honourable senators, the two most important subjects for the economy of western Canada, as the Leader of the Government in the Senate knows, are the international market for grain, especially wheat, and international energy prices. I wonder if the Leader of the Government could tell us—after having had the time to think it over carefully since the questions were raised by Senator Argue yesterday—whether this matter will be raised by the Prime Minister with the President of the United States. I ask this because the consequence appears now that wheat will go down to approximately $2.30 (U.S.) by the time the harvest is over.

Hon. Duff Roblin (Leader of the Government): I share my honourable friend's concern about the developments in respect of this matter. They are very worrisome for all Canadians, including myself.

My understanding is that the matter was on the agenda for the meeting of the President and the Prime Minister. Whether it was actually dealt with or not, I cannot say. I think I gave an undertaking to the Senate yesterday to find out what I could about this matter and to report to the chamber today.

Senator Olson: The leader has given an undertaking to advise the chamber as soon as he can. However, there are many farmers in western Canada who would like to know about this two or three weeks before seeding time so that they will know whether or not Canada has a reasonable chance of having a market that will return a profit rather than facing the prospect of a loss for this season.

Senator Roblin: Canada can raise the issue, but the answer has to come from the other side. I cannot give any assurance as to when that will happen.

Senator Olson: There is one other thing Canada can do, and that is set the initial price at a reasonable level. When I talk about a "reasonable level", I mean a break-even level, or thereabouts. I realize that the discussions between the President of the United States and Canada's Prime Minister will have a very significant bearing on this, and that is really what I was asking about.

Senator Roblin: Well, I hope that is the case. I do know that in order to make some contribution to the western provinces under the Western Grain Stabilization Act, there is a possibili-

ty of an interim spring payment being made, and that is to be given urgent consideration.

Hon. Hazen Argue: I heard on the news the statement that was made in the other place, but I would like to ask this question: Is the prospective payment under the Western Grain Stabilization Act likely to be as much as it was last year or is it likely to be a lot less? If it is likely to be a lot less, is the government giving any consideration whatsoever to putting the treasury of Canada behind the initial payment, behind the western producers, at least to a modest extent, when the mammoth treasury of the United States has been put behind their producers by way of a guaranteed loan price and, more importantly, by way of a guaranteed target price? Is the government giving any thought whatsoever to risking anything from the treasury to support the price of wheat in Canada for Canadian wheat producers?

Senator Roblin: My friend is asking a series of hypothetical questions based on whatever amount is finally decided, but as in the case of the interim spring payment, we will have to wait and see what that is.

Senator Argue: Is the government giving any consideration whatsoever to the possibility of maintaining for wheat next year the initial prices that are currently in effect? Has any thought whatsoever been given to doing that?

Senator Roblin: Well, of course the government is giving thought to that matter, but there are two subjects that have to be considered in that connection: one is the advance under the Western Grain Stabilization Fund; and the other is the setting of the initial payment. Both of those very important matters are now under consideration.

Senator Argue: Well, I would have to protest as a farmer, and as a senator, that there should be absolutely no relationship between what the farmer gets from the Western Grain Stabilization Fund, which is his money, and what the treasury may do about holding up the initial price for wheat. I can see no connection whatsoever between the two, and I am sure the government leader is aware that if the initial price goes down, the farmers' contributions will be going down—all other things being equal—and the payments under the Western Grain Stabilization Fund will be less and less.

As a further question, has the minister done any formal consulting, or does he have a policy of consulting, with farm organizations who are concerned about the initial price before the price is in fact set, or before his recommendation goes to cabinet?

Senator Roblin: Well, my friend is right in saying that there is no connection between the payment under the Western Grain Stabilization Fund and the initial payment. I hope I gave him no reason to think that I thought there was a connection, because there is none. They are two separate entities. That is the point that I was trying to make. With respect to consultation, the minister consults more widely with western farmers than some ministers I have known in the past—and I am not talking about my honourable friend.

[Senator Roblin.]

Senator Argue: Well then, to be more specific, has the minister sat down and discussed this question with representatives of the wheat pool organizations, the United Grain Growers, and the Canadian Federation of Agriculture, or any part of those organizations that I have named?

Senator Roblin: Well, my honourable friend knows that I have no means of answering that question during Question Period. I will have to take it as notice.

Senator Argue: I appreciate the minister's taking my question as notice, but to the extent that consideration of such matters is part of the cabinet process, and since it falls within the scope of committees dealing with economic questions, it seems to me that the Leader of the Government in the Senate should be kept informed on these questions really on a day-to-day basis.

Senator Roblin: I think anyone who follows my replies in this house will do me the courtesy of recognizing that, as a rule, I am informed on a wide variety of subjects of which I have no direct knowledge since I am a minister without portfolio. It is rather unbecoming of my honourable friend to make a remark of that kind. I tell him that I do my best to see that I am well informed so that I can answer questions in this chamber in a way in which questions were never answered before.

Some Hon. Senators: Hear, hear.

Senator Roblin: In previous times, there were on this side of the house four cabinet ministers who had portfolios to answer questions, and I think they were kept pretty busy. Now we have one, and I do the best I can. I am not ashamed of my performance in that respect and I must say that I do not appreciate that kind of comment.

Senator Argue: I do not like to make comments that the Leader of the Government does not appreciate. If I have offended him, I regret that.

Some Hon. Senators: Hear, hear.

Senator Argue: I believe it to be perfectly correct that the Leader of the Government in the Senate does, from time to time, almost stick his neck out by saying that he hopes, by a certain date, he may be able to bring to the Senate an announcement that is to be made by the appropriate minister.

However, I think the Leader of the Government in the Senate warrants being consulted by his colleagues in cabinet on every occasion, especially with regard to western agricultural questions. I do not want him to misinterpret my comment when I say that I hope he is considered to be an integral part of the consultations that go on within the cabinet, because I think his input is important.

Senator Roblin: My response to that is that I do enjoy a close relationship with my colleagues and I do receive information on matters of current concern. However, I think it will be appreciated that I cannot always anticipate the questions that will be asked here. There are bound to be occasions when the question concerns a matter that is not what one would call of

strategic importance or, if it is, that it is one which I have not anticipated.

I think my colleagues do a good job in keeping me abreast of what goes on.

WHEAT EXPORTS TO REPUBLIC OF CHINA

Hon. Jack Austin: Honourable senators, I should like to ask a supplementary question regarding western wheat.

Given that it is the policy of China to become self-sufficient in wheat and that they are rapidly approaching their objective since they increased their production of wheat from 41 million tons in 1979 to 87 million tons in 1984, which meets the larger part of their domestic requirement; and given that it is also their objective to become a major international wheat exporter in the next few years, and that the international wheat market has become extremely competitive—the U.S. having seen their export earnings from wheat drop to $5.8 billion from $8.3 billion in the last two years—can the Leader of the Government advise us as to what the prospects are for Canadian wheat farmers in the China market; how long are our fixed agreements with them; and whether the Chinese are indicating they will continue to buy wheat from us long term?

Hon. Duff Roblin (Leader of the Government): I may say that the farmer in western Canada is now facing the treasuries not just of the United States but of the world. That may sound like an exaggeration, and perhaps it is, but in that connection one has to accept the fact that India, which for years was an importer of wheat, is now an exporter. One has to accept the fact that under the common agricultural policy of the European Community, millions of bushels of highly-subsidized wheat are being, in my opinion, dumped on the world market at far below cost on the continent of Europe. In the United States, as Senator Argue and others have mentioned, an enormous subsidy of some $50 billion or $60 billion is being talked of, at any rate, in support of the American farmers; so, there is a problem.

To the best of my knowledge, China has not yet reached the stage where she is in the export market, in spite of the figures given by my friend. My information is that, recently, the Chinese have not been able to realize the targets which they have set for themselves with respect to wheat. My information—which I believe is correct, but which I will check—is that the Canadian Wheat Board has concluded negotiations with China which will result in substantial sales to that country.

Having said that, the question of marketing Canadian wheat is going to be a man-size job. I think that those who are in charge of it in the Canadian Wheat Board—and Senator Argue will appreciate this—will need all the support they can get from us.

• (1410)

CANADIAN WHEAT BOARD

APPOINTMENT OF COMMISSIONER

Hon. Hazen Argue: Honourable senators, I would like to bootleg a question in here. The effectiveness of the Canadian Wheat Board in the international markets of the world has been proven time and time again. I think that the commissioners, who share equal authority under the act—and that was complained of by the Honourable Erik Nielsen's "instant experts" who were recently examining the operation of the Wheat Board—work very well. My question is: Can the minister tell us when the vacancy created by the resignation of Commissioner Jim Liebfried will be filled? I express the hope that the minister is casting widely to endeavour to get a man of the tremendous calibre of Jim Liebfried—if, indeed, such a person can be found—to fill the current vacancy on the board. I think it is fair to say that the board needs all of its commissioners. They have a very heavy workload and travel extensively throughout the world. I think that our markets, although they are difficult, are in very good hands in terms of the Wheat Board's area of responsibility.

Hon. Duff Roblin (Leader of the Government): The minister is canvassing widely in western Canada to find the best possible nominee.

AGRICULTURE

POTATO INDUSTRY—STABILIZATION POLICY

Hon. M. Lorne Bonnell: Honourable senators, Senator Olson has said that wheat and oil are the most important commodities for western Canada. Agriculture, fisheries and transportation are very important to Atlantic Canada. Does the Leader of the Government in the Senate have that good word for me today from the Minister of Agriculture indicating some assistance, by means of a stabilization policy, to the potato industry of this country?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I see that we are on another campaign here. We have dealt with sugar-beets and now we are going to deal with potatoes. I have told my honourable friend—and I would like him to remember this because it is the answer he is going to get on subsequent occasions if he raises the matter again—that I am pursuing the matter diligently with the Minister of Agriculture. I think that some progress may be anticipated. I cannot tell him how much and I cannot tell him when, but I can tell him that it is a very live issue.

Senator Frith: A very hot potato, is it?

Senator Bonnell: Honourable senators, according to the local newspapers of Prince Edward Island, this matter is on the agenda of the cabinet. That was information provided by some of the private secretaries to some of the ministers. Although the minister in the Senate cannot tell us what is on the agenda of cabinet, apparently some of the secretaries to some of the

ministers can. I hope that when the Leader of the Government sits in that cabinet meeting, he will put forward a very strong voice for Atlantic Canada so that these potato growers can get some sort of equalization payments. When we consider that we can buy 50 pounds of potatoes for the price of a loaf of bread, it is clear that people involved in the agricultural industry in Atlantic Canada need some assistance, as do people in the west.

TRANSPORT

TASK FORCE REPORT—ELIMINATION OF PRINCE EDWARD ISLAND FERRY SERVICE

Hon. M. Lorne Bonnell: Honourable senators, upon reading the task force report of the Deputy Prime Minister, I find that he has suggested that the ferry service from Prince Edward Island be removed because they would no longer pay the subsidy from Wood Islands to Caribou. Can the Leader of the Government in the Senate assure us that that recommendation will never be implemented? Can he confirm that it could only be someone who never understood Prince Edward Island, never understood Canada and never understood transportation who would ever put that suggestion into the task force report? Can he confirm that it will never be carried out by any government of Canada as long as he is sitting in it?

Hon. Duff Roblin (Leader of the Government): I must point out to my honourable friend that the recommendations are not even that—they are merely options. That is all they are; they are options. The members of the task force do not recommend. They indicate a situation which they think calls for comment and they make a comment But that is their comment. This is done without regard for the political aspects of the matter and is done, perhaps, without knowledge of the full impact of what they are suggesting. That is quite possible.

I have been consulting with the Leader of the Opposition about this matter. It is our intention to have these reports referred to committee, possibly to the Standing Senate Committee on National Finance, possibly to a number of committees if we think that the subject matter can be divided up, so as to expedite the work. I expect my honourable friend to attend that committee to give the solid reasons that he has to support that ferry system, so that the opinion of the Senate can be well recorded.

Senator Bonnell: Honourable senators, I will certainly be present at any committee meeting that considers the suggestion that we do away with the ferry system whereby Canadians can enjoy the culture of Prince Edward Island. I would not want to take away from Canadians the opportunity to visit that beautiful province, the cradle of Confederation, that million-acre farm, "cradled on the waves" or "Abegweit", as the Indians call it. I cannot understand how any group of Canadians could ever sit on any committee and put forward a proposal to isolate a province of this country and take away our ferries.

[Senator Bonnell.]

CN RAIL—PRINCE EDWARD ISLAND EQUIPMENT DEPARTMENT STAFF REDUCTIONS

Hon. M. Lorne Bonnell: Honourable senators, I have a further question dealing with transportation. I received a letter today from the Acting Minister of Transport and Public Works in Prince Edward Island suggesting that Canadian National Railways are curtailing the equipment department in Prince Edward Island and cutting back the staff by over 50 per cent. There will be only five employees left in the province of Prince Edward Island to maintain all of the equipment.

Apparently the minister responsible for transportation has himself been in contact with CNR and has got nowhere. The provincial department has been in contact with the federal government and has got nowhere. I have now been asked, as a prominent member of the Canadian Senate, to bring the matter before the Leader of the Government to see if he will raise the matter in cabinet, on behalf of the employees of that little province, to see that Canadian National Railways do not cut the staff of the CNR equipment department by over 50 per cent in the next month.

Hon. Duff Roblin (Leader of the Government): Honourable senators, my honourable friend is such an eloquent spokesman that he has persuaded me that if he sends that letter across to me, I will ask my colleague to review it for him.

CANADA-UNITED STATES RELATIONS

MEETING BETWEEN PRIME MINISTER AND PRESIDENT OF UNITED STATES—OIL IMPORT TAX—AGENDA ITEM

Hon. H. A. Olson: Honourable senators, in order that the Leader of the Government will not miss anything, I should like to ask him if he has ascertained whether or not the matter of an oil import tax into the United States, and therefore into the rest of North America, is on the agenda of the summit conference.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I will make inquiries about that.

[*Translation*]

THE ESTIMATES, 1985-86

REPORT OF NATIONAL FINANCE COMMITTEE ON SUPPLEMENTARY ESTIMATES (C) PRESENTED AND PRINTED AS APPENDIX

Leave having been given to revert to Reports of Committees:

Hon. Fernand-E. Leblanc: Honourable senators, I have the honour to present the fourteenth report of the Standing Senate Committee on National Finance respecting its examination of the expenditures proposed by supplementary estimates (C) laid before parliament for the fiscal year ending March 31, 1986. I ask that the report be printed as an appendix to the *Debates of the Senate* and to the *Minutes of the Proceedings of the Senate* of this day and form part of the permanent records of this house.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

(*For text of report, see appendix, p..*)

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Leblanc (Saurel), report placed on the Orders of the Day for consideration at the next sitting of the Senate.

[*English*]

LEGAL AND CONSTITUTIONAL AFFAIRS

POSTPONEMENT OF COMMITTEE MEETING

Hon. Nathan Nurgitz: Honourable senators, I wish to draw to your attention the fact that the meeting of the Standing Senate Committee on Legal and Constitutional Affairs, scheduled for when the Senate rises today, will not be held because of the unavoidable absence of the witness. That witness, the Chairman of the National Parole Board, will appear at our regularly scheduled meeting next Tuesday morning

• (1420)

FAMILY ALLOWANCES ACT, 1973

BILL TO AMEND—THIRD READING

On the Order:

> Resuming the debate on the motion of the Honourable Senator Tremblay, seconded by the Honourable Senator Flynn, P.C., for the third reading of the Bill C-70, intituled: "An Act to amend the Family Allowances Act, 1973".—(*Honourable Senator MacEachen, P.C.*).

Hon. Allan J. MacEachen: Honourable senators, in rising to make some comments on Bill C-70, I am reminded that in its Speech from the Throne on November 5, 1984, the newly elected government stated that it had, "as a high priority, measures to support and strengthen the Canadian family, which is the cornerstone of our society." Ten days later the new Minister of National Health and Welfare declared:

> . . . it is my role . . . to put forward signals and initiatives which will strengthen the role of the family and give it more prominence in society than I feel it has been given before.

No doubt Canadians awaited the signals and the initiatives the government contemplated to strengthen the Canadian family. After all, the vast majority of Canadians placed very high value on the system of social services already in place in this country.

The new Minister of National Health and Welfare himself, while vowing to strengthen the Canadian family, noted with approval the social system his government had inherited from the previous government. He stated, "It is by now a truism that we in Canada have a social system of which Canadians are proud and with which most Canadians are secure." Lest there be any doubt about his true intentions, the minister went as far as to say that he was determined to "guard stability and fairness in our social policy," that it was a "genuine" determination and that it was "non-negotiable". Any changes that were to be made in the social system were to be made with "fairness, sensitivity and equity." It certainly appeared from these first statements emanating from the government that it was taking its role as the guardian of its sacred trust seriously. Having laid before the Canadian people these general comments, the government then went on to give us some details as to its agenda.

On November 17, 1984, in an interview with the *Toronto Star*, the Prime Minister answered the following question:

> . . . if . . . a decision [were made] to move away from universality, would the commitment be that all the money thus saved would be applied directly to giving more money to the neediest?

The answer was:

> There would be, there could be no other reason.

The question was repeated in another form:

> It wouldn't be applied simply to the deficit?

At that point, one could, of course, imagine the change in the Prime Minister's countenance as he speculated upon the rudeness of the press in suggesting that savings might be applied to the deficit. So he replied:

> No, absolutely not. Absolutely not. I look at people, we have winter coming, people under the poverty line in great metropolitan areas like this and others in the country.

And though he did not specifically state that something would be done to assist those people under the poverty line, one could, in retrospect, be forgiven for assuming that his statement implied a commitment to do so or, at the very least, a commitment not to add to their plight.

The Prime Minister went on to say:

> . . . our sole concern is not to take money from a program and pay down the debt. It is to make a better utilization of limited resources in favour of those who need it the most.

Honourable senators, even though those statements were stirring, and apparently solidly based in the intentions of the government, there were still those who dared question the statements made by the Prime Minister and his ministers, as the record of the House of Commons will show. Even though we all felt that a man's word was to be believed and accepted, especially that of the Prime Minister of the country, nevertheless there were those who wanted further reassurances.

In January of 1985 the government published a consultation paper entitled "Child and Elderly Benefits" under the signature of the Minister of National Health and Welfare. In that consultation paper, following on the heels of the pronouncements which I have already read, I found these words, and I quote:

> From the outset, the government wants to state again, as it has done a number of times in recent weeks, that in reviewing child and elderly benefits, the government's twin tests of social responsibility and fiscal flexibility will be guided by the following principles:

These words were not the words of an anonymous, nameless, faceless bureaucrat but the words of the Minister of National Health and Welfare himself; if not the written words, certainly the spoken words. The principles which he vowed to follow included, first of all, universality, and second, renunciation of a means test. The third principle he enunciated as follows, and I quote from page 6 of the consultation paper:

> Any savings which may result from program changes will not be applied to a reduction of the deficit.

In addition to that commitment in the consultation paper, the minister became even more explicit and said:

> If any savings are to be found, they will stay within the social benefits envelope.

That utterance was made before the House of Commons Standing Committee on Health, Welfare and Social Affairs on March 1, 1985. At that time he said he was not merely expressing his personal opinion on the matter. He said, and I quote:

> The Minister of Health speaks from government endorsement.

Therefore the grand vision was complete; the government had pledged to strengthen the family. It recognized that the present social system was, on the whole, looked upon favourably by the Canadian people. It promised that its determination to guard stability and fairness in our social system was genuine and non-negotiable. It stated that any changes made in the social system would be guided by the principles of fairness, equity and sensitivity. The Prime Minister stated that any savings resulting from changes in social programs would not be redirected to reducing the deficit but would be redirected to the neediest people in the population. The Minister of National Health and Welfare affixed his signature to the principle enunciated by the Prime Minister; any saving would instead be earmarked for the neediest. "We have winter coming," noted the Prime Minister, and, "There are people under the poverty line," he declared.

● (1430)

Clearly, these were assurances and statements that were listened to carefully by the many millions in this country who depend for at least part of their income upon the maintenance of our social system of payments.

Let us spend a moment or two on some of the changes that have been made since these declarations of principle. First, may I mention the changes to the child tax exemption. Without going into the yearly changes, we know that by 1989 the value of the child tax exemption will decrease to the value of the family allowance, approximately $390. In three years the child tax exemption will decrease by approximately $320 per child under the age of 18. For a family of three children, such a reduction in the tax exemption amounts to almost $1,000. These changes to the child tax exemption will affect every family in Canada that has a taxable income. Families that are not now paying any federal income tax will find themselves paying tax in the future if they are currently just under the taxable income border line.

The reduction in the child tax exemption has, of course, absolutely no effect on childless wage earners, but it does affect all but the most destitute of families who have children. A very unusual way of "strengthening the Canadian family" and "giving greater prominence to the family," to use the words of the Minister of National Health and Welfare.

Of course, I must note that the child tax exemption is also being decreased for children aged 18 and over. If the dependent child is not mentally or physically infirm, the current exemption will decrease according to an annual reduction formula.

It may be that one could contemplate the validity of that move in other circumstances, but bear in mind that today we have high youth unemployment. Many young people cannot find employment and, thus, remain with their parents longer than they might wish. That is a universal phenomenon in Canada. Young people cannot leave their homes the way they used to. The government has decided that those families who find themselves in this unfortunate situation should be negatively affected by the child tax exemption changes.

One can speculate that in certain circumstances—and it has been speculated upon or commented upon by social policy analysts—the child tax exemption is regressive in that it benefits higher income families more than lower income families, and one must take that into account. But the readjustment of benefits from a more well-off group to a less well-off group is one matter; the total abolition of the benefits to all groups is quite another matter. That is a point that has to be considered in the context of strengthening the Canadian family.

I must also draw attention to the impact on Canadian families of the increases in the federal sales tax from 9 per cent to 12 per cent. Is anybody of the view that this does not bear heavily upon Canadian families not only by increasing the tax, but by bringing in new items that were not previously taxable, such as cough syrup, aspirin and vitamins? The federal sales tax does not differentiate between rich and poor; it cares not whether the sick child lives in affluence or squalor. The child becomes ill and the government collects the tax. It is self-evident that the more members in a family, the greater will be that family's sales tax burden. So, that is another matter that has to be put into the overall assessment.

Of course, there is the de-indexation of the family allowance. We know that every single family with children will be hurt by this measure. Conversely, a childless family will not be affected. This year, every family will receive $11 less for every child it has. Next year, the loss is estimated at $23 per child, and for 1990, the loss will be approximately $62 per child. One must ask: How is this measure affecting the Canadian family, how is it strengthening the Canadian family? The simple fact is that the bill, unfortunately destined for Royal Assent, takes away the first 3 per cent of the inflation protection while the increase in the Consumer Price Index is running at approximately 4 per cent. In other words, Bill C-70 is taking away three quarters of the increase in family allowance benefits that Canadians would normally have expected to receive this year—and that is when inflation is at 4 per cent. We can only

assume that if inflation had been at 10 per cent the government would have taken an even greater amount of protection away from the family. But it is a fact that under this bill it is taking away three quarters of the expected benefits.

Of course, in discussing the child tax exemption, the increase in the federal sales tax and the de-indexation of the family allowance, one must deal with the fourth measure, namely, the adjustment to the child tax credit. For the 1986 taxation year, the tax credit will rise by $70 to $454, and for the years 1987 and 1988, it will increase by $35, and after 1988, it will be indexed to increases in the Consumer Price Index in excess of 3 percentage points. In sum, in the next three years the child tax credit will increase $140. In four years time, in 1989, the total child tax credit will be $529.

Now, are we to applaud this measure? Are we to say that this has compensated the Canadian family for all the other steps that have been taken by the government? Is it great enough? Is it significant enough? Is it penetrating enough to counterbalance the previously described punitive measures?

• (1440)

Well, let's take a look at it. In the tables presented to the chamber by the government, it is shown that if the government did nothing to the child tax credit but simply increased it by the amount of the consumer price index, as had been done in the previous few years, it would rise to an estimated $449 in 1989. The difference between what it would have been under full indexation and what it will be under the government's new scheme is $80—$80 per child in 1989. Now, is that overwhelming generosity? Is that in fulfilment of the grand plan enunciated by the Prime Minister and the Minister of National Health and Welfare in support of the Canadian family? The increase would be $80. But by that time family allowances will have decreased by $48 per child. The net difference then becomes $32, a gain of $32 by 1989. These figures, of course, do not take into account the loss suffered through the reduction in the child tax exemption or the increased expenses caused by the federal sales tax increases.

We also know that the threshold limit for the child tax credit is being reduced from $26,330 to $23,500, where it was in 1981—five years ago. Since it is not fully indexed, it will continue to decrease in relative terms every year. Fewer families will in future qualify for the child tax credit. Under the government's plan, it will become a program—I will not say for the destitute, but for the very poor, indeed.

I want to say how different this social policy is from a truly Liberal social policy.

Some Hon. Senators: Hear, hear.

Senator MacEachen: How different! It has been shown, even in the tables produced by Senator Tremblay, that in 1982 the Liberal government of that day increased family allowances, increased the child tax exemption, increased the child tax credit and increased the income limit for the child tax credit. All four were enhanced in that particular year by the former government. That is the difference between a social policy that is Liberal and a social policy that is parsimonious, and grudging, and ungenerous, and Conservative.

Honourable senators, that is my comment, but let me turn to the analysis made by the National Council of Welfare. It is a body with status, supported and sponsored by the Government of Canada. It has referred to the effect of this bill together with the other changes in child benefits. It has stated as follows, and I quote from page 32 of their document:

> . . . only the poorest families with incomes below the tax paying threshold will benefit from these changes, and at that in rather modest amounts for a few years. After the various changes are phased in—

and there are a group of changes, as I have mentioned.

> After the various changes are phased in—raising the child tax credit, lowering the turnover point for the child tax credit . . . reducing the children's exemption to the annual family allowance, and partially indexing all child benefits—even the poorest parents will receive less than they would from the existing child benefits system.

Some Hon. Senators: Shame.

Senator MacEachen: So says the National Council of Welfare:

> After the various changes are phased in . . . even the poorest parents will receive less than they would from the existing child benefits system. In the meantime, many lower-income and all middle-income families will suffer losses in child benefits starting in 1986.

The poorest, the lower-income and the middle-income.

Then, having analyzed the impact probably more objectively—or at least they ought to be regarded as more objective and more knowledgeable than any of us—they go on to say that the 1985 budget proposals will remove $555 million from the child benefits system by 1990. I repeat, $555 million will be removed from the child benefits system, despite the assurances given by the Prime Minister, despite the assurances given by the Minister of National Health and Welfare and, unhappily, to the detriment of Canadian families.

Some Hon. Senators: Terrible.

Senator MacEachen: That means that about half a billion dollars will be taken away from families with children.

Mr. Epp stated that the government would "strengthen the role of the family." How is it being strengthened? Is "strengthening" interpreted to mean: "Give them greater adversity"? He also stated that the Canadian family would be given more prominence. Well, what is this prominence? It is as a source of funds in reducing the deficit. I wonder how many Canadian families feel gratified at this new prominence bestowed by the Government of Canada.

You know, the promises I have quoted were made in November 1984 by Mr. Mulroney and as late as March 1985 by the Minister of National Health and Welfare. In the May budget of 1985—and this bill is an emanation of that budget—the government swept away all the assurances and commitments that it had given to the Canadian people and to Parlia-

ment and to the standing committees. Indeed, money is being taken from the child benefits system—half a billion dollars at least—and it is not being redirected to the children or the parents of children.

Mr. Epp faced up to this question when he appeared before the Senate committee. Gone were the fine words; gone were the commitments about retaining the integrity of the social envelope. He said: "I am facing, quite frankly, a deficit of $22 billion." So he let the intent of the government out in that statement. He went on to say, "If we cannot reduce the cost of that deficit, that money is gone," and so on—further words defending the action of the government in redirecting this money to reducing the deficit, something which the Prime Minister said was never to be in the mind of the government—"Never! Absolutely not!" "Never!" once; "Absolutely not!" twice. When Senator Graham asked, "Is all the money to be saved through this legislation going to fight the deficit?" Mr. Epp answered, "No, it is not all going to fight the deficit." In other words, he could not really bring himself to make the admission, "Yes, it is all going to fight the deficit." However, he did acknowledge that the families with children in this country have now been called upon to soldier on with the Minister of Finance to reduce the deficit despite the commitments of the Prime Minister.

● (1450)

I do not think any of us should be in any doubt that that money saved as a result of changes to the child benefits system is going into the government's coffers to fight the deficit. I will return later to some alternatives that I think they might have used rather than interfering with the child benefits system.

Honourable senators, I have not found from members of any of the other committees the same kind of reaction I found from members of this committee with respect to the testimony they heard from Canadian citizens who appeared before the Standing Senate Committee on Social Affairs, Science and Technology, which was examining that bill. I have heard individual senators say that the testimony was heartrending and that an emotional atmosphere was introduced into the committee because witnesses described from first-hand knowledge the impact these changes would have on their lives. It may be difficult for those of us who are in relatively well-paying positions to understand the phenomenon that $50 or $100 is to some people a very big sum. These people came and said that it was.

When the Minister of Finance announced the advance payment of the child tax credit, he said that it would be paid to one million Canadian families with incomes of less than $15,000. I am absolutely shocked that there are one million families with incomes of less than $15,000. That is a pretty tough statistic. They are expected to live and raise their families on incomes of less than $15,000. Even in that context, the government is withdrawing support from them. Honourable senators, it was not Liberal senators who said that; it was said by the witnesses who appeared before the committee. They said that these measures introduced by the government are hurting the family badly.

This government, despite its commitments, is, in my view, showing unexpected callousness as it withdraws support or gives it in so niggardly a fashion to the disadvantaged segment of our society.

A government that could provide a $500,000 capital gains exemption should not come to Parliament and ask us to readjust the family benefits system in this manner. The $500,000 capital gains exemption for individuals—for very rich individuals—will cost the treasury $600 million in 1986-87 and an estimated $1.2 billion in 1990-91. The government found largesse for the very rich, but not much largesse for the poorer families of Canada.

Honourable senators, I am sure we all remember the $1 billion that was given to the uninsured depositors of the Canadian Commercial Bank. If all of these things had not happened, honourable senators, it might be easier for us to accept this kind of proposal.

I want to assure honourable senators that we Liberals, who participated in the building-up of a social security system which found so much favour in the mind of Mr. Epp, are profoundly unhappy that this bill is brought before the Parliament of Canada. There is no largesse for Canadian children; no largesse for even the poorest children of Canada; but there is largesse for the rich taxpayer and the unsecured depositors of the Canadian Commercial Bank.

An Hon. Senator: Shame.

Senator MacEachen: I think the government has its priorities badly mixed up.

I want to conclude, honourable senators, by quoting the testimony of Mr. Bradley of the Shepherds of Good Hope in Ottawa, as given before the Standing Senate Committee on Social Affairs, Science and Technology on February 27, 1986. I am aware that Senator Graham also read these words, but they are so touching that I think they warrant repeating. Mr. Bradley said:

> We are having a lot of difficulty now with youngsters. They are coming out of homes at 16 years of age where the family has said, "Listen . . . we cannot feed you any more. You have to go out and fend for yourself." They come to us often in tears because they do not know how to make their way in life.

The symbolism of Bill C-70 is very clear: It is that the child benefit system, the family support system, built so carefully in Canada is now being deliberately and carefully eroded by the action of the government in the guise of improvements. Honourable senators, benign neglect would have been preferable.

Some Hon. Senators: Hear, hear.

● (1500)

[*Translation*]

Hon. Arthur Tremblay: Honourable senators, I hope that we have now reached the terminal phase of consideration of Bill C-70, which started on January 22 of this year, not counting the preliminary study in committee during December 1985.

Not counting my own contribution as mover of the motion for second reading, nine senators took part in the ensuing debate. The debate on second reading was concluded on

February 13 upon referral of the bill to the Committee on Social Affairs, Science and Technology.

From February 24 to March 11, the committee heard representatives from all agencies and associations that had asked to be heard and were able to appear before the committee. On March 11, the minister himself, the Honourable Jake Epp, came to meet the committee, following a last minute request by certain committee members. The minister had previously appeared before the committee last December, at the preliminary study stage. That same day, I had the honour of presenting to this chamber the committee's report, the text of which appears in the official record of the debates of the Senate of March 11. We are therefore all familiar with the contents of the report.

Basically, the committee, after recalling that it examined the said bill, reported the same, without amendment. However, there is the following comment: The majority of the members of your committee regrets the partial de-indexing of payments under the Family Allowances Act as provided for in Bill C-70 and recommends that full indexation of these payments be re-instated by January 1987.

That was in the report tabled last week. On the motion I then submitted, the bill was placed on the Orders of the Day for third reading. Last week, Senator Graham and Senator Marsden expressed their views on the bill. The Leader of the Opposition in the Senate, the Honourable Allan MacEachen, has just done so.

This was then a summary of the progress we have made in the nearly two months we have been considering Bill C-70.

I could scarcely presume to draw any kind of conclusion from everything that has been said on the subject during these two months, either in this chamber or in committee, nor will I try to make a distinction among the wide variety of opinions expressed, between those I found most worthwhile and those which in my opinion were not as useful. In any case, I readily agree that the views expressed, although they did not always run parallel to mine—on the contrary—have given me a great deal to think about in many respects. I therefore extend my sincere thanks to all involved, and especially to those who took the trouble to testify before the committee. It was not always easy for them to fit in to the schedule we had to follow for the proceedings to progress at a reasonable speed.

I express special thanks to the witnesses who appeared to state the case of families for whom welfare benefits are practically the only source of income. When I say this I have in mind, among others, the group of Concordia women and the group of mothers from Montreal's St. Columba Centre who had the courage to tell us about their personal plight and the situation of others in a similar predicament. Obviously the situation of those families can be improved under the new child benefit system, particularly as a result of the more generous tax credit.

In the case of those families—and I think Senator MacEachen will agree with me—his comments concerning the child exemption do not apply. These families happen to be below the taxable income level above which everyone becomes a taxpayer. In this case, I am referring to family allowances and the tax credit, especially the latter.

On the dates when those groups appeared before the committee the Minister of Finance had yet to make a decision. As early as November 1986, $300 will be paid to families whose net income does not exceed $15,000.

According to the information I was given, this amount corresponds to a gross income of about $16,000. Therefore a $300 tax credit prepayment will be made in November 1986 for this year. It used to be made on different dates the following year once all tax returns had been filed. In some cases it will be paid in May at the earliest, perhaps even in June. Some people used to discount their future tax credit by going to H & R Block, for instance, and asking for cash in exchange for a 15 per cent interest fee on the first $300, but at least a corrective measure has been taken since legislation to that effect was passed last fall. Before that people were asked to pay outrageous amounts.

I must point out that on that occasion last fall the minister, Mr. Côté, had already indicated he was considering the possibility of making prepayments, so it was not a sure thing at the time. In his budget speech the Minister of Finance announced that a $300 prepayment would be made as early as November this year, which is quite a change.

The fact that the tax credit was paid only once a year, and several months late at that, was often mentioned by the groups representing the families I talked about as being a major problem. Honourable senators who attended the committee hearings are aware of this. Some of the family representatives even suggested that the tax credit be paid on a monthly basis. What will be the reaction of those families when they learn that as early as next November they will receive a substantial amount, and that from here on in the tax credit will be paid at least twice a year?

It seems to me that the reaction of those families can only be positive because they were the object of this government policy. Admittedly, even that new step in the right direction is not going to signal the end of difficulties for those families. Their many problems cannot possibly be solved by a child benefit system, no matter how good it may be.

I would say that many of the comments that were made, including several by the Leader of the Opposition, raised a very valid point which is the general circumstances of these families. The most perfect child benefit system will never be able to solve all the problems of our families. There are those who look to the economy for a solution and those who look to the tax system. All of this was discussed in committee, but a system of child benefits alone will never be able to solve all these problems. I would like to emphasize the reception given all witnesses who appeared before the committee, and especially witnesses like those I just mentioned, and I am talking about committee members on either side is of this chamber. I think the attitude of the committee was always very open and very understanding when such problems were put before its mem-

bers. I myself pointed out in my comments on January 22 that Bill C-70, and Bill C-84, which has now been adopted, and the prepayment of part of the Child Tax Credit are only one step.

We have never said otherwise. It is one step in the right direction. It will not necesarily bring the system to that ideal level where it would be an effective response to the real needs of the target population. Other steps remain to be made. The Committee on Social Affairs, Science and Technology took this perspective when it prepared the Interim Report I had the honour of tabling in this house on December 18 last year, following referral to the committee last spring of the consultation paper on child and elderly benefits, after the committee's preliminary study of Bill C-70.

It seems to me that Senator Graham had much the same thing in mind last week when he proposed the following, in concluding his speech.

> Honourable senators, I propose that the Senate Committee on Social Affairs, Science and Technology seriously consider putting in place a process which would produce concrete proposals for meeting the needs of families today, to the year 2000 and beyond. However, I believe that we should set target dates in this respect.

He went on to explain that the committee should take on the role of a major task force with a solid mandate to develop a concrete plan of action.

• (1510)

That is precisely what I had in mind when I first spoke on January 22. In her remarks of last Thursday, March 13, Senator Marsden insisted on what she considers to be fundamental and irreconcilable differences between the approach taken by the government—which it intends to keep—and what she favours in terms of family and child benefits, particularly concerning the respective or redistributing value of either family allowances or even the tax credit.

Well, I presume that when she stated those principles she did not mean she would refuse to take part in the dialogue when the committee gets around to preparing its second report on this subject.

In any case, I for one do not reject the possibility that such a dialogue will finally enable us to reconcile our viewpoints. I hope she will tackle the issue in the same spirit when we continue our study.

In passing, Senator Marsden, I would like if I may to call your attention to the French version of your speech in the official report. I saw the mistake myself because I read the French version first as I can understand it more easily and read it more quickly. If you have not already made the correction, you will note that, on the bottom of the first column on page 2158, what you said has clearly been distorted in the French version. I was surprised when I read the French text and I therefore looked at the English version. That is when I understood that the French version was wrong. I therefore wanted to call your attention to this matter in passing. I would not like it if my own comments were wrongly translated.

[Senator Tremblay.]

We have just heard the Leader of the Opposition in the Senate, the Honourable Senator MacEachen. Many comments could be made about each of the points he has raised. I shall only mention two or three of them.

At one time, he asked whether, if the consumer price index were to increase by 10 per cent, the 3 per cent figure would not have been higher. By saying that 3 per cent is three quarters of four, the senator suggested, even though he did not say so directly, that, if the inflation rate was 10 per cent, what would be subtracted would be three quarters of 10. This is the major point. Heaven knows that, in years when the inflation rate was high in the past, the government did exactly what the honourable senator said. In 1976, the increase in family allowances was simply set at the level of the previous year. This freeze meant that the amount was 10 per cent lower than it should have been, if my memory serves me right, because the inflation rate was about at that level. Later, in 1983-84, the increase was set at 5 or 6 per cent, which was 7 per cent lower than it should have been for a specific year, which one I do not recall exactly.

However, that is not the system proposed by this government. This is exactly what I said in my presentation. According to our formula, over 3 per cent, whatever the inflation rate, families will be protected. I did not really appreciate this implication.

As a second and more general comment, I noted a kind of alternation, not only in the comments of Senator MacEachen, but in others also. I am talking about the alternation between a description of the situation for families in general and that of low-income families. When the intention is to emphasize the role of the family, the opposition says how much families in general will lose because of the government proposal. It is quite obvious. The tax credit is being significantly increased and it will affect only low-income or very low-income families. Therefore, while the family allowances received by high-income families have been reduced, these families will not make up the difference since they will not benefit from the tax credit. However, low-income families will make up the difference. This is when families in general are mentioned. Then, the opposition goes on to low-income families and says that a gross income of $15,000, $16,000 or $23,500 is insufficient. We could discuss this issue at length. However, one thing is certain, and that is that, with the prepayment, and I recognize in this regard that the figures quoted by Senator MacEachen correspond to my own, because of the increase in the tax credit, there is a very clear gain for needy families like those who appeared before our committee and who rely only or virtually only on welfare payments to survive.

I think that this is the basic issue. We have said so all along, and the government also. However, before concluding, I think that I should come back to the matter of the savings which would be put to other uses than those indicated by the government and the Minister of National Health and Welfare.

Once more, there is a difference in terms. Certain people have said that the government promised that these savings would not be used for other things than social programs. They

also argue that these savings will not be used for child and family benefits. But let us not forget that the legislation of last June was targeted to the social envelope, the old age pension for widows aged 60 to 64, which represents sizeable amounts. The social envelope is that much richer. Wherever they came from, the funds were not chanelled towards anything else but the social envelope. In my judgment—at least that is my conviction, it is debatable and we will have an opportunity to consider this during committee proceedings—we should look at the figures: a gain of $289 for one million families in 1986, well that is indeed a huge prepayment. The net cost to the government is not the amount in question, of course.

Recently I read in Mr. Malépart's release that prepayments do not cost the government anything. That is not true. The former Minister of Finance knows that better than anybody else. Making a payment six months in advance will cost at least the interest on the amount paid out for those six months. The government borrows for its operations, so it has to cost something, it is not a free handout.

In any case, let us look again at later years, where the massive gain of 1986 gradually fades away. Fifty-five dollars for the same million families is something. It is net gain, but remember, these are families for whom the issue of child tax exemptions is irrelevant. How can anyone claim there is no transfer from families with higher incomes to low-income families? I think it is pretty obvious. In fact, this is the approach the government has always supported. I myself have referred to this principle, as have other intervenors on our side. So if we can't agree on this principle, I suppose this means the entire approach is being challenged. But it is our approach and it is entirely in line with the statements that were made, and I do not see the contradiction that Senator MacEachen was trying to point out.

So that is where we are now. I am sorry that Senator MacEachen did not end his speech like Senator Graham, acknowledging that there are bigger problems and that we must broaden our perspective. The committee should get to work as soon as possible to consider these problems, study them thoroughly and upgrade the system. That is what I said myself the other day.

I hope that now we will get to work, at the chamber's earliest convenience. In my opinion, the right time is now, and we should go on from where we left off.

Thank you, honourable senators.

Bill read third time and passed on division.

• (1520)

[*English*]

IMMIGRATION ACT, 1976

BILL TO AMEND—THIRD READING

On the Order:

Resuming the debate on the motion of the Honourable Senator Barootes, seconded by the Honourable Senator MacDonald (*Halifax*), for the third reading of the Bill C-55 intituled: "An Act to amend the Immigration Act, 1976".—(*Honourable Senator Haidasz, P.C.*).

Hon. Stanley Haidasz: Honourable senators, I welcome this opportunity to speak on third reading of Bill C-55. Although it is a short and simple piece of legislation, its purpose, content and implications are very important and therefore should interest us all, not only in this chamber but also those Canadians who are concerned about immigration and refugee matters. I do not think that I am exaggerating when I say that Canada is largely a country of immigrants and their immediate descendants. The largest inflow of immigrants to Canada was in 1913 when we received 400,870 in this land. Since 1852 Canada has welcomed to its shores more than 12 million immigrants, displaced persons and refugees to populate and develop its vast territory, the second largest in the world after the U.S.S.R.

The early immigrants did not have the same education or the amenities or the assistance of governmental agencies, churches, social welfare organizations and yet, by their determination and sacrifice, they were able to settle in barren land, to adjust and to contribute to the development and enrichment of all sectors of Canadian life. Many poor immigrants and their children became prominent educators, scientists, entrepreneurs, members of various professions, war heroes and even political leaders and statesmen.

Senator Bosa: Like you.

Senator Haidasz: And like Senator Bosa, who immigrated from Italy in the 1950s.

Senator Bosa: I said, Senator Haidasz.

Senator Haidasz: I am the son of a Polish immigrant who came here in 1910.

I believe that in debating this bill it is proper and worthwhile to remind ourselves of these facts. Canada speaks to the world through its Immigration Act. Section 3 of this act reads:

> It is hereby declared that Canadian immigration policy and the rules and regulations made under this Act shall be designed and administered in such manner as to promote the domestic and international interests of Canada recognizing the need—

And here we go to paragraph (b) which says:

> to enrich and strengthen the cultural and social fabric of Canada, taking into account the federal and bilingual character of Canada;

Then in paragraph (g) it says:

> to fulfil Canada's international and legal obligations with respect to refugees and to uphold its humanitarian tradition with respect to the displaced and the persecuted;

• (1530)

However, the minister, in amending Bill C-55, to amend the Immigration Act, 1976, unfortunately failed to bring it into line with section 27 of the Canadian Charter of Rights and Freedoms which requires the acknowledgement of the preservation and enhancement of the multicultural heritage of Canadians. This certainly does not speak well of this government's purported commitment to multiculturalism.

As one who was given ministerial responsibility in 1972 to implement the federal government's policy on multiculturalism, it has been my long-standing concern, shared also by many others, as was illustrated in a speech by Senator Bosa in this place a few weeks ago, that the true multicultural nature of the Canadian mosaic should be reflected in its laws and institutions. I therefore appeal to the Minister of Employment and Immigration to include in the new act a statement of the multicultural character of Canada. This could be in the form of a preamble to the new bill, or in the section dealing specifically with the broad objectives of Canada's immigration policy. This has been promised many times, but has never been done.

However, Bill C-55, the bill that we are dealing with at the present time, appears to make only very minor changes to the Immigration Appeal Board, and the Liberal and New Democratic members in the other place have opposed it. To understand why, one must be aware of the background to this bill. I speak of Canada's slow progress towards a new refugee status determination policy. In the past few years, it has become increasingly clear that the current refugee determination process is a cumbersome one. It is time consuming, and is a process that does not really meet Canada's high standards of fundamental justice. It is, unfortunately, an adversarial system.

I want to make it clear that in Bill C-55 we are discussing only people who make a claim for refugee status in Canada and people who are appealing sponsorship claims. Under our international commitments, we must give these people a chance to have their claim decided, because, accepting a UN Convention, we are under an obligation not to send true refugees back to countries where they fear they will be persecuted because of their race, religion, nationality, membership in a particular social group or because they are of a particular political opinion. For years, refugees, church groups, interested organizations, immigration lawyers and concerned Canadians have been saying that Canada's methods of determining refugee status are really unfair. In April of 1985 the highest court in the land, the Supreme Court of Canada, agreed with them and declared part of the Immigration Act unconstitutional. The part of the process singled out in this case was the power given to the Immigration Appeal Board to make a decision in refugee determination matters without any requirement that the board actually see and hear the refugee claimant. At no stage did a claimant appear in person before the actual decision maker. The Supreme Court of Canada declared that an oral hearing was essential, in light of the importance of the decision to refugee claimants which is, in many cases, actually a question of life or death. The court declared that the board must hold oral hearings in every refugee case that comes before it. Clause 5 of Bill C-55 will now require this procedure.

As a result of the fact that the system is so cumbersome, a very large refugee claimant backlog has accumulated, which we are now told totals close to 19,000 cases. Bottlenecks in the system existed even before the Supreme Court decision requiring an oral hearing. This situation has, I think, become worse because of that decision. These people will now be referred from the Immigration Appeal Board to the Federal Court, and back and forth.

Bill C-55 will raise the number of members on the Immigration Appeal Board from 18 to 50. Perhaps not all of the 50 will be appointed immediately. However, in reading the minutes of the committees that studied Bill C-55, none of the witnesses was sure—not even the Chairman of the Immigration Appeal Board—just what the situation would be. In fact, that witness, in answering a question during one of those committee hearings, said that the members of the board currently serving are appointed for one ten-year term. Yet, I know one member on the Immigration Appeal Board who has been serving for almost 20 years. I have read many such confusing and imprecise answers to questions of members of both houses in the minutes of the respective committees that studied Bill C-55, and that is unfortunate.

We all know that over the past couple of years at least, if not three years, a number of studies have been undertaken by ministers to determine ways of changing this unfair and adversarial system dealing with refugee claims. The most recent study was Rabbi Plaut's thorough and sensitive report which contained a great number of recommendations for the overhaul of the system. This report by Rabbi Gunther Plaut called "The Refugee Determination in Canada" makes very interesting reading. It was given to the minister in April 1985, but was tabled in this chamber only on June 17, 1985. I am not aware of the reason for the delay.

The House of Commons Standing Committee on Labour, Employment and Immigration studied the Plaut report intensively and made further recommendations, but the government has not as yet acted on any of these recommendations, even though we were promised new legislation on immigration for the fall of 1985.

Honourable senators, in view of all of this, I think it should be clear by now that we should have strong reservations about Bill C-55. In view of the statements of the ministers to the House of Commons committee and in view of the statements of the witnesses to the Senate committee that studied this bill, I think it is clear that Bill C-55 is a bill that is inadequate. It is only a band-aid solution, a temporary measure to deal with this very important problem of refugee determination. That does not mean, however, that there are no good features in this bill. Clause 6 gives permanent residents the right to appeal sponsorship cases, a right that, until now, has been reserved only for Canadian citizens. This change will entail more costs and more time, but it is in line with the Charter of Rights and Freedoms which guarantees equity for all. The expanded workload and the backlog in refugee and sponsorship appeals clearly indicates the need for more members on the Immigration Appeal Board, so I and my colleagues support this aspect of the bill.

We also support the amendment to the bill accepted by the House of Commons legislative committee that would continue to require a three-member panel to hear these refugee and

sponsorship appeals, and not just the one-member panel. I think that these are important clauses because they affect the lives of people in many ways. As I mentioned before, for some refugees it is a matter of life or death.

• (1540)

Despite the good features of this bill, however, our concerns about the reform of the refugee determination system still remain. We ask that the government move quickly to implement the recommendations of the Plaut report and of the House of Commons standing committee which studied it and Bill C-55.

The second issue I wish to raise during my remarks on third reading of Bill C-55 relates to the concerns that have been expressed to the government and committee members about the so-called economic aspect of immigration. On January 1 of this year, a number of important changes were made to the regulations. A new category of "investor" was introduced to make it clear that Canada favours immigrants who are wealthy; a new occupations list was devised favouring the more highly skilled; and a point system was revised upward to make it more difficult for potential immigrants to come to Canada.

It may be that wealthy immigrants create jobs, but so do other immigrants. I know many immigrants who came from Italy, poor people, who today are great entrepreneurs and who have employed hundreds of people during their lives in Canada. Some of those have risen to become directors of corporations with holdings in the millions. I think Canada owes a great debt to those immigrants who came here, found menial jobs and then started businesses of their own, employed others, and contributed substantially to the growth of the Canadian economy. They did that without having had to prove that they were "investors" with a minimum net worth, or "entrepreneurs" in the eyes of immigration officers abroad.

I urge the government to undertake a study of sponsored immigrants who have come to Canada over the past 40 years. I think the government would learn some very valuable lessons. I predict that it would learn that these people were true entrepreneurs. They invested in Canada, and in so doing both they and Canada prospered. Jobs, honourable senators, are created by the hard work of Canada's immigrants and their commitment to their new country. I am sure that a study of that kind will bear that out.

I should also like to raise a third issue during this debate, and that relates to the plight of refugees and humanitarian cases who have been granted landed immigrant status in the great hope that they would make it in their professions. Unfortunately, those highly dedicated and qualified professional people—such as medical doctors, dentists, and engineers in particular—are having a very difficult time not only finding a job, but, what is worse, qualifying in their respective professions.

When looking for a job they are told: "You can't have it. You are too highly educated, too qualified." Others hear this explanation: "You have no Canadian experience." I have heard these stories in my Ottawa and Toronto offices often, and read about them in many letters sent to me from across Canada. I sympathize with those people very deeply.

May I bring to your attention, honourable senators, the sad and tragic plight of refugee and immigrant medical doctors who, after being allowed to write the medical evaluation examinations abroad, or who have passed them here in Canada, and having been granted landed immigrant status, and even having been granted Canadian citizenship, are told that they have to wait their turn on a long waiting list for the rare rotating internship position in a qualified teaching hospital before they can write the Medical Council of Canada examination, which gives them the licence to practise medicine in this country.

Unfortunately, there are over 570 foreign medical graduates in Canada who have passed this qualifying examination, yet cannot find an approved internship in a hospital, even an unfunded one. I hear of these cases almost every week.

Yesterday I spent about an hour and a half with some of them. Some of these medical doctors are in their fifties and have been waiting for four years for an internship position. As I mentioned, some of them are Canadian citizens, and some I know in Toronto were born in Canada. They had to go abroad to obtain a medical education because there were no places in our medical schools, they were told.

Senator Hicks: Not the schools, the hospitals.

Senator Haidasz: These people are frustrated and desperate today; some are very disenchanted, disappointed and angry. Some feel that they have been misled by immigration officers; others feel betrayed. I believe that they have the right to expect equality of opportunity in the spirit of the Canadian Charter of Rights and Freedoms. The reasons for lack of sufficient internship positions is that provincial governments are not providing sufficient funding, and the provincial health ministers and governments are saying that they are not receiving enough federal funding.

The Federal-Provincial Advisory Committee on Medical Manpower stated in a report based on 1980 statistics that there is an oversupply of medical doctors in Canada, yet there are many provincial health departments advertising financial incentives to lure medical doctors to underserviced areas of this country.

As I mentioned earlier, among the things I did yesterday in Toronto was to have an hour's talk with Dr. Bob Sheppard, the Vice-Dean of Academic Studies at the University of Toronto. I found him to be a very compassionate medical colleague, one very interested in the sad situation of foreign medical graduates in Canada. So, there are some thoughtful and compassionate people who would like to present innovative ideas to solve this sad problem.

I might add here, honourable senators, that a similar problem existed in 1956 with the influx of many Hungarian physicians and dentists who came here after the Hungarian Revolution. We also dealt successfully with the doctors and dentists who came from Czechoslovakia after that country was invaded in 1968. I take this opportunity, honourable senators,

to make a public appeal to the Minister of National Health and Welfare to call, without undue delay, a special federal-provincial health ministers' meeting and invite other interested concerned ministers and their provincial counterparts to give their urgent and serious attention to this situation so that they can bring in effective measures to solve the problem of lack of funded and even unfunded rotating internship positions in qualified hospitals, and to accept the offer of these foreign medical graduates who are saying they are willing to work under contract in underserviced and remote areas of Canada.

I believe this matter is so urgent and so painful that such a meeting is warranted. This matter is becoming a scandalous waste of resources, indeed, a personal tragedy and, I am afraid, a national scandal. It cries for justice. In fact, this situation, I believe, is both intolerant and intolerable. I fear that these foreign medical graduates will make formal appeals to the Canadian Human Rights Commission and to the Ontario Human Rights Commission, and I have even heard that they are preparing to launch a class action legal suit. This, certainly, will not be good for the image of the provincial and federal governments in the eyes of concerned Canadians and in the eyes of the world.

In concluding my remarks on Bill C-55, I must also state that I was not very impressed with this piecemeal legislation and with the study it has been given by both houses.

Since this bill was introduced in the House of Commons by the Minister of Employment and Immigration on June 19, 1985, this important matter, I believe, has been treated only superficially and presented confusingly. The Minister of Employment and Immigration issued a communiqué on June 19, 1985, which reads:

> The question of a new structure for refugee claims determination is very complex both in legal and policy terms . . . the intent here is to do the minimum necessary to keep the claims system going until I introduce major legislation changes in the fall.

That meant the fall of 1985.

The Minister of State (Immigration) reiterated in his speech in the House of Commons on September 26 last year, and I quote:

> Later this fall—

The fall of 1985:

> —legislation will be introduced stemming from both a review of Rabbi Plaut's report and the views of interested Canadians. This legislation will form the basis of a new refugee determination system, a new commitment to those in need.

He went on to say that Bill C-55 "is in no way connected to this larger legislative reform which will be proposed later in the year 1985."

Well, something has gone wrong in Brian's fairy kingdom. The fall has gone, so has winter. We are now on the threshold of the spring of 1986, and still we do not have this promised larger legislative reform on immigration.

[Senator Haidasz.]

I ask honourable senators, and in particular the sponsor of the bill: Where is this legislation? Has it been lost? Has it been forgotten? Has it been shredded?

Last June we believed those ministers and accepted their announcements, but what are we to think, what are we to say or what are we to do today in dealing with Bill C-55 and its related immigration matters? Well, we are impatiently waiting for answers, for action, and for the fulfillment of ministerial promises, even at this late date. I have perused the committee reports of both houses, and the parliamentary debates since they started on September 26, 1985. Neither the Minister of Employment and Immigration nor the Minister of State for Immigration has appeared before the Standing Senate Committee on Social Affairs, Science and Technology studying Bill C-55.

• (1550)

Furthermore, no questions were asked in either committee about the present and future estimated costs of processing a refugee and sponsorship claim. So, I tried to find out from the Immigration Appeal Board—no answer. Then I phoned the Department of Employment and Immigration—few answers. So, in frustration, I phoned the minister's office. Later, I got a phone call in my office and I was given some imprecise round figures of some of the costs. I was told that the person responsible was unavailable, but the figures that could be given—and they were only approximate costs—showed that it cost the Canadian taxpayer $16 million to process refugee claims in 1984, and this figure might rise fourfold in 1986. That means it will be $64 million when the provisions of Bill C-55 are enacted and implemented. I was also told that it costs approximately $7,000 to process a refugee claim today. Of course, this does not include the refugee's cost of a lawyer and all the other fees that have to be paid before one can have an appeal heard in the federal court or the Supreme Court of Canada. These are only some of the things that I found to be disappointing.

I liked the questions Senator Marshall raised in the committee meeting in February concerning the preferential treatment given to professional hockey players to play in Canada.

As you know, we have boys and girls playing hockey from the age of four in various leagues—minor leagues and other leagues—who are yearning to get on to a major Canadian hockey team. And what do we see? We see how easy it is for a hockey player from Sweden—where there is no violation of Human Rights and from where there are no refugees—as well as hockey players from other countries, to be allowed to come to Canada. I congratulate Senator Marshall for having raised this question. I am sorry he was not given good answers. I think he is, as I am, waiting in vain for these answers today.

Honourable senators, these are only a few more remarks that I want to bring to your attention as far as Bill C-55 is concerned. Perhaps there will be other colleagues in this chamber who would like to contribute to this very important debate, but I do not want to delay the passage of the bill because I know refugees are waiting, as is Senator Barootes and the ministers and members of the Immigration Appeal

Board. Let me conclude by saying that I am looking forward to the new Immigration Act and a great debate on that legislation.

Some Hon. Senators: Hear, hear.

Hon. Peter Bosa: Honourable senators, I am going to make a very brief intervention on third reading of Bill C-55, mainly to praise Senator Barootes for the very quick action he took on the suggestions that were made on second reading. It is very seldom we on this side get an opportunity to praise members of the government, because some of the legislation that is coming through in the thirty-third session has to deal with the de-indexation of family allowances and the reduction of payments to poor people. I think that Her Majesty's Loyal Opposition would be pleased to praise the government rather than to criticize its program. I myself have put several questions to the Leader of the Government—

Senator Roblin: Honourable senators, my friend is speaking twice in the debate, which is against our rules. If he has a letter he wants to read, I am sure we can do him the courtesy of listening to it, but not another speech, please!

Senator Bosa: Well, I was just making a few remarks before I read the letter.

Senator Roblin: I have to tell my honourable friend that this is not Question Period.

Senator Bosa: I appreciate the observation made by the honourable senator. I would have liked to have praised the Leader of the Government in the Senate—I was speaking in his favour, but, unfortunately, the answers that he gave to the questions that I put to him do not permit me to do so. However, I would like to praise Senator Barootes. He sent me a copy of a letter that he received from the Minister of State for Immigration, which I would like to put on the record. It states:

> Dear Senator Barootes:
>
> I am writing in reply to your letter of March 6, concerning Senator Bosa's views regarding immigration and the lack of a reference in the Immigration Act to the multiculturalism and heritage of this country.
>
> While I believe it is not appropriate, and indeed, too late in the day to use the amending process for Bill C-55 to take Senator Bosa's views into account, I do not have any difficulty with the principle. Section 27 of the Constitution makes reference to the multicultural heritage of Canadians and I would think we could find some kind of language to reflect this in the Immigration Act.

Senator Leblanc: Do not read so fast, it is hard for the translators.

Senator Bosa: Oh, I am sorry. The letter continues:

> I will be pleased to give this issue full consideration in the amending process that deals with the broader reform of the refugee determination system which we hope to introduce in late spring.

Senator Haidasz: He promised it in the fall of 1985.

Senator Bosa: Well, it says in the late spring in this letter.

Senator Haidasz: What is the delay?

Senator Bosa: The last paragraph states:

> As to sponsored immigration, I do not think anything as elaborate as a study is necessary. I will, however, see if our public affairs group can make recommendations on ways and means to enhance the perception of sponsored immigration.

It is signed by the Honourable Walter McLean.

I want to thank Senator Barootes for making this letter available to me and for having elicited a commitment from the government so quickly.

Some Hon. Senators: Hear, hear.

Hon. Efstathios William Barootes: All honourable senators, I am sure, will have little difficulty in supporting the sentiments which have been prompted by Senator Bosa's request and I thank him for reading that letter into the record. I also want to say that those of us in this chamber who are of an ethnic background are most happy to have the opportunity to bring some of our views to bear at this time.

Senator Bosa: All of us are. We all are ethnics.

Senator Barootes: And as I said, all senators could support this. I am particularly concerned with one or two matters that Senator Haidasz brought up—and we did discuss this earlier. I want to bring to his attention that the very serious and overwhelming problems of refugee redetermination is a process under the Immigration Appeal Board and is presently being addressed by the department in answer to the Plaut report and in answer to the recommendations to which you referred from the House of Commons committee. Moreover, most of us here, I think, have a sympathy and a compassion for the plight of those landed immigrants of special professional status who are in our midst and who are having difficulty in obtaining qualifications which lead to licensure to practise their profession in this country. However, I must point out that such qualifications come under provincial jurisdiction, and that is a jurisdiction which the provincial bodies guard jealously.

• (1600)

When Senator Haidasz raises the problem of a rather superficial treatment of Bill C-55, I am rather hurt because, as he knows, we perused the testimony given at some of the hearings and, indeed, 40 different groups gave testimony on Bill C-55 and a further 40 groups gave testimony to the House of Commons committee on the Plaut report. In addition, on two occasions the department sent its officer and the chairman of the Immigration Appeal Board to testify before our Senate committee.

Senator Haidasz: I said that it was incomplete. There were no questions asked about the costs, present, past or future.

Senator Barootes: We understand the concern Senator Bosa has shown not to lose the opportunity to rectify an omission of long standing regarding multiculturalism in the act. I do point out that he did raise this problem regarding the original

drafting of this immigration bill with the Honourable Bud Cullen in 1977 when the bill was under study.

It is obvious that this will not be our last opportunity to consider Senator Bosa's concern. These fundamental reforms, which are necessary to bring in a new refugee determination system, will give rise to a fairly comprehensive overhaul of the Immigration Act at which time the amendments could be more appropriately discussed.

We have before us today, honourable senators, Bill C-55 which is modest in scope to deal with the somewhat urgent problems. It is an interim measure to keep the Immigration Appeal Board abreast of the huge workload and of the broadened reforms which are now necessary since the Supreme Court of Canada decision.

I would, therefore, ask for your concurrence in passing Bill C-55.

Some Hon. Senators: Hear, hear.

Motion agreed to and bill read third time and passed, on division.

The Senate adjourned until tomorrow at 2 p.m.

APPENDIX

(*See p. 2175*)

NATIONAL FINANCE

FOURTEENTH REPORT OF STANDING SENATE COMMITTEE
REPORT ON SUPPLEMENTARY ESTIMATES (C) LAID BEFORE
PARLIAMENT FOR THE FISCAL YEAR ENDING MARCH 31, 1986

WEDNESDAY, March 19, 1986

The Standing Senate Committee on National Finance has the honour to present its

FOURTEENTH REPORT

Your Committee, to which Supplementary Estimates (C) laid before Parliament for the fiscal year ending March 31, 1986, were referred, in obedience to the Order of Reference of Wednesday, March 5, 1986 submits its report as follows:

The Committee heard evidence from the following witnesses:

From the Treasury Board:

Mr. J. L. Manion, Secretary;
Mr. D. J. McEachran, Senior Assistant Secretary, Program Branch.

This report includes some material not usually found in reports on Supplementary Estimates by the Committee. This material, included in the appendix to this report has been prepared by Treasury Board at the request of the Committee, and is classified under the following six section headings:

1. Highlights of Supplementary Estimates (C), 1985-86;
2. Summary of Expenditure Framework and Estimates for 1985-86;
3. Statutory Items Included in Supplementary Estimates "C", 1985-86;
4. Summary of Voted Items (greater than $5 million) Included in Supplementary Estimates (C), 1985-86;
5. List of One-dollar Votes Included in Supplementary Estimates (C), 1985-86 and Additional Explanations; and
6. Items in Supplementary Estimates (C), 1985-86 which Materially differ from Information Provided in the 1985-86 Part III.

This appendix is provided in response to requests for additional information about the Estimates, made in the Senate last December, during the debate on the Appropriations Bill, Number 3, 1985-86. The inclusion of sections 5 and 6 is in response to specific concerns raised in previous reports of this Committee; the one-dollar votes has been an area of interest to the Committee for the last few years and a table listing these items has been included in previous reports; the items in the Estimates which differ from information contained in the Part III's is a new issue raised by the Committee in its report on Supplementary Estimates (B), 1985-86.

The Committee also wishes to report that the Secretary of the Treasury Board has acceded to the wishes of the Committee and henceforth will seek to obtain written government responses to any comments or recommendations contained in the reports of this Committee to the Senate on the Estimates.

Supplementary Estimates (C), totalling $1.6 billion is the third and final Supplementary Estimates for the 1985-86 year. Of the total $1.6 billion, $1.3 billion (approximate) is required for statutory purposes, while the remaining $0.2 (approximate) billion is being requested as new spending authority. The thirty-one items which make up the $1.3 billion for statutory programs are briefly described in section 3 of the appendix. Regarding the items to be voted, each of those having a value of greater than $5 million is described in section 4. These items, of which there are twenty-three totalling $188.6 million represent 80% of the total spending authority being sought in these Estimates. The Committee was informed that there are forty one-dollar votes included in these Estimates; twenty-five authorize the transfer of funds from one vote to another; nine authorize the payment of grants; and six are miscellaneous votes. While these miscellaneous votes are described in section 5, the Committee examined two of these and includes a recommendation concerning them.

These Supplementary Estimates bring the total Estimates for the year to $107.2 billion, of which $105.2 is for budgetary purposes. Viewed another way, these Estimates bring the total statutory expenditures for the year to $68.3 billion or 63.7% of the total and the voted expenditures to $38.9 billion, or 36.3%. A summary of the Main and Supplementary Estimates for 1985-86 showing cumulative totals is shown in section 2 of the appendix.

The remainder of this report focuses on some of the specific issues or departmental expenditures which the Committee addressed in its deliberations on these Estimates.

Department of Finance

The Department of Finance requests authority to supplement vote 1C with $8.5 million to support its Financial and

Economic Policies Program. The Committee was told that the Department requires approval for $2.1 million to support and provide advice to the Minister of Finance and the Minister of State, Finance for their appearances before the Estey Commission; $2.2 million is required to augment existing funds to meet the costs associated with the May, 1985 budget; and $3.1 million is required to finance the costs of the February, 1986 budget. It appears that these amounts are needed to cover such items as pre and post budget consultations and discussion, regional lock-ups, advertising and information. The Committee questioned the magnitude of these expenditures and has requested that the Treasury Board provide information comparing the costs of these two budgets with those of previous budgets. The Committee also requested a detailed accounting of the costs of the Estey Commission to date.

Privy Council

The Privy Council requests authority to supplement vote 1C with $5.4 million for program expenditures. Of this, $0.5 million is required to meet increased costs for the Ministerial Task Force on Program Review (the Nielsen Task Force). This is in addition to the $1.9 million which appeared in Supplementary Estimates B. The Committee questioned the magnitude of these expenditures and has requested that the Treasury Board provide a detailed accounting of the costs of maintaining this Task Force.

Write-Off and Forgiveness of Debts from the Public Accounts

In these Supplementary Estimates, there are a number of items which either delete or forgive a debt owed to Her Majesty:

Write-Off	($ million)
Department of Finance	
Inactive loan to Greece issued under the War Appropriation Act, 1918	$6.214
Department of Regional and Industrial Expansion	
Bowmar Canada Limited	0.027
General Drop Forge Limited	0.146
Interline Furniture Limited	0.952
Beaconing Optical and Precision Company Limited	0.016
Radio Engineering Products Limited	1.000
Assemblage Mécanique de Granby Limited	0.080
Canada Cycle & Motor Company Limited	4.935
Consolidated Computer Inc.	12.396
Precision Electronics Components (1971) Limited	0.013
Forgiveness	
Department of Labour	
Canada Mortgage and Housing Corporation Mortgage Insurance Fund	255.500

The authority for write off and forgiveness of debts is found in the *Financial Administration Act*, section 18(4) and (5). The Committee learned that there is a difference between the forgiveness of a debt and the write-off of a debt; forgiveness eliminates the debt from the Public Accounts and removes any further obligation of the debtor to Her Majesty. Writing off of a debt, while eliminating it from the Public Accounts has the effect of making the loan inactive, but "does not affect any right of Her Majesty to collect or recover the debt, obligation or claim" (*Financial Administration Act*, 18(4)). The Committee further learned that through an appropriations act, forgiveness of a financial obligation to Her Majesty applies only to debts owed by Crown Corporations. There is no provision under the *Financial Administration Act* whereby debts owed by individuals or corporations which have become uncollectible, may be forgiven.

The Committee believes that under the principle of equity, individuals and private corporations should have the same rights as Crown corporations with regard to write off or forgiveness of debts and that the government should consider such a change when the *Financial Administration Act* comes under legislative review.

Respectfully submitted,

FERNAND-E. LEBLANC
Chairman

APPENDIX TO THE REPORT

HIGHLIGHTS OF SUPPLEMENTARY ESTIMATES "C" 1985-86

This Supplementary Estimate, totalling almost $1.6 billion, is the final Estimate for the year 1985-86. It brings total Estimates for the year to $107.2 billion or $106.8 billion net of loan repayments. Of this total, $105.2 billion represents budgetary Estimates. When the anticipated lapse is taken into consideration, the budgetary expenditures for 1985-86 are forecast to be slightly below $104 billion. This expenditure level was reflected in the February 26 Budget and is more than $1 billion below the level forecast at the time the 1985-86 Main Estimates were tabled.

Of the total of $1.6 billion contained in this Supplementary Estimate $1.3 billion or over 80 percent is for statutory items. Parliament is being asked to approve $235 million in new spending authority.

Major items included in these Supplementary Estimates are:

—$875 million for statutory payments to uninsured depositors of Canada Commercial Bank, CCB Mortgage Investment Corporation and Northland Bank made under the Financial Institutions Depositors Act;

—$316 million for statutory contributions to the unemployment insurance account, largely because of higher benefit costs;

—$215 million for statutory equalization payments to the provinces, primarily due to the Supplementary Fiscal Equalization Payments 1982-87 Act passed last June;

—$190 million in statutory payments to the Mortgage Insurance Fund to meet cash obligations under the National Housing Act;

—$101 million decrease in statutory payments to the Export Development Corporation because of lower-than-forecast loan disbursements.

—$92 million for drought assistance to Western farmers (the balance of funding required for this program has been included in the 1986-87 Main Estimate);

—$42 million because of increased costs in education, social assistance and welfare services for Indians and Inuit.

There are two additional points that might be of interest:

a) These Supplementary Estimates contain forty, one-dollar votes of which thirty-four are entirely financial in nature in that they seek authority to transfer funds between votes or to establish or adjust grants within the same vote. In each of these cases, an explanation of the new requirement and the source of funds is provided in the Supplementary Estimates. The remaining six votes seek specific authorities, consistent with enabling legislation and the Speaker's rulings on legislating in the Estimates. A detailed listing of these votes along with additional explanations is being provided to members.

b) Supplementary Estimates have traditionally informed Parliament of the person-year requirements associated with the items included. These Supplementary Estimates contain 330 person-years for 1985-86.

Summary of Expenditure Framework and Estimates for 1985-86

Expenditure Framework at time of Main Estimates

Projected Total Estimates (see Table 4.1 Part I Main Estimates 1985-86)	$108.1 billion
Projected Budgetary Expenditures	$105 billion

Summary of Estimates Tabled

	Voted	Statutory (thousands of dolllars)	Total
Main Estimates			
Budgetary	$36,908,917	$65,621,666	$102,530,583
Non-Budgetary	307,944	733,333	1,041,277
	37,216,861	66,354,999	103,571,860
Supplementary Estimates (A)			
Budgetary	350,600	.....	350,600
Non-Budgetary	14,800	(14,800)	.....
	365,400	(14,800)	350,600
Supplementary Estimates (B)			
Budgetary	976,783	(277,900)	698,883
Non-Budgetary	78,195	899,000	977,195
	1,054,978	621,100	1,676,078
Supplementary Estimates (C)			
Budgetary	214,760	1,452,663	1,667,423
Non-Budgetary	20,200	(107,600)	(87,400)
	234,960	1,345,063	1,580,023
TOTAL ESTIMATES TABLED			
Budgetary	38,451,060	66,796,429	105,247,489
Non-Budgetary	421,139	1,509,933	1,931,072
TOTAL ESTIMATES 1985–86	$38,872,199	$68,306,362	$107,178,561

Present Expenditure Framework

Total Estimates	$107.2 billion
Forecast Budgetary Expenditures	$103.9 billion

This brings the total person-years provided in Main and Supplementary Estimates for 1985-86 to 259,934 or 153 less than comparable levels for 1984-85.

It should be noted that Treasury Board will ensure that person-years included in Supplementary Estimates throughout this year are offset by a lapse of person-year authorities elsewhere in the government and in no way, therefore, will they jeopardize the government's plans to reduce the size of the Public Service. Total Treasury Board-controlled person-years as set out each year in *Main Estimates* will be reduced by approximately two percent in 1986-87, and by a further one percent each year thereafter for a period of four years. This equates to a reduction of some 5,000 person-years in 1986-87 and a total of 15,000 by 1990-91.

Details of the person-year reductions targeted for 1986-87 are provided in the 1986-87 Main Estimates documents which were tabled earlier this year.

Summary of Voted Items (Greater than $5M)
Included in Supplementary Estimates "C" 1985-86

Dept.	Item	Offset	Appropriation Requested
Agr.	—$92.1M for drought assistance for western producers	$43.3M	$48.8M
CEIC	—$7.7M operating resources for the Corporate and Special Services Program	$7.7M	—
	—$7.1M for adjustment assistance payments to refugees	$7.1M	
DEA	—$5.9M for the National Trade Strategy	$1.1M	$4.8M
Finance	—$8.5M for additional operating costs	—	$8.5M
	—$6.2M to srite off a loan made to Greece	—	$6.2M
DIAND	—$24.5M for social assistance, welfare services and day care centres in Ontario		
	—$32.1M for transfer of program administration to Indian control	$84M	$46.4M
	—$17.8M for additional education costs		
	—$6M for implementation of amendments to the Indian Act		
	—$9.6M in new and increased contributions in the Northern Affairs program	$0.3M	$9.3M
	—$7.4M increased transfer to the Government of the Northwest Territories	—	$7.4M
	—$10.5M for settlement of specific claims	—	$10.5M
DND	—$29.8M for the Youth temporary employment program	$29.8M	—
	—$28M for the civilian temporary employment program	$28M	—
	—$5M for Challenge 85 student employment	$5M	—
NRT	—$9.9M additional operating for Customs and Excise	$2.4M	$7.5M
DRIE	—$19.6M for deletion of debts	$19.6M	—
	—$16.8M in non-budgetary payments pursuant to the Atlantic Fisheries Restructuring Act	—	$16.8M
DSS	—$6.2M for the Source Development Fund	$6.2M	—
NSERC	—$15M for increased grants in support of research in the natural sciences and engineering	—	$15M
CASB	—$7.4M for costs of the Air India crash investigation	—	$7.4M
DVA	—$12M for increased costs of purchased health care services	$12M	—

These items account for $188.6 million, or 80% of the total appropriation authority being sought through Supplementary Estimates "C" 1985-86.

Statutory Items Included in Supplementary Estimates "C" 1985-86

Increases (to previous projections)

$875M	(Finance)	for payments to uninsured depositors of several financial institutions
$316M	(CEIC)	for increased contributions to the Unemployment Insurance Account
$203.9M	(Finance)	for additional payments to provinces
$190.3M	(CMHC)	advances to the Mortgage Insurance Fund
$101M	(NHW)	in payments for spouses allowances
$37M	(Agriculture)	in crop insurance payments
$25.6M	(Sec State)	in Canada Student Loans program payments
$20.3M	(DRIE)	in Enterprise Development Insurance payments
$15.7M	(Labour)	in labour adjustment benefits
$11.5M	(DRIE)	payments under the Regional Development Incentives Act
$9.4M	(Transport)	for the self-supporting airports revolving fund
$7.8M	(Transport)	payments for Atlantic Regional Freight Assistance
$6.3M	(Labour)	for compensation payments respecting public service employees
$6M	(EMR)	for the offshore oil and gas resource revenue fund
$3.5M	(Transport)	reflecting a federal court award
$1.5M	(CEO)	for expenditures pursuant to the Elections Act

Decrease (from previous projections)

$3.5M	(EMR)	payments to Interprovincial Pipeline Limited
$6.6M	(CMHC)	in advances under the National Housing Act
$8M	(NHW)	in family allowance payments
$8M	(EMR)	in petroleum compensation payments
$10M	(EMR)	in payments to the Canada/Nova Scotia Development Fund
$12.4M	(Transport)	in payments pursuant to the Railway Act
$14M	(CEIC)	in payments to the UI Account with respect to fishermen's benefits
$17M	(NHW)	in old age security payments
$20M	(DRIE)	payments to the Federal Business Development Bank
$22M	(Agriculture)	in agricultural stabilization payments
$30.5M	(Agriculture)	in payments pursuant to the Western Grain Stabilization Act
$31M	(NHW)	in guaranteed income supplement payments
$44.3M	(NHW)	in Canada Assistance Plan payments
$101M	(EDC)	in payments under the Export Development Act
$157.4M	(Transport)	in payments under the Western Grain Transportation Act

LIST OF ONE DOLLAR VOTES INCLUDED IN SUPPLEMENTARY ESTIMATES (C), 1985-86

The 40 One Dollar Votes included in these Estimates are listed in Appendix I by ministry and agency along with the page number where each vote may be located in the Estimates.

These One Dollar Votes are grouped below into categories according to their prime purpose. The votes are also identified in Appendix I, according to these categories. The category for each vote has been designated by an "X". In those instances where a vote falls into more than one category, the prime category is designated by an "X" and other categories by an "*".

A. Twenty-five votes which authorize the transfer of funds from one vote to another. (An explanation of the new requirement and the source of funds is provided in Supplementary Estimates.)

B. Nine votes which authorize the payment of grants. (An explanation of the new requirement and the source of funds is provided in Supplementary Estimates.)

C. Six miscellaneous votes (Additional explanations are provided in Appendix II):

—one to report actual excess operating and income charges over revenues for the Canada Post Corporation;

—one to increase the amount of loans that the Minister of Indian Affairs and Northern Development may guarantee—Indian and Inuit Affairs Program;

—one to forgive a principal amount of advances to CMHC;

—one to write-off certain debts due Her Majesty in right of Canada—DRIE;

—one to increase the aggregate lending ceiling—Small Business Loans Act—DRIE; and

—one to wind-up the National Lottery Account—Treasury Board.

APPENDIX I

List of $1.00 Votes in Supplementary Estimates (C), 1985-86

Page	Department/Agency	Vote	Categories A	B	C
14	AGR Canadian Forestry Service	45C		x	
16	Communications	5C	x		
16	Communications	10C		x	
20	DOC-Canadian Broadcasting Corp.	35C	x		
26	CCA—Canada Post Corporation	12C			x
30	Employment and Immigration/CEIC	1C	x		
30	Employment and Immigration/CEIC	5C	x		
32	Employment and Immigration/CEIC	10C	x		
32	Employment and Immigration/CEIC	15C		x	
36	Employment and Immigration/CEIC	20C	x		
36	Employment and Immigration/CEIC	25C	x		
40	Environment	15C	x		
48	External Affairs	30C		x	
64	Indian Affairs and Northern Development	5C			x
80	Justice	5C		x	

84	Justice Commission for Federal Judicial Affairs	15C		x	
90	Labour — CMHC	16C			x
92	National Defence	1C	x		
98	National Health & Welfare	1C		x	
104	National Health & Welfare	50C	x		
104	National Health & Welfare	55C	x		
106	NHW — Medical Research Council	75C	x		
114	Regional Industrial Expansion	2C	*		x
114	Regional Industrial Expansion	3C			x
114	Regional Industrial Expansion	10C		x	
124	Secretary of State	1C	x		
126	Secretary of State	10C	x		
130	Secretary of State	20C	x		
138	Solicitor General — RCMP	30C		x	
140	Supply and Services	10C	x		
142	Transport	1C	x		
142	Transport	5C	x		
146	Transport	25C	x		
146	Transport	36C	x		
146	Transport	37C	x		
146	Transport	38C	x		
160	Transport	86C	x		
160	Transport	87C	x		
170	Treasury Board	21C			x
174	Veterans Affairs	1C	x		

APPENDIX II

ADDITIONAL EXPLANATIONS
Category C—Miscellaneous $1.00 Votes:

Consumer and Corporate Affairs—Canada Post Corporation

Vote 12c—To report the actual excess of operating and income charges over revenues for the Canada Post Corporation in the amount of $347,199,000 for the 12 month period ending March 31, 1985 in accordance with subsection 29(3) of the Canada Post Corporation Act.

Explanation—In accordance with section 29(1) of the Canada Post Corporation Act (CPC Act), the Minister of Finance during 1984-85 placed at the disposal of the Corporation sufficient monies to enable the Corporation to meet all its operating and income charges during the year. Section 29(3) of the CPC Act requires that the amount placed at the disposal of the Corporation is to be included, in the form of a deficit appropriation item, in the next Estimates laid before Parliament thereafter. Since the amount placed at the disposal of the Corporation has already been reported as expenditures of the Government in the 1984-85 fiscal year, it cannot be voted as an expenditure in 1985-86. Accordingly, in order to conform with the intent of the Act, a $1 voted item has been included in these Supplementaries to inform Parliament of the actual amount of the Corporation's deficit for 1984-85. The actual 1985-86 deficit will be reported as a $1 item in 1986-87 Supplementary Estimates, again in accordance with Section 29(3) of the Act.

Indian Affairs and Northern Development

Vote 5c—Indian and Inuit Affairs—Operating expenditures—To extend the purposes of Indian Affairs and Northern Development Vote 5, Appropriation Act No.3, 1985-86

(a) To increase from $250,000,000 to $350,000,000 the amount of loans that the Minister may guarantee pursuant to Indian Affairs and Northern Development Vote 5, Appropriation Act No. 3, 1972; and

(b) To increase from $30,000,000 to $33,000,00 the amount of loans that the Minister may guarantee pursuant to Indian Affairs and Northern Development Vote L53b, Appropriation Act No. 1, 1970

Explanation

1. Loan Guarantees for Housing.

To increase the level of Ministerial authority to guarantee loans made to approved Indian applicants by the Farm Credit Corporation, Canada Mortgage and Housing Corporation and other approved lenders.

Through 1972-73 M.E., Parliament authorized the Minister of INAC to guarantee loans made to Indians by the CMHC, the FCC and other approved lenders for on—Reserve housing to an aggregate amount outstanding at any one time not to exceed $25M. It has been increased several times. These estimates seek an increase from $250M to $350M.

2. Loan Guarantees for Economic Development.

To increase the level of Ministerial authority to guarantee loans for economic development.

To increase the cap on expenditure level for payments on defaults of guaranteed loans under program established in 1969 in support of Indian economic development. Increase from $30M to $33M approved on condition that INAC absorb costs in excess of $30M.

Labour—CMHC

Vote 16c—Pursuant to subsection 18(5) of the Financial Administration Act, to forgive the principal amount of advances outstanding as of 31 December 1985 in an amount not exceeding $255,500,000 made to Canada Mortgage and Housing Corporation pursuant to Section 9 of the National Housing Act.

Explanation—Since late 1979, CMHC has been borrowing from the CRF to maintain the liquidity of the Mortgage Insurance Fund. In recognition of the likelihood of CMHC being unable to repay these borrowings, borrowings since August 1984 have been recorded as budgetary. Nevertheless, Section 18(5) of the FAA requires that there be a budgetary vote to forgive an obligation of a Crown Corporation, so the $1 item is to forgive CMHC's obligation to repay advances that were outstanding on December 31, 1985.

Regional Industrial Expansion

Vote 2c—Regional Industrial Expansion—

(a) pursuant to Section 18 of the Financial Administration Act to write off from the Accounts of Canada certain debits due and claims by Her Majesty in right of Canada amounting in the aggregate to $19,579,703.27 as set out below;

Debtor	Amount
Bowmar Canada Limited	27,200
General Drop Forge Limited	146,167
Interline Furniture Limited	952,095
Beaconing Optical and Precision Company Limited	16,474
Radio Engineering Products Limited	1,000,000
Assemblage Mécanique de Granby Limited	80,069
Canada Cycle & Motor Company Limited	4,935,000
Consolidated Computer Inc.	12,395,998
Precision Electronics Components (1971) Limited; and	13,433

(b) to authorize the transfer of $19,579,703 from Regional Economic Expansion Vote 10, Appropriation Act No. 2, 1985-86 for the purposes of this Vote.

Vote 3c—Regional Economic Expansion—Pursuant to subsection 6(j) of the Small Businesses Loans Act to increase from $1,000,000,000 to $2,500,000,000 to aggregate lending ceiling for the period April 1, 1985 to March 31, 1990.

Explanation—

1. Deletion of Debt Pursuant to Section 18 of F.A.A.—Vote 2c

This involves the deletion of uncollectible loans and investments due the Crown in the amount of $19,579,703.27, which are to be recorded in the government's Statement of Assets and Liabilities of Canada. This action is consistent with the government's new debt write-off regulations approved March 1985 (SDR/85-257). Funds are being transferred, via a $1 Vote transfer, from DRIE Vote 10, Grants and Contributions to this new Vote 2c.

2. To increase the lending ceiling under the Small Businesses Loans Act—Vote 3c

Lending activity under the SBLA has increased steadily since 1978, growing from $96M in 1978 to $998.9M in 1984-85. The $1B lending ceiling for the previous lending period of April 1983 to March 31, 1985 had to be increased by $300M (from $1.5B to $1.8B) to meet this growth in demand.

Legislation was passed in April 1985 to establish a new five year lending period for SBLA. The duration of the first $1.0B approved for the lending period was unspecified at that time because it was widely believed that cost-recovery measures introduced in the same legislation would dampen demand significantly. During 1985, demand has remained fairly constant despite these cost-recovery measures and, as a result DRIE has sought approval to increase the ceiling by $1.5B. At present take-up rates (approximately $70M per month) the current $1.0B ceiling could be reached by July or August 1986.

Treasury Board

Vote 21c—Special—To authorize the Minister to pay out of the Consolidated Revenue Fund and charge to the National Lottery Account, established by Treasury Board Vote L27a, Appropriation Act No. 4, 1976:

(a) $1.00 for the redemption of the shares of Loto Canada Inc.;

(b) $2,073,360 to the provinces as determined by the Interprovincial Lottery Corporation;

(c) $13,684,174 to the Régie des installations olympiques to assist in the financing of the deficit of the 1976 Olympic Games; and thereupon

to repeal the said Vote L27a

Explanation—Wind-up of the National Lottery Account—$1

The National Lottery Account was established through Supplementary Estimates in 1976-77 with the distribution of the funds being 82.5% to the Régie des installations olympiques to assist with the 1976 Olympic Games. 12.5% to the provinces and 5% to federal programs related to fitness and amateur sport. The authority to make payments out of this account has lapsed. This item in Supplementary Estimates is to provide authority to make final payments out of the Account in the same ratios as initially envisaged, totalling $15.8 million as itemized in the vote wording, and to repeal the authority establishing the Account.

Items in Supplementary Estimates "C" 1985-86 Which Materially Differ from Information Provided in the 1985-86 Part III

While the following list may not be totally exhaustive, it includes those items in Supplementary Estimates "C" 1985-86 which are known to significantly impact on or alter information previously included in Part IIIs.

Transport Canada — Payments of $3M towards the Newfoundland Railway Testing and Evaluation Plan for containerization of railway operations The government approved a *one year extenstion* to this program, which had been scheduled to terminate last year. This Supplementary Estimates seeks the funds necessary for that extension.

Supply & Services	— Source Development Fund ($6.2M) for unfinished but approved projects. The Part III indicated the termination of the Fund effective March 31, 1985. This item will simply allow for the completion of approved projects and represents a *cash reprofiling*.	

THE SENATE

Thursday, March 20, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

PARLIAMENT

STANDING JOINT COMMITTEES—PROPRIETY OF COMMONS REFERRALS

The Hon. the Speaker: Honourable senators, I wish to advise the Senate that next Tuesday I will deliver my statement concerning the proper procedure to be followed when one house wishes to refer a matter to a joint committee, which was raised by Senator Frith on March 11.

STANDING JOINT COMMITTEES

APPOINTMENT OF COMMONS MEMBERS

The Hon. the Speaker: Honourable senators, a message has been received from the House of Commons to acquaint the Senate of the names of the members appointed by that house to serve on the Standing Joint Committees on Official Languages, Parliament and Regulations and other Statutory Instruments.

REGULATIONS AND OTHER STATUTORY INSTRUMENTS

FIFTH REPORT OF STANDING JOINT COMMITTEE PRESENTED AND PRINTED AS APPENDIX

Hon. Nathan Nurgitz: Honourable senators, I have the honour to present the Fifth Report of the Standing Joint Committee on Regulations and other Statutory Instruments respecting the delegation to be authorized to represent Canada at the Conference of Subordinate Legislation Committees of the Parliaments of the States and Commonwealth to be held at Brisbane, Australia, June 4 to 6, 1986.

I ask that the report be printed as an appendix to the *Minutes of the Proceedings of the Senate* and to the *Debates of the Senate* of this day and form part of the permanent records of this house.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

(*For text of report, see appendix, p. 2210*)

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Nurgitz, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

INTERNATIONAL FINANCIAL SYSTEM AND INSTITUTIONS

CANADA'S PARTICIPATION—NOTICE OF MOTION TO AUTHORIZE FOREIGN AFFAIRS COMMITTEE TO ADJOURN TO TORONTO, NEW YORK AND WASHINGTON, D.C. FOR PURPOSE OF STUDY

Hon. George van Roggen: Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(e), I move:

> That the Standing Senate Committee on Foreign Affairs which was authorized by the Senate on October 29, 1985 to examine and report on Canada's participation in the international financial system and institutions, and in particular the International Monetary Fund, the World Bank Group and the regional development banks, including the debt repayment problem of developing countries, be empowered to adjourn to Toronto, New York, and Washington, D.C., for the purpose of such study.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. C. William Doody (Deputy Leader of the Government): I wonder, honourable senators, if Senator van Roggen could tell us why we should grant leave. Is there any urgency about this at this particular time?

Senator van Roggen: There is only this urgency: Unfortunately, as a result of something that happened yesterday, I have to be in Regina next week instead of here. I had intended to make this motion next week, but now I will not be able to do so. Then we have the Easter adjournment. Having regard to the people with whom the committee would wish to meet with in Washington, officials of Congress, bankers and others, and in New York with senior officials of the IMF and the World Bank, it would require at least a couple of months' work by our staff to arrange meetings for mutually convenient dates. I want to have that process under way during the recess, otherwise we will find ourselves running out of time at the end of June when we would like very much to conclude our testimony for this study so we can start drafting our report. That is my reason for asking for leave today. As I have said, it arises out of a situation that arose yesterday which was unanticipated, as a result of which I cannot make this motion next week. I might add that from a budgetary point of view we will be able to be more precise in the budget we will present to the Internal Economy Committee after we have made some of our arrangements. I have made sufficient preliminary inquiries as to the cost to be able to assure honourable senators that the outside figure for the whole trip would be $20,000 if the full committee were to attend, including staff. That would include all three cities, which we would visit in sequence.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, as much as I support my colleague, his committee and its important work, I find as Deputy Chairman of the Standing Committee on Internal Economy, Budgets and Administration, and also as a member of the Rules and Orders Committee, that I have to make an observation about a procedure that those two committees are trying to develop and work out that would prevent the Senate from having to make a decision on the power to hire outside experts or to travel without having a clear picture from the Internal Economy Committee as to what the cost was going to be. The reason for this in principle, without relating it specifically to this motion, is that once the Senate authorizes the hiring of experts and authorizes travel, the Internal Economy Committee and its subcommittee on budgets can really do very little except perhaps pick some nits about total costs and so on, because the chairman of the committee can then quite properly say, "Well look, I have already got authority from the Senate to do this, so it is your job to find the money." The chairman could say that quite convincingly. So the problem is in trying to work this out. We raised this question with regard to special committees as well. The problem is that each time one of these requests comes along, if we let the principle go by, it never does seem to get implemented.

That is why I feel I have to draw the attention of senators to the fact that the Senate itself, as well as the members of the Senate sitting on those two committees, think that the Internal Economy Committee should have the information necessary to assess the costs, and that a report from that committee with the specifics as to cost should be in the hands of senators before the Senate is asked to give the authority requested.

Senator van Roggen: Honourable senators, I am fully aware of the fact that the Internal Economy Committee has been endeavouring to move towards a procedure such as Senator Frith now suggests. My understanding is that that procedure has not yet been established. I was advised—possibly incorrectly—that I was following the correct procedure today. If the rules change, I will comply with them.

I did, however, in complying with the spirit of the point Senator Frith has raised, ask the clerk of the committee to find out the price of the air tickets and the cost of hotel accommodation so that we would have an approximate figure.

I also arranged with the members of the committee that we complete this in one week as opposed to making three separate trips. We propose to go to Toronto, then directly from Toronto to Washington and leave Washington the following morning to do our work in New York that day, and then come back the same evening. I asked the members of the committee to undertake the trip in this manner to keep the costs at a minimum, because I understand that the budget is very tight.

In pricing all that out, the cost comes to between $15,000 and $20,000. I mentioned a moment ago that I would give an undertaking that the costs would not exceed $20,000. I gave that undertaking because that is an outside figure. Of course, I will be available to discuss the costs with the members of the Internal Economy Committee in detail to see if they could be less than that.

In addition, I make this observation; it is difficult to appear before the Internal Economy Committee with the dollars and cents worked out until the committee knows what it is going to do, how many people the committee is going to see, and how many days the visit will take. Being conscious of the concern of the Internal Economy Committee, I did that preliminary work on the budget so that I could give the members of that committee an outside figure, and I will undertake to work down from that, not up.

Senator Frith: Honourable senators, three points were raised by Senator van Roggen. The first related to whether he proceeded properly. There is no question that he has proceeded quite properly as far as the rules that now exist are concerned. But the question I am raising is based on the application for leave—that is, leave to have the matter dealt with immediately. I assume that Senator van Roggen wants the Senate to vote on this today and give him that authority. It is in that context that I am suggesting that the procedure that all senators hope will come into effect is relevant.

Senator van Roggen is quite right; part of the reason for considering a new procedure—and this has been going on for years, as we know—is the fact that senators hope that committees will, indeed, telephone to check out arrangements and costs so that when the Senate votes on a motion of this kind the mover of the motion can say, "We want to go here, there and there, and we have tentative meetings with this, this and that, and it will cost such and such an amount."

Without wanting to get too rhetorical about it, that is the thinking behind the proposed change in procedure. That is why this motion asking for leave to deal with it immediately raises all these questions.

Senator van Roggen: I am sure honourable senators do not want me to get into a prolonged debate on this with Senator Frith now. I would make the observation—I quite understand the point he is making—that I would be very loath as the chairman of a committee to make a firm arrangement with members of the U.S. Congress, with presidents of large corporations and others for appointments when I do not have the authority from the Senate to make such a trip and to confirm such appointments. If the authority were then not to be given, I think that the committee and the Senate itself would be put in a bad light having to cancel such arrangements. So I did not presume to make arrangements and appointments with people at that level in those cities before having the authority of the Senate to do so.

• (1410)

Senator Frith: That will always be the case. It will always be a chicken-and-egg situation—"Give me the authority and I will then make the arrangements; and then I can tell you the cost." I agree that this is not a black-and-white issue; but, honourable senators, it seems to me that since the spirit of this whole proposal—not the motion before us but the whole proposal—is to give honourable senators a chance to weigh

whether or not they wish to give such authority in the context of the cost, the arrangements and how it fits in with the work of the committee, it might be better if we gave honourable senators at least the weekend to think about it and about the observations that have been made. So perhaps leave should not be given to deal with the matter immediately, and we can deal with it on Tuesday after honourable senators have had an opportunity to think about the questions raised.

The Hon. the Speaker: Honourable senators, I presume that leave is not granted.

Senator Frith: That is right, Your Honour. It will appear on the Orders of the Day for next Tuesday.

Senator van Roggen: Honourable senators, I would like someone to deny me leave.

Senator Frith: Honourable senators, I will be glad to accept that responsibility. I thought it was clear from the explanation I gave as to why I thought honourable senators should have the weekend to consider the matter and suggested that it should appear on the Orders of the Day for next Tuesday.

The Hon. the Speaker: Can I take it, honourable senators, that it will be on the order paper for next Tuesday? Is it agreed?

Hon. Senators: Agreed.

BUSINESS OF THE SENATE

ADJOURNMENT

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(g), I move:

> That when the Senate adjourns today, it do stand adjourned until Tuesday next, March 25, 1986, at 2 o'clock in the afternoon.

The Hon. the Speaker: Honourable senators, is leave granted?

Hon. Senators: Agreed.

Hon. H.A. Olson: Honourable senators, there may be other channels through which I should ask this question, but perhaps all honourable senators would like to know if there has been any discussion or if any agreement has been reached with respect to the adjournment prior to Good Friday and the date that the Senate will reconvene, whether it will be one and a half weeks or two weeks later.

Senator Argue: Or prorogation!

Senator Olson: Or prorogation.

Senator Doody: Honourable senators, I really cannot say with any certainty at this point. Discussions are taking place relating to that matter and we hope to get the matter settled so that we may announce the arrangements to honourable senators next Tuesday.

There is legislation in the House of Commons which we have reason to anticipate will reach us on Monday. There are two appropriation bills which it is hoped we can deal with on Tuesday. There are also two further bills which we understand the government is anxious to have passed. I refer to Bill C-100, the Veterans Allowances Bill, and C-85, the Petroleum Incentives Program Bill. It is hoped that we can deal with them next week. There is also the matter of Bill C-99, the Borrowing Authority Bill. That is out in left field. I cannot honestly say whether or not it will escape the other place in time to reach us before the Easter recess. I should be able to give honourable senators a more definitive answer on Tuesday.

Motion agreed to.

DISTINGUISHED VISITORS IN GALLERY

ARGENTINIAN DELEGATION

Hon. Robert Muir: Honourable senators, it gives me a great deal of pleasure to draw to your attention the presence of a number of distinguished guests in our gallery, namely, His Excellency the Honourable Francesco Jose Pulit, the Ambassador of Argentina, and the following members of the Argentinian delegation: Mr. Ricardo Terrile and Senator Oraldo Britos, who are representing Argentina at the ILO conference in Montreal. They are also visiting our capital.

Hon. Senators: Hear, hear.

QUESTION PERIOD

[*English*]

CANADA-UNITED STATES RELATIONS

MEETING BETWEEN PRIME MINISTER AND PRESIDENT OF UNITED STATES—ACID RAIN—SCOPE OF AGREEMENT

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I have a question for the Leader of the Government in the Senate on the matter of acid rain and the results of the negotiations between the Prime Minister and the President of the United States. He indicated previously that he thought we could look forward to a break-through in terms of a solution to the acid rain problem as a result of those meetings. Now that we know what those meetings have produced, I ask him whether the agreement that was reached in Washington met the expectations that he expressed last week.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I think I expressed the expectation and hope that we would make progress. I think that expectation and hope have certainly been borne out. If I were asked whether we had solved the problem with respect to the whole question, the answer is positively no, although we have made a break-through in that we have secured the acknowledgement of the President of the United States that this is the kind of problem we think it is. We are going to build on that foundation to secure results that will be completely satisfactory. In order to do that, there will be developments based on known technology in the United States which will, in the near future, have some

effect upon the reduction of pollution in Canada. That was clearly anticipated in the joint report the President has approved.

However, I think of somewhat more importance is the fact that there is set in place a continuing monitoring of this situation. The Secretary of State in the United States, the Secretary of State for External Affairs in Canada and other ministers and officials have been mandated to progress this particular problem in the future so that it does not become mired in the shallows; so that we may have a continuing effort, a sincere and serious effort, to deal with the question as it develops in the future. Therefore, I think we have made a very useful start, but I think there is a long way to go before we are completely satisfied.

Senator Frith: Yes, there is no doubt about that, but do I understand correctly that the progress mentioned by the Leader of the Government in the Senate is the recognition by the President of the United States that this is a serious problem?

Senator Roblin: I think it goes farther than that.

Senator Frith: How much farther does it go?

Senator Roblin: I think it goes farther than that, because one has to recall that for the last five or ten years, certainly since the present administration came to power in the United States, we have been endeavouring to secure recognition that this is a serious problem in both our countries. That notion has been resisted for some time, as I think everybody knows.

Senator MacEachen: That was not the situation with respect to President Carter.

Senator Roblin: That has certainly been the case as far as President Reagan is concerned. It is true that President Carter had a different view on the matter, but it was not followed through when the administration changed. Now we have the recognition that this question is viewed by the Americans in the same light as that in which we view it. We also have the undertaking of the President that he will pursue the matter of funding with Congress, because Congress has the authority to provide the funds. He accepts the report of the two emissaries who looked into the matter, which includes proceeding with known technology to deal with this problem to a considerable extent. We think that that will have an effect on Canada in the near future. And we have the follow-up.

I am quite frank in saying that we have a long way to go. We in Canada have a lot to do. For example, in connection with automotive emissions of nitrates and things of that sort, the American regulations are about three times more strict than ours at the present time. We will have to do some work in this country in connection with motor vehicles to try to get the nitrate emission problem down. Pollution is not limited solely to manufacturing processes. A very important aspect of it has to do with the emissions of motor vehicles. We ourselves have something to do there, and we will be doing it. However, the fact that we have a procedure in place to follow up the initiative that has been announced by the President and the Prime Minister today gives us added reason to be confident that progress will be made.

• (1420)

Senator Frith: We certainly agree that we have a long way to go. However, if the Leader of the Government will focus on how far we have come, it seems to me that we have not come very far in the period between the day before the summit and the day after the summit. The report that the Leader of the Government in the Senate refers to as being endorsed would really mean not much more than the action it recommends: That is, a five-year program to develop cleaner ways to burn coal, and that technology is available now. Therefore, it seems to be generally conceded that if we divide the question of acid rain, as it has come to be divided, in terms of the political issue and the progress that can be made by agreement, there are two things that have happened: The first is that there are now recommendations to study it, and that is really all that has happened in the United States. It is true, as my honourable friend says, that funds have been set aside and that more funds will be asked for, but these funds are all to study the question further to find ways, and in some cases to find ways that already exist. In other words, to try to re-invent some ways.

The objection, as I understand it, by the Minister of the Environment and by his predecessor has always been that we have studied the subject enough. The question is, when are we going to do something about it? As I understand my honourable friend's answer, he is saying that we have made progress, but that, essentially, the progress we have made is that the President of the United States has now recognized what seems, I think, to most people to be a blindingly obvious fact and that is that acid rain is a serious international and continental problem. I suppose if the President of the United States really did not previously recognize it as a problem, then, indeed, it is some progress. However, in the context of getting something done, there was no more progress, if I understood his answer correctly, than to support the report which itself simply recommends more studies and more funding to discover ways of doing something rather than actually doing that something. Is that fair?

Senator Roblin: I do not think my honourable friend has got it correctly.

Senator Frith: You don't?

Senator Roblin: No, I don't.

Senator Frith: In what way is that wrong?

Senator Roblin: I think, in the first place, that it is a mistake for my friend not to recognize that there has been a reversal of the policy of the United States.

Senator Frith: No, I recognize that.

Senator Roblin: You recognize that?

Senator Frith: Yes. The progress is that the President recognizes that there is a problem.

Senator Roblin: Very well then, that is a very considerable achievement.

Senator Frith: I do not recognize that.

Senator Roblin: Well, I do, because I say that until you achieved that reversal of policy in the United States, you were out in left field; nothing was going to be done.

Also, for my honourable friend to insist that there is nothing in the report of the two emissaries except the recommendation that there should be research and still more research, he is not correct in that. If you read the report carefully, you will see that they contemplate putting into effect some of the research that is already established as effective. That will be proceeded with in the near future and, as a result, there will be some improvement in the question of transborder pollution. Therefore, I think it would be a good idea if my honourable friend were to recognize that a very useful step has been taken and not try to belittle it. Progress must be made a step at a time. We have secured a reversal of the policy of the United States, which is no small thing, and it provides the basis on which we can do much better.

Senator Frith: That is just not true. We have not secured a reversal at all. I am taking the answer that my friend gave and I am trying to define it, not belittle it.

I understand that the progress that has been made is that the President of the United States has recognized that this is a serious problem. That is number one. Obviously, he has not reversed his policy if he is endorsing a report that was made by someone appointed by him. Therefore, I want honourable senators to understand that that is the progress that my friend is referring to.

As far as the report itself is concerned and the implementation of that report—in other words, getting down to doing something instead of talking about or studying doing something—I read the report and some of the sequels to it and I agree that the report did recommend what my honourable friend has suggested. However, that will require some action from industry in the United States, and industry has just turned that down flat. The Government of the United States is apparently not going to do anything more. I do not want to belittle the progress. I merely want to understand just what exactly is the nature of the progress. Is it progress to say that the President recognizes the problem? Obviously, others in the United States recognize that the problem is an important one. I agree that it is important that the President should recognize the problem, but there is really nothing more to it than that, except for more studies.

Senator Roblin: Honourable senators, I think that that is the most—

Senator Frith: Truthful and—

Senator Roblin: —unconstructive and unhelpful consideration of the matter that I have heard in a long time.

Senator Frith: What were the adjectives that you used?

Senator Roblin: "Unconstructive and unhelpful."

Senator Frith: Could I persuade him to do something more perhaps?

Senator Roblin: We have made distinct progress, because up to now the President of the United States, in his capacity as leader of that country, has not recognized this problem. We cannot get anything out of him until he recognizes the problem. That has been done. He has given us his assurances that he will do his best to get the money from Congress to do what is necessary.

Senator Frith: More studies.

Senator Roblin: No, to carry out not only studies, but to bring about the application of what we already know.

Senator Frith: Where does it say that?

Senator Roblin: It says it right here in the report. If the honourable senator will look at page 30, he will see it. I will read the words, "It should also result in some near term reductions in U.S. air emissions that affect the Canadian ecosystem."

Senator Frith: What should result?

Senator Roblin: Read the report.

Senator Frith: You have given me the verb, but you did not give me the noun.

Senator Roblin: I ask my friend to look at the report for himself.

Senator Frith: You have it right there. Why don't you read it?

Senator Roblin: I read you the statement, and that is exactly what I intend to stick with.

Senator Frith: What is "it"?

Senator Roblin: Fortunately, the honourable senator will find that there is a move in the United States Congress to support the development of this system further. One cannot be sure what will happen to it, but it is certainly good news that the Congressmen of the United States—some of them at any rate—are prepared to proceed with this matter because they now know that they have the backing of the President.

Senator Frith: Would the leader do me the courtesy of telling me what the antecedent of the word "it" is? The leader said, "It should also result in . . ." What will result in?

Senator Marshall: "It."

Senator Frith: I am told that the part that was read, which apparently was to prove that I had not read the report, says, "it should also result in . . ." What will result in some concrete progress?

Senator Roblin: Technologies that are already developed.

Senator Frith: Exactly, and what are they doing? They are going to study them more.

Senator Roblin: You cannot stop a person from studying if he wants to.

Senator Argue: But they may never graduate.

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, may I ask the Leader of the Government for clarification on the point which he is making today, that for the first time the President recognizes that there is a problem? I thought that a year ago, on Saint Patrick's Day, there was a great deal of ballyhoo when everybody said, "Yes, the President has recognized that there is a problem, because he has now given Mr. Mulroney a Saint Patrick's Day gift wrapped in green by agreeing to the appointment of a special envoy, Mr. Drew Lewis." That was considered as his recognition that there was a real problem. It is logical, because why in heaven would the President of the United States and the Prime Minister of Canada regard as the major result of the Quebec summit the appointment of two envoys? It was clearly the recognition of a problem, and that was said at the time. Now, the leader has said that we have got them to recognize the problem for the first time. I cannot understand that logic. Does it mean that the problem is now recognized in Washington and that the meeting in Quebec meant nothing? I find that logic extraordinary.

Senator Roblin: I am not finding any difficulty with it. The point that I am trying to make is that the report was prepared and that it was accepted, fully and completely, by the President of the United States. That is something that he certainly did not do on Saint Patrick's Day one year ago.

Senator Frith: He couldn't have—

Senator MacEachen: That is a different kind—

Senator Frith: That is a different kind of logic.

Senator MacEachen: Quite obviously, he did not endorse the report one year ago because it did not exist, but the recognition of the problem arose from the appointment of the two envoys, two very important people. The Leader of the Government has said that the important thing now is the endorsement of the report. But everybody who has written about this matter has said that there is absolutely no guarantee—indeed, there is not even a likelihood—that any action will flow from the endorsement of the report, because there have been no financial commitments from the President, except on the basis of best efforts. No targets have been established for the reduction of the emissions. No timetables have been set. It is an endorsement of a report which may not lead to any results.

I ask the Leader of the Government in the Senate: Is it not true that the future is as uncertain—

● (1430)

Senator Frith: And as polluted.

Senator MacEachen: —as it was a year ago in that something may happen and something may not?

He has reminded us that Prime Minister Trudeau and President Carter signed a Memorandum of Intent which bound both governments and which the present President ignored. Surely, that was a stronger instrument than anything that was achieved in Washington upon which to base any expectation that the President will do anything. I really want to know what evidence there is that any action will ensue from the endorsement of the report.

[Senator Argue.]

Senator Roblin: I think it is extraordinary, indeed, that my honourable friend should imply that the word of the President of the United States is not worth very much, because he, in his statement, said that he would use his efforts to secure the funding required to carry these matters out.

Senator Frith: What matters? More studies.

Senator Roblin: He cannot do it himself; Congress has to help. It is not a parliamentary system, as my friend knows: it is a congressional system.

I am willing to take the word of the President of the United States at its face value and I am quite satisfied and certain that we will see the effective results that my friend is so skeptical about.

Senator MacEachen: Honourable senators, I am skeptical because I have seen what has happened in the past. I have seen the United States refuse to ratify a treaty that was signed between Canada and the United States concerning the fisheries and boundaries on the east coast. The agreement had been negotiated and the signatures had been affixed by the plenipotentiaries of both countries, and the President refused to ratify it. I think anything is possible.

Senator Roblin: Of course, that is not quite correct. The President did not refuse to ratify; the matter ran into trouble in Congress, and the President withdrew it. That is what happened.

In this situation we have the President taking the lead. He certainly did not take the lead in the fishery situation, because, if my memory serves me correctly, it was presented to him by the administration that preceded his. In this instance the President has put his seal of approval on and his support behind this question of doing something about the transboundary problem with acid rain. I, for one, am quite willing to wait to see the development of events in that regard.

Senator MacEachen: I do not think the recollection of the Leader of the Government is correct. The President dropped the fisheries treaty and notified the Government of Canada that he was not going to do anything about it. Why? It was because of the opposition of two or three senators from the State of Massachusetts in New England. The President was unwilling to pick up a bilateral agreement that had been sanctified by the signatures of plenipotentiaries. He dropped that.

There is nothing in this instance except a verbal endorsement of best efforts to do something that is not yet defined.

Senator Frith: And that "something" means more studies.

Senator Roblin: If my honourable friend will just possess his soul and patience, I think when we come to this time next year he will be able to satisfy himself that this has been a good arrangement.

Senator MacEachen: I hope the Leader of the Government will not then say that "we have recognized the problem and we have taken a big step ahead," because that was said last year.

I should now like to put another question to the Leader of the Government in the Senate who has said that ministers have been mandated to monitor the problem.

The Secretary of State for the United States and the Secretary of State for External Affairs meet quarterly, and I am sure that every time Mr. Clark has met with Mr. Shultz the subject of acid rain has been on the agenda. It was on the agenda every time I met with Mr. Shultz, and that certainly was a monitoring.

What is the new system of monitoring that is going to take, as the Leader of the Government said, this issue from wallowing in the shallows?

Senator Roblin: There is one substantial difference which, obviously, must have occurred to my friend, and that is that in the days of which he was talking, the United States government did not recognize the problem.

Senator Frith: They signed an agreement, so they recognized the problem.

Senator Roblin: My friend can talk that way, but he knows, in practical terms, the present administration did not recognize the problem, and now it does. The President of the United States has mandated his Secretary of State to take the lead with ours in monitoring this matter and getting something done. I think that is a considerable improvement.

Senator MacEachen: The Leader of the Government is, obviously, issuing a false statement when he says that the administration of the United States did not admit or recognize the problem until this week. If he asserts that, then he is alleging colossal bad faith on the part of members of the administration, such as Mr. Shultz and Mr. Ruckelshaus who was the then Administrator of the Environmental Protection Agency and who came to Halifax in the company of Mr. Caccia and recognized, as fully as was done yesterday, that a problem existed. They have always recognized the problem. In addition to the presence of Mr. Shultz and Mr. Ruckelshaus in Halifax, and as evidence of their recognition, we also appointed a group of scientists from each of our countries to explore the problem and to seek solutions. It has never been a question of recognition. It is a question of action. What the President did yesterday is what he did in Quebec, and that was to give the appearance to the Prime Minister, but no substance.

Senator Roblin: Of course, when they said that they recognized the problem, the question is: Who recognized it? It was not recognized by the President of the United States, because what happened to Mr. Ruckelshaus when he got back? He was not supported by the President and, consequently, he resigned from his job. We know that is the situation in that instance. For my honourable friend to say that he has nothing but promises or empty posturing on this matter, I think, is very seriously to underestimate the reality of what has happened.

Senator MacEachen: The Leader of the Government is repeating exactly the line of argument which he and the government made a year ago, which was that they had got something out of the Quebec meeting, but out of Washington has come nothing in the way of guaranteed expenditures, in the way of targets for the reduction of emissions or in the way of a timetable. It is the same pushing of the problem into the future.

The President of the United States has again scored in the marvellous game of sending the Prime Minister away with the ability to say, "I got something," with the President not having given anything.

Senator Roblin: I do not think that statement bears much relationship to the facts. For my honourable friend to maintain, on the matter of money, for example, that we have not received assurances that money will be forthcoming ignores the fact that in the United States it is not the prerogative of the President to do that; he has to go to Congress to get the money.

We have the word of the President that he intends to do that, and I am willing to accept that. Furthermore, I am willing to say that Congress will back him up, because, in the discussions that have taken place, not only recently but on previous occasions, we know that there is a growing feeling in Congress that this question of Canadian-American relationships and acid rain has to be dealt with in a constructive way.

My friend can be as pessimistic as he likes, but I am not going to adopt that attitude.

Hon. H. A. Olson: Honourable senators, I have a supplementary question. It is not a matter of accepting the President's word or not, because those of us who cared to listen heard exactly what he had to say at the news conference; it is a matter of the interpretation that is being put on it by the Prime Minister and by the Leader of the Government in the Senate. It comes down to the point that they are indicating that they have got something that they did not have before, namely, recognition by the President of the United States that a problem exists. As has been pointed out, that is exactly the same answer as was given a year ago.

However, there is more to the matter than that. The fact is that there was an international conference on acid rain in Stockholm about three years ago, which I attended. This President sent a delegation, with the leader of that delegation being specially appointed by the President, to say at that conference exactly what the President has said in the last few days, and that is that they recognize a problem that requires more research and that they are prepared to increase the funding for it.

Why does the Leader of the Government now attempt to say that something new has happened when, in fact, it was not new even last year in Quebec City? Months before that meeting, an agreement was signed setting up a scientific committee and, indeed, an international conference at which a representative of this President said exactly the same thing.

• (1440)

Senator Roblin: How can my honourable friend maintain such a position?

Senator Olson: That is right.

Senator Frith: That's the truth.

Senator Roblin: The fact is that a document prepared by the two representatives expressed, in the most explicit, bilateral terms, the situation between our two countries. This document, which is something new, has been accepted, unreservedly, by the President of the United States. He has undertaken to provide the money, as far as he is concerned, to make this thing work. He has agreed that we should set up a bilateral committee composed of senior ministers to monitor this thing and get results in the time to come.

Senator Frith: Monitor; what do you need to monitor?

Senator Roblin: Well, just be quiet. I am answering this question.

Senator Frith: You say he recognized the problems, yet he has to monitor it to find out if there is a problem.

Senator Roblin: Stop interrupting, because you are trying to divert my flow of thought. I know your tactics only too well. I want to say to my honourable friend that I do not think that he has grasped the importance of this matter, but I think that he will live to grasp it.

An Hon. Senator: I think we have been subjected to a lot of flimflam.

Senator MacEachen: How is it all the press men couldn't grasp it? The only two who grasped it were the President and the Prime Minister.

Senator Roblin: Well, that's good enough for me.

Senator Frith: Well, let's say the government.

YOUTH

CANCELLATION OF KATIMAVIK PROGRAM—ANNOUNCEMENT OF NEW PROGRAM

Hon. Sidney L. Buckwold: Honourable senators, I have a question for the Leader of the Government in the Senate. I start by acknowledging, with pleasure, the presence in his seat of Senator Jacques Hébert, a very brave, courageous and dedicated Canadian and chairman of the Special Senate Committee on Youth which has recently presented a report.

His deputy chairman, Senator Yuzyk, in his speech to the Senate on March 18, said:

> We studied the Katimavik program, which has been in operation for ten years, and came to the conclusion that it was a positive and constructive force in Canadian society, even though costly.

The Prime Minister, in response to Senator Hébert's correspondence with him, has announced the government would make more effective use of this money to benefit a wider cross section of youth. My question to the Leader of the Government in the Senate is: When can we expect an announcement from the Prime Minister outlining a youth program that will be accepted as an adequate replacement for Katimavik and meet the objectives of the government, and, indeed, of the committee?

[Senator Frith.]

Hon. Duff Roblin (Leader of the Government): Well, I can tell my honourable friend that in the last few months such a program has been in effect. There have been several programs, but the one that I intend to refer to is called the Job Entry Program.

The Job Entry Program is a program designed to lead the most difficult sector of our youth into constructive employment and training for jobs. It has resulted in some 285 projects already under way and it encompasses some 9,000 young people. Its price tag is $50 million, to which the $20 million my honourable friend referred to can be compared.

It has been remarkably successful in a number of ways. For example, in Halifax, blacks, whose job opportunities are not what they ought to be, have been given electronics training and have been found jobs in the electronics industry, which is growing in that city. In New Brunswick a number of native youth have been trained to take part in the Power Corps Commission in that province and are being so employed. In Toronto there are some 290 youths who have been trained to take jobs with Control Data and they are also in their jobs now.

So, in at least one aspect of the Job Entry Program we have nearly 250 different projects, we have covered 9,000 people, and we have a price tag of $50 million. That is not the only example. I do not have the precise information with me at the moment, but if I were to go through the other initiatives that the government has taken, it would be seen that it has been substantial. That is not by any means to say that anyone has any right to be satisfied with it, because I am certainly not, but it does indicate the good faith of the government in trying to proceed in this matter to find permanent jobs.

I have nothing against Katimavik as a program. It is simply a question of priorities. I am sure that it has been well received in many quarters, and, if we ever get to the stage where we want to debate that program, there are all kinds of things that could be said about it. However, I am simply saying that it is necessary to recognize priorities to see how you can make the best use of the funds that are available. I suggest to you that we are doing our best to ensure that that happens.

Senator Buckwold: A supplementary question. I, along with many Canadians, believed that there would be a further announcement—and I think the Prime Minister indicated that also. Senator Yuzyk also implied in his speech that there would be some announcement that would, in fact, meet some of the objectives that I have referred to. But I gather from the response of the Leader of the Government in the Senate that the announcements have already been made and nothing further can be expected.

Senator Roblin: Well, I do not think that one can assume that. There is always hope and there is always the opportunity, if funds are available, to do better. We certainly intend to do that. One thing we have overlooked in this discussion on youth unemployment—and it doesn't seem to be highlighted in the report—is the steps that have been taken in the recent past in order to deal with the very problem. They are considerable, not

only with respect to youth in the cities, but also with respect to native youth. After all, 65 per cent of the native youth of this country are under the age of 24. That represents a fantastic problem to try to come to grips with. The Minister of Indian Affairs has already instituted a number of programs to tackle this problem. I presume we may detail them some time because, obviously, they do not seem to have registered with many people.

I want to tell my honourable friend that we have not been asleep at the switch. We have been introducing programs that are designed to help young people get permanent jobs—and that is what we all want to do. We also know that in the past few months there has been a substantial decline in youth unemployment. Some 50,000 or so jobs have been developed that were not there before. I say that not to indicate that I am happy, because with 600,000 or so young people in question we can't be happy, but we can say that it represents a degree of progress which, to that extent, must be gratifying.

[*Later*]

Hon. Joyce Fairbairn: A supplementary, if I might. Over the weekend, and perhaps this week, the Secretary of State reportedly said, both inside the House of Commons and outside, that an announcement was pending concerning a youth program. I wonder whether the Leader of the Government in the Senate could indicate any timing for that announcement.

Hon. Duff Roblin (Leader of the Government): No, I cannot, honourable senators.

NATIONAL DEFENCE

STATUS OF WHITE PAPER

Hon. Paul C. Lafond: Would the Leader of the Government in the Senate endeavour to inform the Senate at the earliest opportunity as to the status of the long awaited white paper on National Defence which was heralded, forecast, previewed, and promised by the Prime Minister and several Ministers of National Defence over the last 18 months?

Hon. Duff Roblin (Leader of the Government): Yes, I will be glad to do that.

THE ECONOMY

INTEREST RATES

Hon. Ian Sinclair: Honourable senators, my question is to the Leader of the Government in the Senate. I am sure he has read the report of the Bank of Canada and noted the comments of the governor in regard thereto.

In dealing with the subject of interest rates and the comments of the Governor of the Bank of Canada and the policy of the bank in respect thereof, has the leader seen any change in the position of the bank *vis-à-vis* the position of the bank one year or two years ago?

• (1450)

Hon. Duff Roblin (Leader of the Government): Honourable senators, I must tell my honourable friend that I have not read the report and that I will have to do so before I make any comment.

Senator Sinclair: Honourable senators, I am sure the leader will be able to recall a statement made by the Prime Minister in Montreal during the fall of 1984. At that time the Prime Minister said that high interest rates were caused by the central bank propping up the dollar, and that that practice would disappear when his government was in full control. Does the leader remember that?

Senator Roblin: There has been a dramatic improvement in interest rates from the time my honourable colleague's friends were in government, when they rose to something like 21 per cent. Since then, interest rates have come down in remarkable fashion. My honourable friend can tell me that since then they have gone up again, and that is right, but they will also come down again.

Senator Sinclair: I am glad the leader raised that point. The real interest rates are at the highest they have been in our history, over 8 per cent. If the leader goes back in history and looks at real interest rates, he will see that they were lower than that.

Senator Frith: So much for that! Don't truck that out again for a month or two.

Senator Sinclair: Honourable senators, one of the things that we did anticipate—and I am sure that the Leader of the Government encouraged us in that anticipation—was that interest rates would come down as a result of the recent budget, but, more importantly, that they would come down because of the relationship between the Canadian dollar and the American dollar.

The budget was presented approximately a month ago, and the relationship of the two currencies has been approximately the same as it was before the budget. So, I wonder when we can expect this big change.

Senator Roblin: I think that if my honourable friend tracks the Bank of Canada rate in respect of interest rate levels over the past several weeks he will see a very decided improvement.

The next fiscal year begins on April 1, and the Minister of Finance has said that he thinks the bank rate will be 9.5 per cent, on the whole, for next year, and I would not be surprised if the Minister of Finance were correct.

Senator Sinclair: I am pleased to hear that because there are many people who think that that will not be the case.

In any event, the leader has said there has been marked improvement. There has been marked improvement from the low, but there has not been marked improvement from the level of interest rates just prior to the budget, and there has not been marked improvement with regard to the relationship of the Canadian dollar to the American dollar. Certainly, it is not at its lowest, which was 69 cents and a fraction, but it is still wallowing, if I may use that expression, at approximately 71 cents and a fraction.

Senator Roblin: My honourable friend is always concerned about this, and he has a right to be. He knows as well as I do

that the marketplace is a volatile arena and that interest rates go up and interest rates come down. We also know that the reason we have been having a problem recently relates to the value of the Canadian dollar, which has improved somewhat, so much so that the Bank of Canada has, over the past few weeks, been able to reduce its rate consistently. This has been partially reflected in the bank rate, and we expect it will be reflected even more so in interest rates.

So, I refuse to deal with these up-and-down transitory changes in the bank rate as if I were a marionnette master and had it on a string and could change it around, because I cannot. The market does that, the Bank of Canada does that, and nobody knows that better than my honourable friend. To say that he should hold me responsible for those fluctuations is stretching the point.

Senator Sinclair: I am not going to hold the leader responsible for anything. But there was an expression of anticipation by the government that following the recent budget our worries would be over with regard to the relationship of the two currencies, and with regard to the highest real interest rates that I can remember, and the highest that the leader can remember as well, I would suggest.

I am asking how long we have to wait. The leader gave me the assurance that I could relax when I heard the budget proposals. Now that I have heard the budget proposals, I am not able to relax.

Senator Roblin: I did not give my friend any assurance whatsoever of that kind because I know better than that. The idea of getting him to relax on the subject of financial interest is a pipe dream, because that is his specialty and I expect to hear from him frequently so that he may give us the benefit of his opinions on the whole subject.

I can tell him that over the past few days there has been a decided improvement. If he will stop picking up the plant to see whether the roots are still growing, he will find that in due course interest rates will come down to the extent that even he might think that progress has been made.

Hon. Lowell Murray: I have a supplementary question, honourable senators. This being a Thursday, it is the day, as honourable senators know, when the bank rate is set.

By way of background to my question, I might say that on election day, 1984, the bank rate stood at 12.38 per cent; on the day of Mr. Wilson's budget last month, the bank rate stood at 11.84 per cent; the day after that, at 11.80 per cent; a week following that, at 11.74 per cent; last week, at 10.69 per cent; and today, at 10.11 per cent.

Some Hon. Senators: Hear, hear.

Senator Sinclair: What has that to do with real interest rates?

Senator Murray: I do not know how Senator Sinclair calculates real interest rates, but there are various ways of doing so, as he knows.

Senator Frith: The way the chairman of the Senate Banking, Trade and Commerce Committee would.

[Senator Roblin.]

Senator Murray: In any case, he cannot deny the fact that on election day the bank rate stood at 12.38 per cent and today it stands at 10.11 per cent, which is a considerable improvement, and indicates that the overall trend has been downward.

Senator Frith: What were the inflation rates back then?

Senator Murray: I thought that this being a Thursday, Senator Sinclair was rising to express his satisfaction with the progress that is being made in achieving the economic objectives of the government. Since he is too modest to do so, I will ask the leader to convey my satisfaction to the Minister of Finance with respect to the progress that has been made. There is still a long way to go, of course, before we completely clean up the mess that was left by our predecessors.

Senator Sinclair: Honourable senators, in view of the fact that the leader is going to see the Minister of Finance, would he draw to his attention the inverted rate curve that we are living with now and the dissatisfaction of businessmen, generally, with that situation? Will he also draw to the minister's attention the very difficult situation respecting real interest rates that I have alluded to?

After all, the reason we have low inflation is because of the actions taken by the previous government in bringing measures into effect to direct the trend downward.

Some Hon. Senators: Hear, hear.

Senator Roblin: I cannot believe my honourable friend really expects me to take that last observation seriously.

Senator Frith: It is true, but he does not expect you to take it seriously.

Senator Roblin: If my friend examines what has happened to the rates of inflation he will know that one of the biggest contributors to our problem was the fiscal policy followed by the previous government. I am not going to debate that.

Senator MacEachen: No, it is not defensible; it is a stupid statement.

Senator Roblin: I think it is defensible. When my honourable friend is the Minister of Finance, he can have his views.

All I am going to say is that I do not like interest rates to be higher than they must be, but I think my honourable friend should recognize the fact that improvements are taking place. If he is patient, I think that he will find that there will be a further improvement.

Senator Sinclair: I am really surprised at Senator Murray. We have all witnessed the relationship of the yen, the deutschmark and other currencies to the American dollar. Meanwhile, our good old Canadian dollar continues to wallow in disrespect, not only from people at home but from those abroad.

● (1500)

Senator Roblin: My honourable friend knows perfectly well the reason for that. It is the link between the Canadian and American dollar. The American dollar has declined some 25 per cent over the past few months in relation to the currencies mentioned by the honourable senator. Is he going to hold the

Canadian government responsible for that, and the consequent link between our dollar and the yen, the franc, or whatever? Of course not. He would not dream of doing anything like that. What he might say is that because of that particular result, it may very well be that Canadian exporters, at any rate, are in a more favourable competitive position than they were before.

The Hon. the Speaker: Honourable senators, much as I am enjoying this debate, I think it is a debate and not appropriate to Question Period. May we please revert to Question Period?

Senator Sinclair: Your Honour, I would like to—

Hon. Charles McElman: Honourable senators, I rise on a point of order. The practices of this chamber are very clear; the senators are in charge of this chamber. The senators decide what is debate, what is question and what is procedure. I suppose that we are the only institution—I use the word advisedly—where the inmates are in charge—inmates wise or unwise. I hope that the practices and procedures of this body will not be changed by interference from the Chair, without the Chair's being asked to intervene.

Senator Roblin: Honourable senators, I admit that we are in charge of our own procedures, but I think my honourable friend's strictures go a little far—because, after all, what has been taking place during this Question Period is that it has been degenerating into a debate. I have to admit that. So far as I am concerned, at least for the balance of this day, I will try to restrict my answers to "yes" and "no".

Senator Frith: It may be "evolving" into a debate, but not necessarily "degenerating."

Senator McElman: On the point raised by Senator Roblin, I would suggest to honourable senators, and directly to Senator Roblin, that if at any point in time he feels that senators are not conducting themselves in the manner in which they should, he is at perfect liberty, as is any other senator, to call a point of order, and to discuss with senators, who are in charge of this house, that point of order. If there is dissatisfaction with the consensus reached by honourable senators following the discussion, then it is quite in order to make a reference to the Chair. But until a reference is made to the Chair by a senator, the practices and procedures of this house do not permit intervention by the Speaker. A point of order is for discussion among senators always, unless it is formally drawn to the attention of the Chair.

I have seen us wandering in many ways, and I have some sympathy with the Leader of the Government in his capacity of answering solely for government policy, and so on. I have real sympathy for that; but the fact of the matter is that we do have long-held practices and procedures in this house which are not spelled out clearly in our rules. I suggest to honourable senators that they should protect very, very carefully and thoughtfully those procedures. They have meaning, they have purpose. We are in charge of ourselves. Let us continue to be so.

Some Hon. Senators: Hear, hear.

Senator Roblin: Honourable senators, I am of the opinion that by reasonable and discreet conduct we should avoid the necessity for recriminations in connection with what we do in this house. I have to admit that I have not raised the question as a point of order now or in the past, so far as I can recall, but I have relied on the co-operation and good sense of honourable senators to treat the Question Period in a responsible way. I am making no allegations that senators have not done that, although I believe there has been a tendency to convert it into a free-running exchange of opinion.

Senator Frith: As it was when you were sitting here.

Senator Roblin: All right. That is why I am relying on the good judgment and good sense of my colleagues on either side of the house not to abuse Question Period but to try to respect the function of the Question Period, which is to try to elicit information from me rather than indulge in extensive discourses of a debating nature.

Senator Sinclair: Perhaps I can get a "yes" or "no" answer to this—

Senator Roblin: I have the right to say "maybe".

Senator Sinclair: When will the government take action to bring down real interest rates?

Senator Roblin: My answer is: The government will follow the best policy it can. I cannot answer "yes" or "no" to that one.

Senator Frith: Therein lies the problem.

MORTGAGES—EFFECT OF BANK RATE AND INTEREST RATES

Hon. Lowell Murray: Honourable senators, will the minister undertake to bring information to the house concerning mortgage rates and the effect of the current bank rate and interest rates on mortgages—

Senator Frith: Particularly real interest rates.

Senator Murray: —as of today or as of next week?

The latest information I have on this point is that today a five-year mortgage of $50,000, with an amortization period of 20 years, is at 11.5 per cent. The figure as of election day, 1984, was 14.25 per cent. Perhaps the Leader of the Government would investigate the matter next week and bring those figures up to date.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I can answer that question in the affirmative.

YOUTH

CANCELLATION OF KATIMAVIK PROGRAM—GOVERNMENT KNOWLEDGE OF CONTENTS OF SPECIAL SENATE COMMITTEE REPORT BEFORE TABLING

Hon. Eymard G. Corbin: Honourable senators, I should like to put a question to the Leader of the Government. At what point in time was the government informed that the Special Youth Committee would recommend that "the government

establish a Young Canadians Community Service Program open to all Canadians aged 17 to 24, either by using Katimavik as a model or by giving Katimavik, now a non-government organization funded by the Department of the Secretary of State, the means to expand"? At what point in time was the government given that information?

Hon. Duff Roblin (Leader of the Government): Honourable senators, the government was given that information at the time the report was tabled. I was not aware of it before that.

Senator Corbin: Honourable senators, unfortunately I cannot substantiate my conclusions, but I have suspicions that the government knew beforehand that the Youth Committee would, in fact, come down with that specific recommendation, and that left the government, in light of the contents of some of the recommendations of the Nielsen report, to decide whether it would kill Katimavik before the presentation of the Youth Committee report or after; and I suspect the government decided that the easier course would be to kill Katimavik before the Youth Committee had an opportunity to table its report in this house. It is a suspicion. I do not have hard evidence. But when I look at the circumstances surrounding that decision, I cannot come to any other conclusion.

In replying to my question concerning youth on March 18, the Leader of the Government said that when the Senate debates the report:

> I am sure it will also receive consideration by the government to see what useful ideas can be extracted from it to help the situation.

My question is: Is there, indeed, any sense in debating the total report or part of the report when the government has already arrived at and announced its definite decision to cancel one of the important components of the committee's report? Is there any sense in continuing this debate at this stage?

Senator Roblin: My honourable friend will have to make up his own mind on that score. I have no intention of advising him. I have my own views, but I do not wish to inflict them on the Senate. But I have to tell him that I feel rather disturbed that he should tell me that he does not believe me when I tell him that the government knew it when the report was tabled here. That is my firm understanding of the matter, and I want to make it very clear to him that while he is entitled to have whatever suspicions he wishes, so far as I know, and to the best of my ability, they are completely unfounded.

Some Hon. Senators: Hear, hear.

● (1510)

Senator Corbin: Honourable senators, I never said that I did not take his word. Indeed, I have to accept an honourable senator's word and I do accept his word. Nevertheless, I am entitled to my own suspicions and I voice those suspicions. I find it strange that the government would, at a time when it knew that the Special Senate Committee on Youth was about to table its report and make recommendations on a wide range of issues, inform Senator Hébert that there would be no further funding to the Katimavik program. I find it strange that it would make that decision publicly known the week before the report was tabled.

Nevertheless, I accept the word of the Leader of the Government in the Senate. I cannot challenge it but I simply voice my suspicions. I find that strange.

Then we had the Nielsen report. Why the rush? Why could not that decision await the tabling of the Nielsen report, along with the other recommendations, some of which may have been good, some of which may not have been so good, in the opinion of senators on either side of the aisle. That is why I have my suspicions. I suspect that the confidentiality surrounding the writing of the Senate committee's report was not respected.

Senator Roblin: I would like to tell my honourable friend that I do not appreciate his apology because it merely confirms his original view that I am not telling him the facts. I want to tell him that no member of that committee approached me to tell me what was in the report, which is the clear implication in his remarks. He is mistaken. Nobody did that.

I would like to say with respect to the Nielsen report that there are a number of important matters of government policy referred to in that report concerning which the policy decisions were made by the government before the receipt of it. Does one think, for example, that the Katimavik policy was decided on the spur of the moment? No; it was decided in a review of all of the programs in which the government is interested. That is a process which takes several months. The decision on that matter was, perhaps, announced at a particular time, but that does not mean to say that it was an off-the-cuff decision made in order to thwart a report made by a Senate committee.

If my honourable friend checks the Nielsen report, he will find that important matters—the dairy policy, for example, that is referred to in that report in not very favourable terms—had already been established by the government. The government's decision had been taken even though that report was unfavourable towards the dairy policy.

Therefore, to link the decisions of government policy with the timing of these reports is not the way to go about it, because the government will take decisions regardless of what may be, from time to time, in the public domain. I repeat, those decisions are not necessarily linked to the timing of those reports. I want to say that no member of that committee made any representations to me about the contents of that report. I did not know what was in it until it hit my desk, and that is the fact.

Senator Corbin: Honourable senators, I am not suggesting that it was necessarily a member of the committee who made the facts known to the honourable government leader. It could have been somebody else. I am not suggesting that it would necessarily have been made known to him. It could have been made known to other persons within the government. We know how things work their way up and down within these government circles. Nevertheless, it is rather strange to have this set of circumstances. It is rather strange that the government could not wait three more weeks before announcing to Senator

Jacques Hébert that it was going to kill Katimavik. Did it, indeed, want to spare him more misery by announcing it three weeks ahead of time? Is it the government's view that there would have been more misery if the announcement had been made three weeks after the tabling of the report? That is something that is incomprehensible. Honourable senators can shake their heads as much as they wish, but the committee had the rug pulled from under its feet. Senator Hébert is incensed; other members of the committee are incensed. That was a unanimous report of all of the members of the committee and I believe that the matter would require some further examination.

Senator Roblin: I think that my honourable friend will have to do something better than vent his uninformed and ill-informed suspicions in this house. First, he said the government knew about it, which is false. Then he intimated that some members of the committee told me about it, which is false. Now he says that some servant of the Senate—

Senator Corbin: I never said that!

Senator Roblin: His suspicions are an adequate indication to me of what he really thinks. Those suspicions which he expresses really reveal the way in which he is approaching this matter. Now he wants to say that he has the suspicion that some servant of the Senate or some other person apart from the committee members spoke to me about this matter. That is just as false as the other two ideas.

Senator Corbin: I never said that. I did say that I had no firm indication. I am entitled to voice my suspicions—

Senator Roblin: You are not entitled to such a right when you are wrong.

Senator Corbin: I never expressed the words that you put in my mouth. I never said such things.

Senator Roblin: You said "suspicion".

Senator Corbin: I explained the statement I made.

Senator Roblin: Not very well.

Senator Corbin: Honourable senators are intelligent. The government leader may not understand, but other senators, if they look closely at the circumstances, may well come to the same conclusion I have come to.

Senator Roblin: If they do, they will be sadly mistaken.

CANADA-UNITED STATES RELATIONS

MEETING BETWEEN PRIME MINISTER AND PRESIDENT OF UNITED STATES—U.S. AGRICULTURE POLICY AS AGENDA ITEM

Hon. Hazen Argue: Honourable senators, I should like to ask a non-controversial question. It is really quite a simple little question. Can the Leader of the Government in the Senate inform us whether there was discussion at the summit meeting between Prime Minister Mulroney and President Reagan of the agricultural policies of the United States?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I undertook to get further information on that matter. I still have my inquiry out, but I can tell my honourable friend that the matter was discussed by the Prime Minister. Whether it was with the President or with members of the Senate agricultural committee, I am not entirely clear, but the matter was discussed by the Prime Minister with American legislators.

Senator Argue: I accept the Leader of the Government's statement for what he has told me. I wish he would be diligent in informing us whether the Prime Minister of Canada considers the subject of sufficient importance—in relation to other questions of great importance—to be raised with the President of the United States, who is, as the Leader of the Government has pointed out to us this afternoon, the eminent authority in the United States on all of these public questions. With the President on your side, you may or may not get very far. Without him on your side, however, I am afraid that you will get no distance whatsoever. I would appreciate that information.

BILATERAL TRADE NEGOTIATIONS—AGRICULTURAL PRODUCTS—MARKETING BOARDS

Hon. Hazen Argue: I should like to ask a further question which arises out of a news item I heard on the radio. I cannot vouch for its accuracy, but to my recollection it was something to the effect that the Prime Minister has said that he recognizes that agriculture in Canada is having serious problems. One of the ways in which he would hope that these problems could be addressed would be in the forthcoming free trade conference. That is simply my paraphrasing of the radio report. However, to be more specific, I should like to ask the Leader of the Government in the Senate whether there will be discussion in the free trade talks of Canada's policy of having in place marketing boards for such important commodities and products as chickens, eggs, turkeys, dairy products and wheat. I would like to have the assurance that there would be no negotiation about the Canadian right and the Canadian wisdom in following these policies involving marketing boards. There is a great deal of fear out there among agricultural people that these free trade discussions may spell disaster for their industry. I have found that that is a genuine fear.

Hon. Duff Roblin (Leader of the Government): I think that that fear will be found on both sides of the border. I think that the American agricultural interests are just as disturbed about the idea of their particular arrangements being upset in these negotiations as are some of our people. I am sure that it will be the aim of the negotiators on both sides to make sure that the legitimate interests of agriculture—which are not exactly identical with ordinary concepts of free trade, as I think we all recognize clearly—are adequately considered and protected.

• (1520)

Senator Argue: Can the Leader of the Government give me a further assurance that there will be no endeavour by Canada to bring about free trade between our two countries in the

commodities that I have just mentioned? Such free trade would be a disaster for our producers.

Senator Roblin: Those considerations will be very important in the minds of the negotiators, and I am sure that they will be interested in protecting our interests in that respect.

GREEK INDEPENDENCE DAY

NOTICE OF INQUIRY

Leave having been given to revert to Notices of Inquiries:

Hon. Efstathios William Barootes: Honourable senators, I give notice that on Tuesday next, March 25, 1986, I will call the attention of the Senate to Greek Independence Day.

THE SENATE

OFFICIAL REPORT—POINT OF ORDER

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, if it is appropriate, I would like to rise on a point of order with respect to the transcript of my speech yesterday on Bill C-70. I have great difficulty in reconciling the account of my speech on page 2178 with what I actually said, and I will need to do some re-writing of the original notes in order to replace this at an appropriate time later, because it really does not make a great deal of sense. Perhaps it did not make much sense when I said it, but whatever sense was there has been removed in this rendition.

Senator Frith: Perhaps it made sense in a different way.

[*Translation*]

THE ESTIMATES, 1985-86

CONSIDERATION OF REPORT OF NATIONAL FINANCE COMMITTEE ON SUPPLEMENTARY ESTIMATES (C)—DEBATE ADJOURNED

The Senate proceeded to consideration of the Fourteenth Report of the Standing Senate Committee on National Finance (Supplementary Estimates (C) 1985-86), presented in the Senate on March 19, 1986.

Hon. Fernand-E. Leblanc moved the adoption of the report.

He said: Honourable senators, during the discussion in December 1985 on the report of the Committee on National Finance on Supplementary Estimates (B), a number of senators raised some very important points. Senators Doody, Frith, MacEachen, Everett and Flynn took part in the debate on December 11.

On December 17, when the same report of the Committee on National Finance on Supplementary Estimates (B) was on the agenda, Senator Kelly provided some clarification of the committee's report. Senator MacEachen intervened to raise certain points, as did Senators Roblin, Doody and Frith.

When Appropriation Bill No. 3, 1985-86, subsequent to Supplementary Estimates (B), was debated in the Senate, Senator Frith made several suggestions for the future format of reports of the Committee on National Finance concerning the study of Supplementary Estimates. In response to comments by senators, I would like to mention that the staff of the Committee on National Finance and myself had several meetings with Treasury Board officials and with Mr. Manion to discuss how we could improve future reports of the Committee on National Finance.

[Senator Argue.]

As a result, we agreed on a number of points, and this is reflected in the report I tabled yesterday on Supplementary Estimates (C). The report tabled yesterday is entirely different from previous reports. I hope that this entirely new approach will meet with the approval of senators who are concerned about the way in which reports have been presented in the past.

Regarding this Fourteenth Report of the Standing Senate Committee on National Finance, I would like to point out that we appended six different section headings to clarify the relationship between Supplementary Estimates (C), previous Supplementary Estimates and the Main Estimates. The headings were provided by Treasury Board.

Furthermore, in accordance with the wishes of the committee, Treasury Board, or rather Mr. Manion, mentioned that henceforth he would try to obtain written responses, not only to the questions put during consideration of the Estimates and to which they are not prepared to reply orally (which is what they do at the present time) but also to any recommendations contained in the committee's report. This formula is an innovation, because in the past, the report's recommendations were either implemented or set aside by the Government, without the committee being advised either way.

In future, we will obtain in writing any comments or recommendations contained in reports from Treasury Board.

We focussed on certain specific expenditure items. I may add that we also examined those of the Department of Finance. We questioned the magnitude of certain expenditures. The committee asked Treasury Board to provide information comparing the costs of these two budgets, the May budget and the latest budget we have had.

We also requested a detailed accounting of the costs of the Estey Commission to date.

We also raised the matter of the expenditures incurred by the Ministerial Task Force on Program Review, the Nielsen Task Force. Here again, the committee asked Treasury Board for a detailed accounting of the costs of maintaining this task force.

We also discussed the write-off and forgiveness of debts from the Public Accounts. We learned further that through an appropriations act, forgiveness of a financial obligation to Her Majesty applies only to debts owed by Crown corporations. We also found there is no provision under the Financial Administration Act whereby debts owed by individuals or corporations which have become uncollectible, may be forgiven.

The Committee believed that under the principle of equity, individuals and private corporations should have the same

rights as crown corporations with regard to write-off or forgiveness of debts.

Since in December we had raised the point that the appropriations bill and items in the Supplementary Estimates differed materially from information provided in Part III of the Public Accounts, we have appended two specific items to our report, namely Transport Canada and Supply and Services, where expenditures differ materially from information provided in the 1985-86 Part III. Thank you, honourable senators.

● (1530)

[*English*]

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I would like to say a few words on the report. They are mainly words of congratulation to the chairman and his staff who have done a remarkable job in answering the requests of senators for a changed type of report and for the added information that is demonstrated in this example. The highlights of the supplementary estimates which are listed here have always been with us, but the extra information on the summary of voted items greater than $5 million is new. Each item greater than $5 million that is voted upon is listed separately in the report. The officials of the Treasury Board informed the committee that this $5 million is an arbitrary figure which they picked, and that if honourable senators wished it to be another figure they would be only too happy to oblige us. I think that this is a marked improvement.

I note that the list of $1 votes is just as long as ever, despite our reservations about these items in the past. However, additional explanations are available this time, which is something we have not had in such abundance before. The items in the supplementary estimates which differ materially from the information provided in the 1985-86 Part IIIs are listed here in detail. We received a great deal of explanation in committee which we never received before. I noted also that the officials from Treasury Board were very forthcoming in promising written responses to questions when they did not have the answers with them. I am sure that in the spirit of this particular report, they will be fortcoming very quickly.

I simply want to say at this time that this report is a marked improvement. I for one am very pleased with it. I look forward to seeing the same sort of co-operation from Treasury Board in future reports.

On motion of Senator Frith, debate adjourned.

YOUTH

CONSIDERATION OF REPORT OF SPECIAL SENATE COMMITTEE—ORDER STANDS

On the Order:

> Resuming the debate on the consideration of the Report of the Special Committee of the Senate on Youth, entitled: "Youth: A Plan of Action", tabled in the Senate on 19th February, 1986.—(*Honourable Senator Petten*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I ask that this order stand adjourned in the name of Senator Marsden, if that is agreeable.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

Order stands in name of Senator Marsden.

The Senate adjourned until Tuesday, March 25, 1986, at 2 p.m.

APPENDIX

(*See p. 2195*)

REGULATIONS AND OTHER STATUTORY INSTRUMENTS

FIFTH REPORT OF STANDING JOINT COMMITTEE

THURSDAY, March 20, 1986

The Standing Joint Committee on Regulations and other Statutory Instruments has the honour to presents its

FIFTH REPORT

(*Statutory Instruments No. 32*)

In relation to its permanent reference, section 26 of the *Statutory Instruments Act*, 1970-71-72, c. 38, and to its further reference set out in its First Report of this session and approved by both Houses on December 13, 1984, empowering the Committee "to study the means by which Parliament can better oversee the government regulatory process", your Committee recommends:

That it be authorized to send the Joint Chairmen, the Vice-Chairman, with two Counsel of the Standing Joint Committee on Regulations and other Statutory Instruments to represent Canada at the Conference of Subordinate Legislation Committees of the Parliaments of the States and Commonwealth to be held at Brisbane, Australia, June 4 to June 6, 1986.

Respectfully submitted,

NATHAN NURGITZ,
Chairman.

THE SENATE

Tuesday, March 25, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

THE SENATE

SENATOR HÉBERT—HUNGER STRIKE—POINT OF ORDER

Hon. Lowell Murray: Honourable senators, I rise on a point of order which I trust is of interest and should be of concern to all members of the Senate. For more than two weeks now the Senate has officially, indeed studiously, ignored the demonstration by one of our colleagues in the foyer of this place. I am speaking of Senator Hébert who has embarked on a hunger strike concerning an issue that is of great concern to him.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I ask Senator Murray to excuse me. I should have been paying attention to him at the outset. What are we listening to?

Senator Murray: I am speaking on a point of order. It seems to me that there are two questions to which the Senate should address itself. The first is the question of whether it is permissible for an honourable senator to conduct a demonstration of this kind, or of any kind, on the premises, and whether that is part of his rights and privileges as a member of this chamber. That is a matter to which sooner or later, because of the precedent that could be established by the honourable senator in this case, the Senate will have to address itself.

The second and more important matter is the purely human question of the health, and indeed the life, of a colleague.

Honourable senators, we are reminded from time to time that we are the masters of our rules, that we are the people who decide who governs what takes place here—and by "here" I mean not only in this chamber but, and I believe this to be obvious, on the premises in this part of the Parliament Buildings. We are in charge of this place, collectively. Indeed, we were reminded the other day, in another connection, that His Honour the Speaker does not have the kind of authority on this side that his counterpart in the House of Commons has on that side of the building. So we are collectively responsible for what takes place on the premises here.

That being the case, each of us, no matter how junior, is responsible for what takes place here. Not to confront the issues—at least, those two issues that are raised by the gesture of our friend and colleague—it seems to me, is to fail in our responsibility, in our individual and collective responsibility as members of this chamber.

I wish I had a solution to suggest to honourable senators, but I do not. However, I think the time is long past that we, as members of the Senate, should confront the issues. Perhaps honourable senators would be disposed to the idea of a resolution of the Senate, whatever the merits of the substance of the issue at hand, calling on our colleague to desist. Perhaps the Senate would be disposed to the idea of going into Committee of the Whole to discuss the matter; perhaps the Senate would be disposed to the idea of referring the matter to the Standing Rules and Orders Committee or to the Internal Economy, Budgets and Administration Committee, over which Your Honour presides. I suppose I agree that Your Honour does not have the kind of authority that your counterpart has in the other place, but we do have leaders in this place and there is a certain moral authority, surely, that exists in the office of Speaker. We have a Leader of the Government; we have a Leader of the Opposition in whose caucus our friend sits. Perhaps the Senate would be disposed to the idea of asking those three senators and/or other senators to take the matter under urgent advisement.

But, honourable senators, we leave here tomorrow, I am given to understand, for the Easter break. In whose hands do we leave this matter? We leave the matter in the hands of the protective staff to confront what is potentially a medical emergency and one with strong political overtones, if I may put it that way. That seems to me to be hardly fair.

In any case, as I say, I wish I had a solution; I do not have a solution but of one thing I am certain and that is that the members of this Senate, individually and collectively, are responsible for what happens here and we would be failing in our responsibility if we did not address the issues.

Senator Frith: Honourable senators, speaking to the point of order, Senator Murray made two points. He first raised the question of the permissibility of what is taking place and whether it is within the privilege of a senator to do what Senator Hébert is doing. He then raised the question of the health of our colleague and the need to confront what is taking place. In my view, he answered the first question with his remarks on the second one. In my opinion, there is no question that it is within Senator Hébert's privilege to do what he is doing and, as Senator Murray has said, only the Senate can take that privilege away from him.

I agree that there is a collective responsibility, but I do not agree with him that it is a collective responsibility for what takes place as much as it is a collective responsibility for what we permit to take place. In the absence of any resolution on the subject, our responsibility is simply to confront any proposals about the issue that was raised by Senator Murray, and that is whether the Senate wishes—as it is entitled to do—to take any action relating to Senator Hébert's privilege.

In the absence of any resolution or motion, I think that all we can do is deal with the point of order on the basis suggested by Senator Murray, and that is take our own counsel as individual senators and take counsel with our caucuses.

Senator Murray suggested certain concrete action by way of a resolution, for example. I take it he is not proposing such a resolution but may be disposed to do so. His invitation, if that is what it is, to someone to make such a resolution has, of course, been heard and recorded and that is a possibility. However, on the point of order, that is all I think that I can relevantly say.

Hon. Duff Roblin (Leader of the Government): Perhaps I could join in this discussion, honourable senators, because I personally feel a very heavy load of responsibility for what is going on these days. Senator Murray, quite rightly, said that the Senate has studiously ignored this problem during the past two weeks. I want to make it clear that I have not studiously ignored it because it has been a matter of deep concern to me since the very beginning. I have been searching for some way which would appeal to our sense of the fitness of things and, I hope, to the comradeship of Senator Hébert, that would enable us to bring this episode to an honourable and a fitting conclusion.

● (1410)

There have been meetings with the Speaker and the leadership on both sides of the house in the last little while. This subject was canvassed at those meetings and the question as to how it might be resolved was discussed. Without wishing to disclose any confidences, which would be perhaps wrong of me to do, I can say that we did not find any happy issue out of this affliction and we did not find a meeting of minds in those meetings which would give me some expectation that all sides of the Senate—and every senator, if I had my way—would unite on a solution to the question that is before us. I want to make it clear that while I am leader of the house, I am conscious of the moral responsibility that I have. I sought to satisfy that responsibility as far as I could, but I have to admit that I have not the authority as Leader of the Government to take action. Neither does the Speaker, because the Speaker here is not like the Speaker in the House of Commons—he is not elected by the Senate. He can descend from the Chair if he wants to and take part in the debates and vote—quite a different situation from that of the Speaker in the House of Commons.

Senator Murray is right in saying that it is only the Senate itself that can act in this matter in an authoritative manner, because only the Senate itself is clothed with that authority and with that responsibility. That was why I was conducting discussions, in the hope that the two sides of the Senate would recognize a joint responsibility and try to do something about it. Perhaps this initiative of Senator Murray will give new impetus to that possibility.

I am exceedingly concerned with the fact that tomorrow, Wednesday, we will leave this place for one week and maybe longer. We face the possibility of circumstances arising that would be very painful for all of us to contemplate. I don't know what the correct course to follow is. If I had my way, I would like to see the Senate come to a meeting of minds on this—not on a political basis, and in complete disregard of the political issues involved, because they are debatable. What is not debatable is that we are concerned about the health and welfare of our colleague. It is on that ground that I think the Senate might unite.

I would hope that if Senator Hébert found out that that was the feeling of his colleagues in this body, he would put aside his strong and honourable personal feelings in the matter—because I believe they are strong, and I am sure they are honourable—in deference to the health and reputation of the Senate as well as the concern of those of us who sit in this chamber.

I think that the political side of this issue has been very well ventilated in the past two weeks—there is no question about that. It may be that we need some method of breaking the logjam that will enable us to deal with this matter in a way which avoids leading to irretrievable conclusions, and make it possible for the matter to be resolved in a friendly and peaceful fashion.

I believe in peaceful persuasion. We have no rules in this body to speak of, and the reason we get along and why it works is because there is a set of unwritten rules, a sort of understanding, about what we should do and say to each other. Sometimes we kick over the traces, but, on the whole, in spite of my reservations about Question Period, we do manage to get along in a relatively harmonious fashion, although we have not only two distinct points of view on every subject but a great many more. Senators try to be a little independent when it comes to discussing issues. There is a spirit of fraternity in this house and that is what makes it work.

I would like to recapture that spirit, because if we are to proceed into the future in a fraternal and friendly way, we must do what we can to recapture that spirit of fraternity.

I do not say this in any way as a criticism of Senator Hébert, because everyone follows his own star and has the right to see the situation through his own eyes. That is the right of every one of us, and I freely accord the same privilege to Senator Hébert in that respect that I would ask for myself.

Having said that, I hope that we can come to a meeting of minds in which all of us, by and large, can concur and in which we can ask Senator Hébert to listen to our plea that he change his present course of action.

The Deputy Leader of the Opposition has made the suggestion that we should consider this matter in caucus. I think that is a good suggestion. If I had my way, I would adjourn the chamber right now and go ahead with it. If that does not meet with the approval of the chamber—and I know we have some important business on our agenda—I think that after the house rises today the caucuses should meet and then the Deputy Leader of the Opposition—or whoever the Liberal caucus deems appropriate—should be invited to talk with the Speaker and myself to determine what the feeling is after the

matter has been discussed in caucus. I will certainly undertake to do that on this side of the house.

I do not know whether there is any light at the end of the tunnel, but I think it would probably be a good thing if the Senate were to take this matter under notice and advisement; agree to discuss it in our caucuses later on today; and, before the day is over, we should meet with our various representatives to see if we can find a common, united and agreeable course of action.

Hon. Senators: Hear, hear.

Hon. Hazen Argue: Honourable senators, this is, obviously, a most troublesome question for all senators. I think Senator Hébert, after a great deal of thought and consideration, has come to his own conclusion. I think he is in support of a noble cause, a cause that does command widespread support across the country.

One wants to arrive at a solution and one wants to deal with a problem. However, I hope that in our consideration of the problem and in our efforts to arrive at a possible solution, we cast our minds beyond the Senate itself to the fact that there is another aspect to this whole question, and that is the aspect of the attitude of the government and of the Prime Minister.

It is easy for one to say that the action of Senator Hébert is not justified on the ground that it is one person trying to impose his will on the majority, but I would remind honourable senators that we do live in a free country, and it is part of that freedom that each one of us Canadians has the opportunity from time to time to take action—whether it be workers who go on strike or organize a demonstration of one kind or another—to put forth a point of view even though it may be a point of view much different from that held by the majority. I hope very fervently that what is happening now will result in benefit to our country. When somebody says to me, as has sometimes been the case, "Why should one person set himself up in opposition to the majority?" I think of another situation.

• (1420)

I am involved in an industry that is going through very great tribulation today, the agricultural industry. Some farmers in that industry, some of whom were not very far from my home, decided that their way out was suicide and so they took their own lives. I suppose that that is their right, but it is certainly not the way out that I like to see taken. I hope that people who are considering that terrible course will reconsider and perhaps as an interim measure or as an alternative measure go on a hunger strike. If enough farmers went on a hunger strike, it would bring the problems of that industry very vividly before Canadians.

My suggestion—and I put it forward humbly—is that the Prime Minister do everything he can to bring himself to make an announcement—an announcement that in real terms is a substantial one—dealing with this whole question of youth and youth unemployment in a broad and meaningful way. I suggest that in that statement he should indicate that action will be taken in the very near future. After having established that the government is proceeding in a meaningful way, it might well be possible for Senator Hébert to rethink his position and to ask himself whether or not he has in fact accomplished something very tangible. While it might not meet the precise definition of everything he would like to see accomplished, nevertheless, perhaps he will be convinced that the announcement of broad improvements in real terms will in fact help the youth of the country. I see this proposal as a possible solution and as a possible way out, as opposed to some other solution which might be simply a Senate solution separate and apart from real and meaningful action on the part of the government.

Senator Frith: Honourable senators, I want to be sure that my position as I expressed it is understood. I was speaking to a point of order. I pointed out that among the alternatives that presented themselves was individual and collective counselling on the question raised by Senator Murray. I do not want to give the impression that if the matter is discussed in our caucus it will be the first time it has been discussed. I must also say, without speaking for our caucus, that while I am prepared to discuss it with my colleagues, I personally have no enthusiasm for any collective action by the Senate that will interfere with Senator Hébert's privileges as he is now exercising them or that will in any way go against his wishes.

Hon. William M. Kelly: Honourable senators, I would like to add a short comment to what has been discussed here. With regard to Senator Argue's comments, and perhaps at a later time, I would like to discuss the distinction I see between strikes and demonstrations and killing yourself or killing somebody else on the basis of an ultimatum. I think that is for another day. My concern today is that we are talking about a colleague.

I have mentioned in many meetings that my perception of the Senate is still based on what I see in the Senate, honourable men and women, individual people, addressing the issues of the day. I cannot agree at all with the suggestion that this be discussed by the caucuses. I find that suggestion making me restless. This is not a caucus matter; it is a matter for the Senate to consider. Senator Hébert is present. He knows my feelings because I have expressed them to him before. I am pleading with him, as are all his colleagues, to consider his life, and the value of his life. He feels strongly about this question, and I understand that.

But that is not the issue I see before the Senate; the issue before the Senate is the concern we have for a valued colleague. We should be trying to find every possible way to persuade him to continue to push this issue in every way possible, short of risking his life. That is the wrong way to go about it. That is wrong for the Senate, and the Senate will lose a valued member if he should die.

I am not persuaded by anything I have heard that we have gone beyond deciding that we, perhaps, should at least be concerned. No one has told me precisely what happens if on Thursday or Friday of this week Senator Hébert goes into some kind of a coma. Do we then have caucus meetings to decide how we should handle that? Surely, this is a time when

each of us, if he or she has not done so, should be saying to Senator Hébert: "Please reconsider your decision."

The issue is not Katimavik, the issue is Senator Hébert.

Hon. Philippe Deane Gigantès: Honourable senators, Senator Hébert has made it clear that he feels that the right of young people to better attention by society, to a role, to a job, is a right worth fighting for. In his view, it is worth laying his life on the line.

There is a precedent of a person who considered that there was an issue worth laying one's life down for, and that was Mrs. Emmeline Pankhurst who, in Britain between 1903 and 1918, went on hunger strikes to obtain a right she considered sacred, the right of women to vote. The government arrested her repeatedly and force-fed her, but when she came out of prison, she would go on another hunger strike.

I have been doing some research on this matter, and all of the arguments I have read about a hunger strike being the wrong weapon, being para-democratic, were used in that case. In retrospect, I doubt that any of us would say today that Emmeline Pankhurst was not right. She went on a hunger strike to obtain that right.

I accept that the motives of Senators Murray, Roblin and Kelly, are noble, as are the motives of everyone else. I share their concern for the health of our colleague, but I want it to be quite clear that this is a matter of Senator Hébert's making a decision, and unless he makes a decision to stop the hunger strike we are bereft of any recourse. What could we do? Force-feed him? Evict him? Isolate him? I doubt that there would be a majority within the Senate's two caucuses for any of those courses.

So, we are really in Senator Hébert's hands. I share the concern of my honourable colleagues for his health; I hope that his health will be preserved, but I do not see how we, whether we meet in separate caucuses or whether we meet in the Senate as a committee of the whole, can find any solution that is not utterly dependent on Senator Hébert's changing his mind.

[*Translation*]

PETROLEUM INCENTIVES PROGRAM ACT

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-85, to amend the Petroleum Incentives Program Act.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(*f*), bill placed on the Orders of the Day for second reading later this day.

[Senator Kelly.]

• (1430)

[*English*]

APPROPRIATION BILL NO. 4, 1985-86

FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-101, for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March 1986.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(f), bill placed on the Orders of the Day for second reading later this day.

[*Translation*]

APPROPRIATION BILL NO. 1, 1986-87

FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-102, for granting to Her Majesty certain sums of money for the government of Canada for the financial year ending the 31st March, 1987.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(*f*), bill placed on the Orders of the Day for second reading later this day.

[*English*]

PETROLEUM INCENTIVES PROGRAM ACT

REPORT OF ENERGY AND NATURAL RESOURCES COMMITTEE ON SUBJECT MATTER OF BILL C-85

Hon. Earl A. Hastings: Honourable senators, I have the honour to table the fourth report of the Standing Senate Committee on Energy and Natural Resources respecting the subject matter of Bill C-85, an Act to amend the Petroleum Incentives Program Act.

Hon. Duff Roblin (Leader of the Government): Honourable senators, in view of the fact that this bill will be discussed later this day, would the chairman consider it advisable to have that report read?

Senator Hastings: Honourable senators, I thought it was normal procedure for the Clerk to read the report when it was tabled.

A Clerk at the Table:

Tuesday, March 25, 1986

The Standing Senate Committee on Energy and Natural Resources has the honour to present its

FOURTH REPORT

Your Committee, to which was referred the subject-matter of the Bill C-85, intituled: "An Act to amend the Petroleum Incentives Program Act", has, in obedience to the Order of Reference of Wednesday, March 19, 1986, examined the said subject-matter and now reports that it recommends that the said Bill, when examined by the Senate, be favourably considered.

Respectfully submitted,

EARL A. HASTINGS
Chairman

GREEK INDEPENDENCE DAY

On Notices of Inquiries:

Hon. Efstathios William Barootes rose pursuant to notice of Thursday, March 20, 1986:

That he will call the attention of the Senate to Greek Independence Day.

He said: Honourable senators, it is my privilege and honour to draw the attention of this honourable chamber to the fact that today is Greek Independence Day.

Hon. Senators: Hear, hear.

Senator Barootes: It is the commemoration of that day in 1821 when Greece, under the courageous leadership of Mr. Kolokotronis, a famous warrior, threw off the yoke of the Turkish Ottoman rule.

This past weekend, with an enthusiasm and an emotion that typifies the Greek spirit, the occasion was celebrated in virtually every city in Canada with parades, rallies, dinners, speech-making and a variety of patriotic gestures, not by just Hellenic Canadians but by all Canadians.

Last Saturday in Toronto I was privileged to participate in a parade on Danforth Avenue comprising thousands of fellow Greek-Canadians and witnessed joyfully by overflowing crowds in the tens of thousands. It was a most colourful and patriotic demonstration of the Greek tradition woven into our Canadian tapestry.

In the parade later on the Toronto streets, and that evening at a dinner in a Toronto hotel, it was pleasing to see so many members of Parliament, members of the Ontario Legislature, and political figures from all levels of government, and of all parties in this country, congregating so wholesomely with the Ambassador of Greece, with the Greek Consulate officials, and with Bishop Sotirios of the Greek Orthodox Church of Canada—as well as with many other community leaders of Greek ethnic origin.

Similar commemorative exercises are being held in centres across Canada. Today at noon, in a striking and colourful ceremony, there was the raising of the Greek flag at Ottawa City Hall in the presence of many local dignitaries.

It is of some significance to note that today Greek-Canadians exceed the figure of 250,000 and constitute one per cent of our Canadian population. As honourable senators would expect, their consistent loyalty to western democratic causes has resulted in their assuming an increasingly important role in our society: in business, in municipal, provincial and federal affairs, in the various professions, the judiciary, and in all elements of our community life.

I personally look forward with great anticipation and great pride to the leadership and contribution which the coming generation of this group will bestow on the progress of our country.

Honourable senators will be pleased to know that on April 12 and 13 of this year we will be marking the formalization and founding of a national Hellenic-Canadian congress in Ottawa-Hull, bringing together under one umbrella organization several hundred individual Greek-Canadian societies, community groups, fraternal, church and self-help organizations, as well as ethnic schools and many other Greek institutions. I am pleased to say that this Congress has been encouraged by the Government of Canada and that a grant from the multicultural department has been awarded to assist with its founding. Henceforth, this Congress will be able to represent and deliver the views and advice of a consensus of Hellenic Canadians to our governments with a formal and unified voice.

● (1440)

Honourable senators, I need not dwell with you on the glories of Greece, nor do I need to reflect on her contributions. Mankind and civilization have recognized most generously the contribution made by ancient Greece and by its Golden Age to the classics, to the arts, to sculpture, to architecture, to literature, to poetry, to science and medicine, to philosophy, reason and thought and even, unfortunately, to warfare and conquest. Indeed, Greece formulated the very substance of modern civilization.

Perhaps the most prized of Greek traditions and heritage which was contributed was the basis of free, elected and democratic government. That, honourable senators, is why this day, March 25, is so important to Greeks and, indeed, to all of us because, despite Greece's devotion to democracy, she was for hundreds of years subjected to external rule by an autocratic and despotic regime. That is why the relief of that oppression by the courageous leader Kolokotronis, deserves—may I say demands—of Greeks everywhere and of all people in all countries; all people who believe in democracy, that they observe this day with celebration. It symbolizes that the cradle of democracy cannot be overturned and suffocated by totalitarianism.

The modern history of Greece is not as happy as that of ancient times. She has suffered many problems: invasions, occupations, dictatorships and economic difficulties. But always she has returned triumphantly and gratefully to democratic regimes, although frequently poorer and saddened by her experience.

So, honourable senators, in that vein I close by recalling the lament of Ulysses in Alfred Lord Tennyson's immortal and prophetic poem: Immortal because of its timeless beauty of

expression; prophetic because it applies as much today to Greece as it applied to the aging hero of its title:

> Tho' much is taken, much abides; and tho'
> We are not now that strength which in old days
> Moved earth and heaven; that which we are, we are;
> One equal temper of heroic hearts,
> Made weak by time and fate, but strong in will
> To strive, to seek, to find, and not to yield.

The Hon. the Speaker: Honourable senators, I would like to point out to Senator Barootes that, in the order of business, we were at Notices of Inquiries. However, as no honourable senator objected, I let him continue.

Hon. Royce Frith (Deputy Leader of the Opposition): I only want to bootleg my congratulations to Senator Barootes on his intervention and also on the occasion that he celebrated in that intervention. On a point of order, I would mention that the notice of his inquiry appeared towards the end of the order of business, under "Inquiries", and we were all looking forward to hearing it under that heading. I would like the record to show that that is normally where we would have heard it.

Senator Barootes: Honourable senators, I apologize for my intervention at the improper time.

Hon. Philippe Deane Gigantès: It was a most proper intervention, however, and although Greeks have traditionally been disunited, those things on which Senator Barootes and I are united far outnumber those on which we are disunited. I was delighted when the Prime Minister appointed him to the Senate. It felt a little lonely being the only Hellene in this chamber and now there are two of us.

The Hon. the Speaker: If no other honourable senator wishes to speak, this inquiry is considered debated.

QUESTION PERIOD

[*English*]

YOUTH

GOVERNMENT POLICY

Hon. Royce Frith (Deputy Leader of the Opposition): The question of the government's policy on youth is still a very active one in this country. I am hoping that by putting a question to him, I will give the Leader of the Government in the Senate the opportunity to clarify the government's policy on one aspect of the question of youth unemployment and the situation of Canadian youth.

My question is prompted by some apparent disagreement between the Secretary of State and the Prime Minister. I understand from reading the transcripts in the other place, and their quotation in the press, that Mr. Bouchard—and in fact I heard him on television yesterday—stated that the government will not be able to announce a new youth policy by April 1.

Last Friday, in the *House of Commons Debates*, at page 11743, the Prime Minister, in answer to a question by the Leader of the Opposition, said:

> I said in the house three weeks ago, on March 3, and I said it again on March 11 and in other circumstances even before this matter was raised, that the Government intended to take action at a given time, towards the end of the fiscal year.

That is in comparison with Mr. Bouchard's saying that he will not be able to take action before the end of the fiscal year. I ask the Leader of the Government in the Senate whether that contretemps has been resolved in the meantime and, if so, can he tell the Senate what the resolution is?

Hon. Duff Roblin (Leader of the Government): I suspect that the difference of opinion is more apparent than real, but I am not able to elucidate it at the present time.

Senator Frith: Will the Leader of the Government be able to obtain that information for us before we adjourn tomorrow?

Senator Roblin: I have a hunch that it might be discussed in the House of Commons this afternoon, which might give me an opening on the matter.

Senator Argue: Would that be a government hunch or an opposition hunch?

Senator Frith: Perhaps the Leader of the Government could also obtain for us an explanation for another statement made by Mr. Bouchard in which he says:

> We have only been working on this problem for one month and I don't believe it's possible to have something in terms of March 30.

March 30 was covered in my first question, but my question out of that statement is that I had understood that the government was giving very high priority to this matter. How is that reconciled with the fact that, as the Secretary of State says, the government has only been working on this problem for one month?

Senator Roblin: I do not know what the minister meant when he made that statement, but I do know that with respect to questions of youth the government has been working strenuously for some time and I can report to the house that, in addition to the success of the job entry program which I spoke about on Thursday of last week, in which some 9,000 young people who are in classes usually difficult to employ have been put into training positions with very sound prospects of its leading to permanent employment,—in addition to that program, which is particularly noteworthy, I should also report to the house that there are some $700 million in the present budget for training and employment qualifications for youth. This covers in excess of 200,000 young people, so that is a pretty significant program to have working.

There are a number of other programs which are effective. There is a financial assistance program to help students start businesses; there is a co-operative education option which, it is thought, will help approximately 40,000 young people to obtain jobs in the private and public sectors in which the

educational factor will be significant. There is the Challenge 86 Program which is going to be operating this summer and will employ about 100,000 young people. So it would not be true to say that the government is not taking this problem seriously.

● (1450)

Now, we all know that there are never enough programs of this kind. I make no bones about that. I do know that, as I have said in this house before, youth employment has improved. It has improved by around 73,000 new jobs in the last 18 months or so. That still leaves a very large number unemployed, but it does represent progress when you consider that we lost about a quarter of a billion jobs during the late unlamented depression, so catching up on that and overtaking it certainly represents quite a change in the situation in the last little while.

So, while I am not going to maintain that the problem has been solved, because it has not, I am going to maintain that the government has taken a very serious view of this matter and has launched programs which we think will be very effective. Probably the Secretary of State is looking for other initiatives and, if so, I certainly hope he finds some.

Senator Frith: Well, honourable senator, that answer and those comments do certainly focus on the very statement that I was referring to. The statement is: "We have only been working on this problem for one month."

So will he find out what it is that the minister meant by "this problem"? In light of what the Leader of the Government has said, I take it that he has been working on some problem for more than a month to produce the results that were described by the leader, so it must be some other problem. Will he find out what other problem it is that he has only been working on for that month, because that might give some encouragement to youth and others who are very concerned with more action than that described?

Senator Roblin: Well, quite evidentally the problem that I have described was not invented in the last month. It was a product of quite a long period of study—

Senator Frith: Thank you.

Senator Roblin: —and it has been the product of a reorganization of the services to youth to try to target them more closely on training for jobs which might be available, and for placing them in jobs. Everybody knows that is not an exact science—it is very difficult to do that, but the whole emphasis of the program is now on that practical side of: "Can we fit these young people for permanent jobs and can we slot them into permanent, and, one hopes, satisfactory jobs?" It is a very tough assignment. We are working as best we can to get it moving and to have it come into effect. I have given some figures in respect of it.

What the minister had in mind when he talks about the problem I frankly do not know, but I have no objection to asking him to let me know.

ENERGY

OIL PRICING

Hon. H.A. Olson: Honourable senators, I have a question for the Leader of the Government in the Senate related to the economic situation of the oil and gas industry in Canada. The Leader of the Government knows that I have asked a number of questions about this. He has replied by saying that the government are interested and they have a watching brief. One particular meeting of great significance, namely the OPEC meeting, has taken place in Geneva. I think it has gone on over the last nine days. It was originally scheduled to be only three days, so it has been extended for a number of days in a very intense effort to find some solution. I am sure that the government was looking at that, too. Now, however, that meeting has been adjourned.

Up until the adjournment, Sheik Yamani gave some indication of his projections. It was reported that when he was asked what might happen now and what might be the prospects for some progress being made at the reconvening of that meeting—which I think is on April 16—he just looked at the ceiling and said nothing. Therefore, the oil industry is now in the situation where no one is getting any guidance as to what might happen. Oil prices are continuing to fall and, indeed, we know that the Imperial Oil Company of Canada has announced the cutting of an additional 1,800 jobs. We know that Syncrude announced in the last few days another $200 million cut in their projected renovation and expansion with the consequent reduction in the number of jobs involved.

Can the Leader of the Government now, after all these developments and all the time they have had to look at it, give us some indication of what the government's view is and what it is prepared to do to assist in the situation in that thousands of people involved in this sector are very, very, apprehensive about their jobs and their means of earning an income?

Hon. Duff Roblin (Leader of the Government): Well, my honourable friend is asking me to tell him what the future course of oil pricing is to be. I find that a hard question to answer. The last time we took a run at forecasting the price of oil we said it was going to $50 a barrel; or was it $60 a barrel?

Senator Hastings: A hundred. The Premier of Alberta said a hundred.

Senator Roblin: That was what all the wise men were saying then. The result of that old assumption was that we entered into a National Energy Policy which everybody pretty well now agrees was not the best idea. I think probably the Senate committee agreed it was not the best idea. Anyway, a lot of people were glad to see it go. Now we have the opposite problem; we are worried about how far the price will go down. Well, I don't know, but one of the writers in the *Globe and Mail* knows because he said:

> These low prices are an aberration and will explode in the faces of those who expect them to last for the years to come.

Well, maybe that is true and maybe it isn't—I don't know. I can tell you that it would be unwise to try to base a long-term

policy, or even a short-term policy, on a forecast of the price of oil in these very uncertain times. I do not think the government is going to do that. I would point out that there are reasonable expectations that we will come closer to $22.50 per barrel than we stand at the present time.

It is perfectly true that OPEC met—and it was an inconclusive round—but they did one thing, they took step one. Step one was to agree to restrict output, to limit production.

Senator Olson: Restrict production?

Senator Roblin: Yes, 14 million barrels a day was the figure that they agreed to produce, which would be a reduction from some 17 million, or whatever it is today.

They have agreed, according to reports that I have seen, that their own output should be limited in the amount that I have stated. But, as my friend says quite rightly, they did not agree how to share the cuts. That will be the next step. They are meeting in the middle of April to consider that, and we will see what happens.

I make absolutely no forecast about that. I simply observe that, according to the bulletin issued by the Standing Senate Committee on Energy and Natural Resources, the price war has backfired and that the OPEC producers are stealing market share away from each other. OPEC, in total, has gained little world market share, but has lost close to 50 per cent of its revenue. That tells me that the game is not over yet. That tells me that we must not expect that nothing more will happen. It tells me that the odds are that something will happen and that we will find the price of oil stabilizing at a higher price than $12 or $14 a barrel, as it is today.

● (1500)

What should the government do while these events are taking place? I think it is very difficult to make the case that the government should rush in.

Senator Olson: Rush in—in three months?

Senator Roblin: I have been making this position clear all along. I think we have to wait until oil prices stabilize before we enter into issues of this sort.

Senator Hastings: OPEC sets the policy.

Senator Roblin: OPEC sets the world oil price; that is for sure, and when we get out of step with the world oil prices there are consequences which are not fully appreciated at the time we do it. I think we should be very careful before we do it again.

The government is having pretty well continuous consultations with the provinces and with the industry in order to monitor this situation. I think that is the correct course to follow at the present time.

Senator Olson: Honourable senators, relying on the writer from the *Globe and Mail*, I have to say, with all due respect to at least one senator, that I really am not interested in what his projections may be. I am interested in what the government's view is of its responsibilities to deal with the jobs that are being lost in this industry.

[Senator Roblin.]

All the other comments the Leader of the Government has made may be interesting, but they do not deal with the question. There are thousands of people in Alberta today who have lost their jobs or who are about to lose their jobs. They are in a most anxious position as to what this government is going to do to assume its responsibility toward that sector of our economy.

The only thing I can take out of what the leader has said is that this government is prepared to do absolutely nothing except stand back and watch those jobs disappear and all the anxiety that goes along with that.

The Leader of the Government says they are not going to rush in because it is better to stand back. They have not rushed in. They have announced absolutely no policy to deal with this situation in spite of the fact that it is now close to three months since this situation began to unfold.

I really was not asking the minister, if I may be permitted to say, to look into his crystal ball, because all of us can do that. I am asking: What is the government's response to the people who are so desperately hurt in this situation and when is it going to face up to its responsibility to govern this country properly?

Senator Roblin: My friend is really advancing a proposition that the government should intervene in the market any time someone runs into trouble. There is no doubt that this is a very serious problem in the oil industry. If I were to follow his argument to its logical conclusion, the government would be a lot more interventionist in other spheres of the economy than it is now.

I say that the instability of the oil industry is such that policy cannot be sensibly developed at this time until the matter settles down and we see where these prices are going to go.

Senator Olson: So, I can report to those who have made inquiries of me that the government intends to do nothing and that their economic well-being is going to depend on OPEC, and in particular on one or two leaders in OPEC, rather than on the government that they hoped was governing Canada.

Senator Roblin: My honourable friend can tell his friends whatever he pleases.

Senator Olson: I want to report accurately.

Senator Roblin: We can be certain that he is going to put the most unfavourable interpretation on what I say, and there is nothing I can do to prevent him from doing that. No doubt, he will have a great deal of fun doing it.

I can tell him that the present government is consulting with the provincial governments and with the industry with a view to seeing if, when and what steps should be taken. Until we have some development of that situation, I am not concerned what my honourable friend tells his friends.

Senator Olson: The Leader of the Government has a responsibility to respond to questions in this chamber.

Senator Flynn: It all depends on whether it is a question or a comment.

Senator Olson: Senator Flynn always has some comment. I am putting forward a serious question. People require some answers regarding the attitude of this government. There happens to be 21 members of Parliament, all of whom are Progressive Conservatives, from Alberta, and they have never raised their voices in the other place in response to the very serious economic difficulties that many people in Alberta are facing; so, I am doing it in this chamber.

I believe the Leader of the Government has an obligation to report or, at least, to respond to those questions so that we can have some indication of what the attitude of the government is.

I want to tell the Leader of the Government, without any reservation at all, that I take no pleasure, to use his words, in reporting unfavourably. I will report this exchange accurately. So far, however, I have not heard one indication as to what the government intends to do other than to sit back and look into its crystal ball.

Senator Roblin: It is most amusing to hear my honourable friend speak, particularly with reference to the members from Alberta, because not only was he a member from Alberta but he was a member of the cabinet when they introduced the National Energy Program which destroyed jobs and brought that economy crashing down.

Senator Olson: That is your opinion.

Senator Roblin: What protest did he ever make about that particular event when he was sitting around the cabinet table? What protest did he make when the economy of Alberta was crumbling? If he said anything, it did not reach the outer walls of this chamber. It certainly was not a protest that hit the newspaper or was known to me. Of course, I cannot say that he sat there and accepted it, because I do not know that. Reading the paper today, I see that the National Energy Program was never discussed with my honourable friend; so, perhaps, I am blaming him for something for which he is not responsible, but his government put it in place and he did not object to it after it came in; he defended it. He is not on very solid ground now when he raises this issue and points his finger at some other parliamentarians because he does not like what they did. Well, I do not like what my honourable friend did.

Senator Olson: Honourable senators, that is the most ridiculous dressing down I have ever heard because it is inaccurate. It is a ridiculous statement because there were a number of things in the NEP that I am sure we will get into later. No doubt, we will get into a discussion on Bill C-85 later today, so we will have some more to say about it then.

Senator Flynn: It is about time you entered the debate.

Senator Olson: I would like my honourable friend to understand that there are 21 members from Alberta who have not once raised their voices. I know that because I watch the debates on television and I read the *Hansard* from the other place, too. I can tell him, without any hesitation at all, that we would like to know where those members stand on this question.

Senator Argue: They sit.

Senator Olson: There is another point which my honourable friend seems to have failed to pick out of the newspaper, and that is, however bad this situation may have been when we went through the last depression starting some time in 1981, the predictions are that it is going to be a whole lot worse this time. In fact, it is already a lot worse. The honourable Leader of the Government has not much to stand on with respect to that statement.

Senator Flynn: Senator Olson has not, as yet, said anything that is worth noting.

Senator Olson: If Senator Flynn is talking about the Leader of the Government, he is quite right; he has not said anything yet that is worth noting.

Senator Flynn: You have said nothing.

Senator Olson: Senator Flynn ought to know that the purpose of asking questions is to get information, not give it.

Senator Flynn: It is not to make speeches either.

Some Hon. Senators: Oh, oh.

Senator Frith: Glass houses, stones and all that sort of thing.

Senator Olson: Isn't it wonderful how some tigers can change their stripes?

The point I want to make to the Leader of the Government, and it is for him to answer, is: He is now saying that he is not giving any indication of what the government intends to do; so, all those people who are under economic stress at the moment can expect the government to just sit back and do nothing.

Senator Roblin: If my honourable friend goes out to Calgary to tell them about this, I hope he reminds them of the part he played in their previous catastrophe—

Senator Hastings: Prosperity.

Senator Roblin: —namely, the National Energy Program. I hope he will take the trouble to defend what he is doing in Alberta these days, because I venture to think they will find that record pretty poor.

Senator Olson: I can tell my honourable friend that there are some aspects of the National Energy Program that are looking more and more favourable as the days unfold.

• (1510)

Senator Roblin: That is an opinion with which I find myself in complete disagreement.

Senator Olson: But the oil companies don't.

Senator Roblin: I think the oil companies were very pleased to see the end of the NEP, very pleased, indeed.

Hon. Hazen Argue: Honourable senators, I would like to ask a supplementary question. With great respect to the Leader of the Government, I do not think that the NEP or history bears on this question. My question is: Can the government explain or is the leader prepared to explain why refineries in Canada are selling gasoline for export to the United States as low as 19 cents per litre and are charging Canadian gas stations 26 cents per litre? These figures come from the "Oil Buyers Guide"

which I take to be pretty authentic and almost the bible of the oil industry. Why should Canadian gas station operators be required to pay 26 cents per litre when Americans get the same gasoline for 19 cents per litre?

Senator Frith: It is all the fault of the NEP!

Senator Roblin: This matter has nothing to do with the NEP.

Senator Frith: Good!

Senator Roblin: It has a lot to do with the oil companies. If my honourable friend will send me the paper that he is reading from, I will see what information I can get on the matter.

Senator Argue: I shall send the paper over, and I will be looking forward to the information. The accusation is that oil refineries are charging Canadian gas station operators 26 cents per litre while the same gasoline is being sold for export at 19 cents per litre. Is it also correct that these same major companies are paying the Canadian small independent producers less for crude oil than what small independent producers are receiving in the United States? In other words, does the small producer in Canada, in fact, receive less for his crude oil than an independent small producer in the United States?

Senator Roblin: Honourable senators, thousands of small producers in the United States have closed down.

Senator Argue: That is not the question.

Senator Roblin: I know that it is not the question, but it bears on the issue. If my honourable friend will give me the facts that he is relying upon, I shall try to find out something about the matter.

Senator Argue: I shall certainly see that the leader gets the facts as they are quoted in the newspaper, and I will be looking forward to his reply tomorrow.

Senator Roblin: You will not get it tomorrow.

Senator Argue: I will certainly not get it after tomorrow.

Hon. Earl A. Hastings: Honourable senators, I have a supplementary question. In listening to the reply of the distinguished Leader of the Government, I could not help thinking of the great pilgrimage through Alberta in July 1984 when it was said that 300,000 jobs would be created, that there was a $3 billion extension to the tar sands and that a new upgrader would be built at Lloydminster. It was all pie in the sky and merely said to elect the leader of that pilgrimage, Mr. Brian Mulroney. The people of Alberta did elect him and they are now wondering where those 300,000 jobs are in light of the performance of this government.

Senator Flynn: Question!

Senator Hastings: My question is to the Leader of the Government in the Senate. IPAC, the Independent Petroleum Association of Canada, is celebrating its twenty-fifth anniversary today in Calgary. It represents the small oil companies in the province of Alberta and has provided 25 years of service to the industry and to the people of Canada. The association will hear from two distinguished speakers, Mr. Dalton Camp and Mr. Hugh Segal—

Some Hon. Senators: Oh, oh!

Senator Frith: On division as to both gentlemen.

Senator Hastings: —who will probably enlighten them on government policy. Has the leader nothing to offer that association at this particular time under these circumstances, except that the government is watching the prices of OPEC oil? Does he not have any plan, anything in place to give this association some hope for the future so that it may cope with the very difficult circumstances it is facing now?

Senator Roblin: I was interested to hear the reference to mega projects, as my honourable friend, when he was over here, used to entertain us, used to regale us with the list of mega projects that he had. One of these days I will look them up and see what happened to them.

Senator Doody: Where is the Lower Churchill?

Senator Hastings: They are all there.

Senator Roblin: I am not so sure that they are all there.

Senator Argue: You lost them.

Senator Roblin: If my honourable friend expects me to compete with Messrs. Camp and Segal, that is the wrong arena. I cannot compete with them.

Senator Hastings: So, the Leader of the Government has no message for the oil industry of Alberta, except that the government is watching the price of oil from day to day?

Senator Flynn: That is the same question over again.

Senator Hastings: It gets worse.

Senator Roblin: Honourable senators, that is about the third or fourth time I have been asked that question, and I give the same answer.

Senator Argue: Honourable senators, I have a supplementary question. Will the Leader of the Government in the Senate give us any indication of what action the government may be taking to encourage a reduction in the price of gasoline to Canadian consumers at the pumps? What is happening there?

Senator Flynn: Which side are you on?

Senator Argue: I am not in favour of big oil companies gouging consumers.

Senator Hastings: Which side are you on?

Senator Argue: That is exactly what they are doing. A further statement in the same news article to which I referred earlier says that this gouging is handing to the big oil companies an extra $275 million a month to which they are not entitled. My simple question is: What action is the government taking to encourage a reduction in the price of gasoline at the pumps?

Senator Roblin: I shall consult with my colleague, the Minister of Energy, Mines and Resources, and find out what she is up to.

Senator Argue: You should do more than consult with her, but I will not suggest what you should do.

YOUTH

GOVERNMENT POLICY

Hon. Joyce Fairbairn: Honourable senators, I have a supplementary question to that concerning youth asked a few minutes ago by the Deputy Leader of the Opposition. I listened carefully to the exchange he had with the Leader of the Government. The government leader spoke of initiatives other than job creation, or job training initiatives that were under discussion. Indeed, the Minister of State (Youth) herself indicated not so long ago—I believe, in the House of Commons—that a new program was being developed by the government which had an element that was not particularly related to job creation.

My question to the Leader of the Government is: In a situation where there is a gap, as members of the Youth committee became aware, for a great number of young people in this country who are really in no position to enter the job market because of confusion, lack of confidence, and a whole variety of reasons, and if there is the political will to deal with the problems of these young people, and since there is already in place a structure to deal with these kinds of problems—that is, Katimavik—is the government still open to give consideration to an extension of the use of that structure—even along the lines suggested in the report of the Special Senate Committee on Youth—to deal with young people who are not yet in a position to enter the job market?

Hon. Duff Roblin (Leader of the Government): Honourable senators, there is one thing about the report on youth that has puzzled me. There may be an answer, but I do not know it. In reading through the report, I found no reference to what the government is doing now, or, if there were any, they were rather scarce. For example, I do not believe the Department of Employment and Immigration was consulted about the programs that it has, some of which I have been trying to explain today. I do not think the Department of Indian Affairs was consulted about their programs, which are not entirely employment oriented but, most probably, are culturally oriented for a large number of young native people in the country who require our support and our assistance. This has puzzled me. If one reads through the report, one would get no idea at all that anything is being done. From my point of view, I think it would have been more helpful if there had been a balanced survey of the situation to take into account the initiatives the government has already undertaken.

My friend has asked me whether the government is willing to consider other new ideas. Yes, we are. Of course, we are. As a matter of fact, we are carefully examining the report on youth which, regardless of its defects, whatever they may be, is a valuable document. In the course of time when the implications have been suggested, I suspect the government will be making a statement as to its reactions to the proposals made therein. I certainly hope that we can find something upon which we can agree that should be done.

FOREIGN AFFAIRS

MIDDLE EAST—GULF OF SIDRA—UNITED STATES-LIBYA CONFLICT—SAFETY OF CANADIAN NATIONALS

Hon. Peter Bosa: Honourable senators, I wonder if the Leader of the Government in the Senate is in a position to share some news with the Senate in relation to the hostilities that broke out in the Gulf of Sidra and, more particularly, with respect to the safety of the 1,300 Canadians who are living and working in Libya.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I can offer some comments on that very disturbing development.

The Secretary of State for External Affairs has made a plea to both parties to avoid doing anything that might exacerbate or inflame the situation. He has asked them to exercise the greatest of caution to get the issue resolved in a more peaceful way.

The Canadian ambassador in Tunis, or a representative of that embassy, is proceeding to Libya—I think that representative is there now—with a view to satisfying himself as to the welfare of the 1,500 Canadians who are working and living in that country. The information we have at the present time is that they are not in any difficulty, and certainly are not in the area of the coastline involved in recent incidents. We do not really expect there will be serious problems with respect to their comfort and safety. But we will have someone on the spot to make sure that we have the best information possible.

CANADA-UNITED STATES RELATIONS

SUMMIT MEETING IN QUEBEC CITY—INVITATIONS TO GALA PERFORMANCE—REQUEST FOR ANSWER

Hon. Philippe Deane Gigantès: Honourable senators, I should like to have an answer to a question I asked almost one year ago. If the Leader of the Government has provided the answer, I apologize; I must have missed it.

At that time I asked the Leader of the Government in the Senate whether the Leader of the New Democratic Party had been invited to the Gala Performance in Quebec City on the occasion of the so-called Shamrock Summit. I still have not received an answer.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I take note of the fact that my honourable friend wants to know if the Leader of the New Democratic Party was invited to the Gala Performance at the Shamrock Summit held in Quebec City last year. No doubt, that information is available and I will look it up.

Senator Argue: For once he used good judgment and did not go.

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have some delayed answers to questions.

SUPPLY AND SERVICES

"HOW CANADIANS GOVERN THEMSELVES"—UNAVAILABILITY OF BOOKLET

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 12 last by the Honourable Senator Molgat regarding Senator Eugene Forsey's booklet "How Canadians Govern Themselves"—Unavailability of Booklet.

(*The answer follows:*)

When the Canadian Unity Information Office was dismantled, the Secretary of State Department continued to distribute the remaining publications, among them, the booklet by Senator Forsey "How Canadians Govern Themselves", until stocks were depleted. Since all of the CUIO materials had been distributed free of charge, budgetary restraints now prohibit such free distribution.

The minister reports, however, that the Canadian Government Publishing Centre has requested the Department of Secretary of State to have the manuscript updated, so that this very useful booklet can be republished and made available to the public again, probably during the coming fiscal year. It would be sold at a moderate price intended to recover the production costs.

ENERGY

INTERNATIONAL OIL PRICING—AGENDA ITEM AT ECONOMIC SUMMIT

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 13 last by the Honourable Senator Austin regarding Energy—International Oil Pricing—Agenda Item at Economic Summit.

(*The answer follows:*)

The final agenda for the Tokyo Economic Summit has not yet been established, but world oil price developments will certainly be an element in the discussions.

The volatile movement of oil prices makes it very difficult at this time to estimate their effect on the energy industries of Western countries. It can be said with confidence that the overall effect of lower oil prices on Western economies will be positive though oil producers will experience serious problems during this period of uncertainty.

It may be expected that oil prices will stabilize at prices somewhat higher than those presently prevailing.

The Government of Canada has recently deregulated oil prices, after full consultations and with the agreement of the producing provinces and the industry. All concerned agreed that the free markets provide the best framework for the Canadian energy industry to operate. That view is shared by our Summit partners.

[Senator Argue.]

CANADA-UNITED STATES RELATIONS

BILATERAL TRADE NEGOTIATIONS—PARTICIPATION OF PROVINCES—STATEMENT BY PREMIER OF ONTARIO

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 19 last by the Honourable Senator MacEachen regarding Canada-United States Relations—Bilateral Trade Negotiations—Participation of Provinces—Statement by Premier of Ontario.

(*The answer follows:*)

The Federal-Provincial Continuing Committee on Trade Negotiations chaired by Ambassador Reisman has met three times and a subcommittee has met once. The SSEA has been informed that this committee has made good progress on substantive concerns, that they have discussed priorities and objectives for the negotiations and have delved into a number of issues in some detail. In addition, they have begun an ambitious work program to develop a common base of facts and analysis. The work of this committee has been confidential on the agreement of all participants in order that discussions be frank and full. This is part of the ongoing federal-provincial consultative process.

When Premier Peterson made his comments last month, he suggested Ottawa should put forward specific proposals on how it will proceed in trade negotiations, that we should move from general principles to specific proposals. In doing just that, we want the benefit of full discussions with the provinces and the private sector consultative committees. Through these federal-provincial discussions, the federal government is working to develop positions which take into account provincial interest. Ontario is part of that process. If the Ontario government feels that it is time for specific proposals, one would assume that they would bring their views to the CCTN table and propose specific approaches which would be fully discussed by all provinces and federal officials.

THE BUDGET

OIL PRICING—LOSS OF REVENUE

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on March 6 last by the Honourable Senator Frith regarding Oil Pricing—Loss of Revenue.

Hon. Royce Frith (Deputy Leader of the Opposition): May I have the answer read?

Senator Roblin: Certainly.

The instability of the oil market at the present time makes forecasting oil prices very difficult.

For the February 1986 Budget we assumed that international oil prices would stabilize at $22.50 U.S. for the last three quarters of 1986. The economic outlook document acknowledged the largely downward pressures on this assumption.

If energy prices turn out to be lower than assumed, such as the U.S. $13-$15 price suggested by the honourable senator, then in the very short term this would have a negative impact on the federal deficit due to lower corporate profits in the upstream oil and gas sector and lower PGRT revenues.

However, lower energy costs will provide a boost to other sectors in the economy—for example, consumption and housing would be stronger, and production costs would be lower in most industries. Overall the economy would be better off and the federal deficit would be lower over the medium term.

The negative impact on the federal deficit would therefore be temporary, lasting perhaps only one year.

IMPACT OF PROVISIONS ON FIREFIGHTING PERSONNEL AT AIRPORTS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on March 6 last by the Honourable Senator Lucier regarding Impact of Provisions on Firefighting Personnel at Airports.

Hon. Paul Lucier: May I have the answer read?

Senator Roblin: Certainly. I am nothing if not agreeable.

Crash Firefighting and Rescue Services (CFR) are provided at Transport Canada owned and operated airports, in line with established standards which approximate the International Civil Aviation Organization recommended practices and guidelines. Resource requirements—both person-years and equipment—are determined by considering the number of movements associated with the longest and widest aircraft which frequent an airport on a regularly scheduled basis, based on the past 12 months' statistics.

In accordance with the aforementioned methodology, levels of CFR services are adjusted to meet the airline industry trends. There is no intention of reducing levels of CFR protection at airports below that of the established standards.

[*Translation*]

PARLIAMENT

STANDING JOINT COMMITTEES—PROPRIETY OF COMMONS REFERRALS—SPEAKER'S STATEMENT

The Hon. the Speaker: Honourable senators, on March 11 Senator Frith asked the Chair to look into the proper procedure to be followed when a chamber wants to refer a matter to a joint committee.

The senator mentioned two messages from the House of Commons, one of which informed the Senate that Privy Council Vote 15 was referred to the Standing Joint Committee on Official Languages, and the other that Parliament Vote 10 was referred to the Standing Joint Committee on Parliament. As yet, no decision has been made with respect to the two messages that were dated Thursday, February 27, 1986 and received by the Senate on Tuesday, March 4, 1986.

In the case of the first message, the reference was to an existing joint committee, namely the Standing Joint Committee on Official Languages. The second message, however, mentioned a joint committee that has yet to be established. As honourable senators are aware, the House of Commons asked the Senate to unite with the House to form a joint committee that would be called the Standing Joint Committee on Parliament. This proposal, which appears in a message from the House of Commons dated February 27, 1986, was received by the Senate on the same day as the other two messages. The proposal is now being considered by the Committee on Standing Rules and Orders.

The message from the House of Commons with the proposal to set up a Standing Joint Committee on Parliament ends with a request that the Senate unite with the House "in order to give full effect" to the proposals contained in the message. However, the messages that gave rise to the question raised by Senator Frith contained no request for the consent of this chamber. The Senator drew the attention of the Chair to this omission and asked whether it was possible, correct and orderly for the House of Commons to refer something to a joint committee and simply to advise the Senate subsequently, without asking for prior consent by this chamber.

Honourable senators, it is not among my prerogatives as Speaker of this chamber to comment on a procedure followed by the other chamber. However, since a joint committee is a creation of both chambers, I feel it would be entirely in order for me to review, for the information of honourable senators, some of the basic rules that apply to joint committees.

[*English*]

The most obvious rule with respect to the powers of any parliamentary committee is that it has exactly the powers given to it by the house or houses that created it, no more and no less. It follows that the first place to look for the powers of a particular committee is in the resolutions of the relevant house or houses that established the committee. Only when these resolutions or other resolutions in the form of applicable rules, standing orders or orders of reference of either or both houses are not helpful does one then rely upon the principles that otherwise govern.

With regard to the powers of joint committees, it is a basic principle, as stated in *May's Parliamentary Practice* (20th edition), at page 732, that a joint committee

> —has only such authority, and can exercise only such powers, as have been conferred upon it by the two Houses concurrently, nor can the powers of a joint committee be enlarged by an order of one House alone . . . For a joint committee to act on an authority which had been delegated to it by one House only would be *ultra vires*.

• (1530)

With regard to instructions to joint committees, May, at page 733 of the same edition, comments as follows:

> A mandatory instruction can be given to a joint committee only with the concurrence of both Houses. If either House gives a mandatory instruction to a select committee appointed to join with a committee of the other House, but no corresponding instruction is given by the other House to its committee, the instruction . . . is not binding on the joint committee, as a committee.

Citation 760(2) of *Beauchesne's Parliamentary Rules and Forms*, (5th edition), supports May in the following terms:

> "(2) A mandatory Instruction can be given to a joint committee only with the concurrence of both Houses. If either House gives a mandatory Instruction to a joint committee, but no corresponding Instruction is given by the other House, then the Instruction . . . is not binding on the joint committee, as a joint committee.

[*Translation*]

Another principle I would like to bring to the attention of honourable senators concerns the use of past events. Precedents are the stumbling block of parliamentary procedure. However, just because things were done in a certain way in the past does not necessarily mean that they were done in accordance with parliamentary practice, and this does not necessarily mean either that the action taken was appropriate from the procedural point of view. Before constituting a precedent, a past event must be considered in the light of the principles governing parliamentary practice.

[*English*]

With respect to the reference to the Standing Joint Committee on Official Languages, I conclude from the above that unless the powers given to that committee by both houses at the time of its creation allow it to receive references from one house alone, the concurrence of this house is required in order for the reference of February 27, 1986, by the House of Commons to be binding on the committee. Having been informed by message of the reference to the committee by the House of Commons, the Senate may, if it chooses, concur in the action by adopting its own motion of reference in identical terms. It may do so, whether or not the House of Commons in its message asked the Senate to concur.

With respect to the reference to the proposed Standing Joint Committee on Parliament, the Senate will no doubt wish to wait until it has decided whether or not to concur in the establishment of that committee before deciding whether or not to join with the House in giving instructions to the committee.

[The Hon. the Speaker.]

OFFICIAL LANGUAGES

THE ESTIMATES, 1986-87—COMMONS REFERENCE OF PRIVY COUNCIL VOTE 15 TO STANDING JOINT COMMITTEE CONCURRED IN

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I thank His Honour for his ruling. As a result of it, it seems appropriate to move concurrence in the first message and to leave the other standing until we decide whether we wish to concur in the establishment of the committee.

Hon. C. William Doody (Deputy Leader of the Government): That seems reasonable.

The Hon. the Speaker: Senator Frith, are you putting that as a motion?

Senator Frith: My motion is that we concur in the first reference, namely, that to the Committee on Official Languages; and that we should await our decision on the establishment of the other committee before concurring in the second reference.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

PETROLEUM INCENTIVES PROGRAM ACT

BILL TO AMEND—SECOND READING

Hon. Efstathios William Barootes moved the second reading of Bill C-85, to amend the Petroleum Incentives Program Act.

He said: Honourable senators, I am pleased to move second reading of Bill C-85, an Act to amend the Petroleum Incentives Program Act. Senators are aware that the Progressive Conservative government is committed to fundamental change in energy policy. The government believes in reliance on market forces rather than government regulation, on private initiative, on rewarding success, in treating all regions fairly, and in encouragement of both Canadian and foreign investment in our oil and gas industry.

The bill is part of a package of government initiatives that will eliminate taxation of oil and gas industry revenues, costly cash grants to the oil and gas industry, excessive government regulation of the industry, and discrimination between different categories of investments in various regions of the country.

This new energy policy reflects the government's and the industry's desire and responsibility to help establish a general framework which will encourage economic activity without making government responsible for all of the details of what are properly private sector decisions.

The Petroleum Incentives Program was part of an effort of the previous government to encourage frontier exploration. In that it was successful. But consistent with its overall commitment to an economy that relies more heavily on market forces, this government has introduced a new frontier energy policy that will, within the framework of economic logic, encourage a gradual trend toward development of frontier hydrocarbon

resources. The policy includes removal of all taxes created by the National Energy Program, including the phased elimination of the Petroleum and Gas Revenue Tax. Second, it includes the introduction and implementation of a royalty regime which is more profit sensitive.

Senator Hastings: Lots of profit!

Senator Barootes: Also, there is the introduction of a royalty investment credit and exploration tax credit to assist companies in financing their exploration activities; and new legislation to simplify and improve the management regime for Canada's energy frontiers. This is reflected in the proposed Canadian Petroleum Resources Act, Bill C-92, which is now before the other house.

When the Standing Senate Committee on Energy and Natural Resources reviewed the previous government's National Energy Program, it recognized that while incentives should continue to be provided by the federal government to encourage exploration and development on the frontier by Canadian companies, the Petroleum Incentives Program was no longer the correct instrument to attain that goal. That same Senate committee also called for the gradual phase-out of the PGRT. The committee was of the view that taxation of the petroleum industry should conform to general federal income taxation principles, specifically the taxation of profit and not revenue. Bill C-85 meets and conforms to these recommendations of the Senate committee study.

• (1540)

The government recognizes that frontier exploration is a high-risk investment. In order to bridge the gap between the termination of PIP and the development of the frontier oil and gas reserves, this government has announced a new tax-based incentive. This incentive is in the form of a 25 per cent Exploration Tax Credit which will apply to exploration expenses in excess of $5 million per well for wells drilled anywhere in Canada. To further assist non-taxpaying companies, this tax credit will be refundable at the rate of 40 per cent.

Honourable senators, you will recall that one of the promises made by the Progressive Conservative Party in its election platform, and of which we were reminded today by various senators, was the replacement of PIPs with a tax-based incentive. With this bill, which confirms the termination of PIP, and with the Exploration Tax Credit which has been introduced by the Minister of Finance, that promise has now been fulfilled.

Honourable senators, the bill before us allows for the orderly phasing-out of PIP. Just about a year ago, on March 28, 1985, the Government of Canada signed the Western Accord with the provinces of British Columbia, Alberta and Saskatchewan. As part of the Western Accord, the government announced at that time that PIP would continue for one more year until March 31, 1986, and then would be terminated except for certain contractual exploration commitments written and signed and in effect at the time of the Western Accord. Those contractual commitments will continue to be honoured and will qualify for PIP payments until December 31, 1987.

Bill C-85 calls for the total elimination of PIP by the end of 1987, but authorizes a "grandfathering" regime for the period April 1, 1986, to December 31, 1987, on the frontier lands. This grandfathering regime and the principles underlying it were announced one month after the signing of the Western Accord about one year ago, in April 1985.

Extensive consultation was held with industry as to how the implementation of these grandfathering principles would affect their operations. Many made representations for changes. In fact, we are told over 100 such meetings were held. Some of the recommendations of the industry were accepted and some were not. Those that were accepted were always in the nature of a relaxation or an exception to the general rules, and not a restriction or tightening of the rules. Altogether, from the date of the announcement that PIP would be eliminated until the ultimate end of this program, it is anticipated that the cost will be some $2.5 billion. Of this amount around $1 billion will likely be spent in the grandfathering period which begins next April and ends on December 31, 1987.

Honourable senators, this is the first of several energy bills that will come before us in the weeks and months ahead. It is of this significance: to provide an orderly phasing-out of the Petroleum Incentive Program beginning at the end of this month and, second, to allow for a transition period of grandfathering payments until December 31, 1987, for those signed drilling contracts of frontier exploration in Canada, contracts that were actually committed on March 28 last year when the Western Accord was signed. This was, of course, done because of the long lead-time that actually exists with these very expensive programs of drilling.

This particular bill comes to us with the support of the major industry associations, the Canadian Petroleum Association and the Independent Petroleum Association of Canada. It is also in keeping with the recommendations of the Standing Senate Committee on Energy and Natural Resources which, in parenthesis I might add, might possibly reflect on the prudence of the honourable minister and of our Senate committee.

Therefore, honourable senators, I have the honour of recommending this bill to you in the Senate.

Hon. Earl A. Hastings: Honourable senators, I have no wish to delay consideration of this bill by this chamber. However, I would like to reflect or remark on two or three of the observations made by Senator Barootes. May I first of all congratulate him for his very lucid explanation of the bill. I should point out that the honourable senator is one of the more valuable members of the Senate committee, and I think that fact is reflected in his presentation here today. In my opinion, Senator Barootes has given a very balanced response or explanation. I was delighted to hear him report that under the National Energy Program there was an unprecedented increase in exploration on the frontier areas of Canada. I think it is wise, just for a moment, to reflect on this policy and

exactly what the purpose was of the policy at the time of its proclamation.

At that particular time, as honourable senators will recall, we had gone through two oil price shocks and all over the world there was a demand for oil. That is a considerable change from the circumstances that exist today, but nevertheless Canada was in the same position in that we had a desire and a right to know precisely and exactly what resources we had in place, or that would be available to us to face the sky-rocketing oil prices. In that light, it was a very logical, reasonable policy to put in place for two reasons: First, it precipitated exploration in the frontier areas of Canada fulfilling our desire to know exactly what resources we had to face the future. Second, and probably more important, it provided Canadianization and an opportunity for Canadians to participate in that region of Canada where they might not otherwise have been able so to do. The idea of young Canadians working on Canadian lands was a very logical objective, and if we just stop and reflect on that one point, our Canadianization under the National Energy Program rose from 21 per cent to 43 per cent, which was very exceptional progress in that regard.

Honourable senators, we created a Canadian drilling capacity on the Atlantic coast with respect to drilling and refining costs that could stand up to any drilling capacity by any multinational in the world. That was created in the maritimes by Canadians with Canadian technology, and that was a worthwhile objective that was fulfilled by the National Energy Program and in particular the program which we are laying to rest today. Therefore the PIP program did, in fact, fulfil its objectives.

Times and circumstances change; they are changing every day in this industry. Today, with prices down, there is not the need for this exploration program because we have fulfilled our quest for knowledge and we have identified certain areas of the frontier which we can now target so that the PIP program, as it was conceived, is no longer necessary, as the Senate committee found in its deliberations. Therefore, it did in fact recommend that the PIP program be replaced by a tax incentive regime that would be able to target our area, so it fulfilled its objective in that respect by identifying what we had. Now we will move on to producing it.

● (1550)

Senator Barootes indicated that we have now moved to a market-force energy policy. I must confess that it is going to be interesting to see if we are going to have the activity in those areas that we have had in the last few years under this market-force policy and a tax based incentive. However, as Senator Barootes has indicated, the bill in question provides for the phasing out of the Petroleum Incentives Program; a transition period to grandfather any commitments that have been made before the signing of the Western Accord—and in that respect we do not have the regulations. I can only appeal to the government to use its best efforts in honouring those commitments which have been made prior to that signing and assist in a completion of those drilling programs, especially where certain companies had an opportunity to earn an interest by drilling so many wells. They should be allowed to complete that.

As Senator Barootes correctly pointed out, this follows the recommendations of the Standing Senate Committee on Energy and Natural Resources. I respectfully submit that it is another indication of the usefulness of our committees—

Senator Frith: Hear, hear.

Senator Hastings: —in putting forward that recommendation and other recommendations, incidentally, which are being followed by the government.

Finally, I should report to you, honourable senators, that, as I said a moment ago, we are living in changing times and changing circumstances with respect to energy situations throughout the world. I can tell you that your energy committee is continuing to follow these changes. Each week we have a briefing meeting. We are now undertaking a study on oil and gas marketing in Canada. The commitment I make to you is that this committee will continue to fulfil that responsibility to you in the months ahead.

I have the honour, Senator Barootes, to support your motion. I presume there will be no need for the bill to go to committee. We studied it for six months under our review of the National Energy Program. We studied it this morning and had the honour of having the parliamentary secretary and the Minister of Energy, Mines and Resources present. We have reported the subject matter of the bill favourably from committee. I see no point in sending it back to the Energy Committee at this stage.

Some Hon. Senators: Hear, hear.

Hon. H.A. Olson: Honourable senators, I want to participate, however briefly, in this debate because there are some problems with respect to Bill C-85 that are very real and about which I was not completely satisfied, despite the questions that I raised in the committee this morning. I want to say at the outset, honourable senators, that I, like Senator Hastings, do not intend to hold the bill up or insist that it go back to committee, and so on, but I think that Senator Barootes has a responsibility, if I may say so, to give us an explanation of what is the intention in applying certain provisions, the grandfathering provisions, with respect to PIPs that are in this bill.

I think—and I am not quite sure how to say this. I know how to say it if I wanted to be unkind, but today I am feeling fairly kindly toward everybody, but, if I was going to be particularly unkind, I would say that I got a real snow job by the parliamentary secretary when he answered the questions.

An Hon. Senator: Shame.

Senator Olson: Honourable senators, just a minute. There is a complete contradiction in this bill with respect to what is stated to be Conservative policy. They have said over and over again—the minister and everyone else—that they intend to be less interventionist in the oil and gas economy and in the oil and gas rules and regulations; yet this bill widens considerably the discretionary power of the minister—particularly with

respect to what it deals with, namely, setting up the provisions for phasing out PIPs.

Let me explain why. For example, clause 1 deals with the definitions. It says:

> "Specified portion", in respect of an expense, means the whole amount of that expense, a lesser part of that expense or no part of that expense, as prescribed.

That is what this bill is doing.

Then, if you want to look deeper into the bill, you will find that authorization is given to the minister and her bureaucrats to set up the "specified portion" that can be paid, or the "specified portion of the eligible exploration expenses."

Really what it does is give the minister discretionary power to set, almost on a well-by-well basis or on a company by company basis—a different portion as to what will be the so-called "specified portion" that they will pay.

On page 3 of the bill, about half way down in clause 5, subclause 7, it deals with all the definitions of how you are going to arrive at the amount of eligible development expenses, and so on, and refers to 25 per cent of the "specified portion" of the eligible exploration expenses. It goes on to deal with the same thing on the next page where this "specified portion" comes up in subclause 9 of clause 5 of this bill. But it all boils back to the same thing and that is the problem. The minister is now going to have the authority, when this bill is passed, to make regulations that are really 100 per cent discretionary. It will be in the power of the minister to set what any company and any project will have insofar as the grandfathering is concerned.

I can see the deputy leader nodding his head in a way that indicates agreement with what I just said and he is right.

Senator Doody: For the record, I was agreeing to what was in this note.

Senator Olson: But it has nothing to do with the debate, I presume?

Senator Doody: No.

Senator Olson: Honourable senators, that is the problem that we have with respect to this bill. We know that the Independent Petroleum Association of Canada is concerned because its numbers have expressed their concerns. We know that there is an extension of this ministerial discretion, and I reiterate that when we ask them about it they always refer to the fact that there is a limit on the financial commitments to this bill—about a billion dollars between now and the end of 1987. What that raises, of course, is the possibility that people will be treated differently. It will be a kind of first-come first-serve basis.

Senator Frith: Just check the patronage list, that's all.

Senator Olson: Well, of course! You have stated it far more clearly than I had the courage to. That is the way they will be doing it. In spite of what they said during the election campaign, they have demonstrated that they are capable of raising patronage and all the difficulties that it entails to a far higher level than has been experienced in Canada for years.

• (1600)

Senator Frith: Shocking shame; shamefully shocking.

Senator Olson: They will check the patronage list, and, if they are on it, they will get a higher "specified portion" using the minister's discretion than they would if they had come a little later when the funds would be depleted.

Senator Barootes: O ye of little faith!

Senator Olson: To mention now that we should have faith in the integrity of this government is stretching the situation as far as you can. No one believes any of them any more. I do not want to drag out all the instances of absolutely contradictory responses, because there are so many. We would, at least, like the various oil companies and Canadians generally to be treated equally under legislation that we pass through this chamber. We are now giving the government statutory authority to do certain things, including using the patronage list. I think Senator Frith is quite accurate in saying that that is what will probably happen.

There are other problems which unfold in this situation. No undertaking is given with respect to grandfathering; or that any company will be able to have the same terms and conditions apply to the end of the contractual arrangements that they have made with each other. They have made farm-in deals to test certain fields off the east coast, which is a fairly expensive proposition. That is also true of the situation in the Beaufort.

They have refused to extend grandfathering beyond January 1, 1988, and there are some deals which go beyond that date. The oil companies have already entered into these agreements covering these farm-in deals. What will a small Canadian company do if it is unable to participate at the level at which it expected to be able to participate when it signed the contractual arrangements with the landholder or major lessee? Is it going to lose what it has invested to date, because this will not be extended to the end of its contractual arrangements? Small companies are most concerned that there will be some severe losses because of the failure to perform in accordance with the farm-in arrangements that they have made.

Honourable senators, I do not want to detain you much longer. This matter has been raised a number of times. I hope that the committee—and I am certainly not speaking for the chairman—will undertake to ensure that the application of these new and wider discretionary powers of the minister is monitored in such a way that patronage does not become a problem and that we do not have interference because of first-come first-served applications being approved, since that could amount to substantial amounts of money for some of the companies involved.

Perhaps Senator Barootes, in his concluding remarks, might tell us how he explains that when a government sets out on a policy of being less interventionist, it comes to Parliament to seek statutory authority to have broader discretionary powers which lead to more intervention. That would be an interesting explanation to hear. Perhaps even Senator Murray would like to explain it.

Senator Frith: It is like putting a canary in front of a cat—not necessarily, but probably.

Senator Doody: Like a borrowing authority.

Senator Olson: It seems to me, who uses reason and logic, that there should be some consistency. If the government is going to be less interventionist in this sector of the economy, why in the name of common sense come to Parliament and ask for more discretionary power in the statutory provisions and in the amendments that are being made to the rules which are in place now?

Some Hon. Senators: Hear, hear.

Motion agreed to and bill read second time.

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

Senator Barootes: Honourable senators, I move that the bill be placed on the Orders of the Day for third reading at the next sitting of the Senate.

Senator Olson: Honourable senators, I am a little disappointed that the sponsor of the bill did not reply to any of the questions I raised.

Senator Barootes: Manana, manana.

Senator Olson: It is requested that the bill be read the third time at the next sitting of the Senate, and I should like answers today.

Senator Doody: It is the anniversary of Greek freedom; give him a break.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

THE ESTIMATES, 1985-86

CONSIDERATION OF REPORT OF NATIONAL FINANCE COMMITTEE ON SUPPLEMENTARY ESTIMATES (C)

On the Order:

> Resuming the debate on the consideration of the Fourteenth Report of the Standing Senate Committee on National Finance (Supplementary Estimates (C) 1985-86), presented in the Senate on 19th March, 1986.—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I want to save some time on the appropriations bill—

Hon. Senators: Hear, hear.

Senator Frith: A popular cause! You should have let me finish the sentence.

Senator Doody: Frith for leader!

Senator Frith: Honourable senators will remember that several months ago some of us suggested that when estimates are referred to the Standing Senate Committee on National Finance, the committee should make a full report, since that means we can consider the report and save a certain amount of debate here in the chamber on the subject of appropriations by having the issues highlighted and the information expanded. That, in turn, can be rolled over to our advantage with respect to the appropriations bill that arrives based on those estimates.

[Senator Olson.]

I want to join Senator Doody in the comments he made the other day when he congratulated the Standing Senate Committee on National Finance for the full report it provided to us when it accepted and studied the reference on the supplementary estimates (C).

I commend that report to honourable senators. It is found in the *Minutes of the Proceedings of the Senate* of Wednesday, March 19, 1986.

I will touch on two or three points only, but I underline that it is worth the attention of honourable senators to see what information can be furnished by one of our committees and by a department of government to help us in considering the estimates and the appropriation bill that later reflects those estimates.

The points I want to circle can be found at page 1170 of the *Minutes of the Proceedings of the Senate* where the total amount provided for in the supplementary estimates is set out and broken down. On the same page, the committee made the following statement:

> The Committee questioned the magnitude of these expenditures and has requested that the Treasury Board provide information comparing the costs of these two budgets with those of previous budgets. The Committee also requested a detailed accounting of the costs of the Estey Commission to date.

I take it that we will get that information, but we do not intend to hold up supply while we are awaiting it. I draw attention to the matter because the committee and its chairman, in his report in particular, pointed out the additional things that have been given to us in this report that we never had before. That is an example. That report also includes a salutary offer by the government and by the officials of the Treasury Board to reply to written questions and to furnish additional information when requested. As I understand it, they are doing this because of our request that they keep in mind, when furnishing us with information on the supplementary estimates, the eventual debate on appropriations.

• (1610)

Senator Leblanc also underlined certain additional information that was given with regard to write-offs and a problem that exists with reference to some accounts that can be written off and some that cannot. A perfect example of the kind of thing we requested is on page 1172 where there is an appendix to the report entitled, "Highlights of Supplementary Estimates (C)—1985-86". Honourable senators are saved the trouble of wading through all the estimates and have an opportunity to see the major items included in the supplementary estimates. In this case I refer particularly to the $875 million for

statutory payments to uninsured depositors of the Canada Commercial Bank, CCB Mortgage Investment Corporation and Northland Bank made under the Financial Institutions Depositors Act. Honourable senators will remember that that payment itself attracted a good deal of debate in the Senate. It now seems that if we pass these appropriations the masked depositors will be able to line up in disguise, unidentified, and collect the return on their deposits in excess of the insured amounts.

Senator Nurgitz: I will lend you my mask.

Senator Frith: If you are going to lend me a stocking, I am sorry, but I will not be in the line-up. I wish that I were.

The other highlights deal with the statutory contributions to the Unemployment Insurance Account, payments to the provinces, cash obligations under the National Housing Act, a certain decrease in the statutory payments to the Export Development Corporation because of lower than forecast loan disbursements and $90 million for something dear to the heart of Senator Argue, drought assistance to western farmers. So when we pass the appropriations bill that deals with supplementary estimates (C), that amount will be available.

Senator Doody made reference to certain additional points that might be of interest. Incidentally, I want to point out that under this same heading we have the highlights of the estimates and, as the report says, two additional points that might be of interest. It is exactly the sort of thing that we asked for earlier. There is reference to the $1 vote and an explanation and breakdown of those so that honourable senators can understand what they represent and how they are broken down. For those who are interested in such arcane matters as person-years, there is an outline as to the number of person-years included in the supplementary estimates and it is followed with details on particular votes and particular details about the supplementary estimates. Again, I commend the committee and its chairman for providing us with such detail and such well organized material on supplementary estimates (C). Therefore, we will not have to spend much time on the appropriation bill that reflects these estimates when it comes before us.

The Hon. the Speaker: Honourable senators, if no other senator wishes to speak, the order is considered debated.

APPROPRIATION BILL NO. 4, 1985-86

SECOND READING

Hon. C. William Doody (Deputy Leader of the Government) moved the second reading of Bill C-101, 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, this particular appropriation bill deals with supplementary estimates (C), which were discussed by Senator Frith just a few moments ago, and with the report which was tabled here some time ago. Bill C-101 is Appropriation Act No. 4, 1985-86 and provides supply for all the supplementary estimates (C), 1985-86. The final supplementary estimates for this year total approximately $1.6 billion and bring the total tabled estimates for 1985-86 to $107.2 billion or $106.8 billion net of loan repayments. These estimates were tabled in the Senate on March 5, 1986, and were referred to the Standing Senate Committee on National Finance on the same day. These estimates were discussed with Treasury Board officials on March 12. The total of $1.6 billion consists of an incease in statutory requirements of $1.3 billion, and some $235 million of new spending authority has been recommended to Parliament for approval.

As indicated to the committee, the proposed increase in requirements consists of the following major items which are statutory: $875 million for statutory payments to uninsured depositors, to which Senator Frith has just referred, of the Canadian Commercial Bank, the CCB Mortgage Investment Corporation and the Northland Bank; $316 million for statutory contributions to the unemployment insurance account; $215 million for statutory equalization payments to the provinces and $190 million in statutory payments to the mortgage insurance fund to meet cash obligations under the National Housing Act; $100 million decrease in statutory payments to the Export Development Corporation because of lower than forecast loan disbursements; and $157 million decrease in statutory payments to railway companies under the Western Grain Transportation Act. We have voted the following items: $92 million for drought assistance to western farmers, which is the balance of funding required for that program, and which has been included in the 1986-87 main estimates. There is $412 million because of increased costs to education, social assistance and welfare services for Indians and Inuit. There are some 40 No. 1-votes in these supplementary estimates, which are listed in detail in the report to which Senator Frith has just referred, along with explanations for honourable senators. That pretty well covers Appropriation Bill No. 4. As I said, there is probably more detail available on this bill than we have ever had before. It is to be found in the *Minutes of the Proceedings of the Senate* of last Wednesday.

I have two tables which I would like appended to *Debates of the Senate* of today.

The first is the supply to date and is broken down according to the four bills, with subtotals and totals.

The other lists the four sets of estimates broken down by votes and statutory items.

(*For tables, see Appendix A, p. 2239*).

Honourable senators may wish to have that information.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, we are dealing with second reading of the appropriation bill based on supplementary estimates (C), which were reported on by the National Finance Committee, as mentioned, earlier today. In effect, we are dealing with the principle of the bill. The principle is that we are dealing with government supply based on estimates that have been produced, examined and reported upon. I see no reason why the bill should not receive second reading now.

Motion agreed to and bill read second time.

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

On motion of Senator Doody, bill placed on the orders of the day for third reading at the next sitting of the Senate.

APPROPRIATION BILL No. 1, 1986-87

SECOND READING—DEBATE ADJOURNED

Hon. C. William Doody (Deputy Leader of the Government) moved the second reading of Bill C-102, for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1987.

He said: Honourable senators, this bill is known as the interim supply bill, or Appropriation Act No. 1, 1986-87. I should, at this time, say that it is in the standard form, and that the estimates for the fiscal year ending March 31, 1987, were tabled in the Senate on March 4 and were referred to the Standing Senate Committee on National Finance for study.

● (1620)

This appropriation bill contains $10.169 billion of voted items which are required to meet the government's expenditure requirements to the end of June while the main estimates are being reviewed by the various committees of Parliament. A second appropriation bill will be tabled prior to June 30, 1986, to secure release of the balance of the estimates.

This bill contains a general proportion of three twelfths of all votes, plus additional proportions for some 34 votes. The additional proportions are required mainly to meet payments of a seasonal nature in some programs, in accordance with certain agreements, and the need in other instances to make major payments before the end of June. I should point out that, as usual, in no case is Parliament being asked to pass the entire amount of a vote.

Honourable senators, I have a table here which can also be appended. It gives a breakdown of each of the departmental interim supply requests, and will demonstrate which departments are looking for more than three twelfths and for what reasons.

(*For table, see Appendix B, p. 224*).

I thank honourable senators for their attention.

On motion of Senator Frith, debate adjourned.

REGULATIONS AND OTHER STATUTORY INSTRUMENTS

FIFTH REPORT OF COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the Fifth Report of the Standing Joint Committee on Regulations and other Statutory Instruments, which was presented on March 20, 1986.

Hon. Nathan Nurgitz moved that the report be adopted.

He said: Honourable senators, very briefly, the members of the Standing Joint Committee on Regulations and Other Statutory Instruments have authorized the joint chairmen, the vice-chairman and two counsel to represent Canada at the Conference of Subordinate Legislation Committees of the Parliaments of the States and Commonwealth to be held at Brisbane, Australia, June 4 to 6 of this year.

My understanding, learned from such distinguished members of our committee as Senator Godfrey, is that Australia is a leader in this field. The joint chairmen were reluctant to go, but at the urging of the members of the committee the joint chairmen will attend, if this measure is approved. My understanding is that on previous occasions when Canada has sent representatives to Australia that experience proved to be beneficial.

Honourable senators, I will only attend in the event that I am still the joint chairman when the month of June rolls around.

For the benefit of those honourable senators who are concerned about budgetary matters, the cost of this trip will come out of the budget of the Standing Joint Committee.

Hon. Royce Frith (Deputy Leader of the Opposition): Are the funds already within the budget?

Senator Nurgitz: No, the funds will be in the new budget. Because the trip will not be taken until June, the cost will be taken from the joint committee's new budget and would not constitute an extra item.

Honourable senators, I wholeheartedly endorse this report, as you can see, and ask for its adoption.

Senator Frith: Honourable senators, I know that what Senator Nurgitz has said about the role of the Australian joint committee is quite true. They have, for example, many powers that do not exist for our joint committee.

The problem in this case is the same as that which had arisen regarding a proposal by Senator Gigantès for approval of certain travel for a subcommittee of the Social Affairs Committee, and for Senator van Roggen, who has proposed travel expenses be covered for the Standing Senate Committee on Foreign Affairs. Now we have this motion. The problem is, of course, that the Rules and Orders Committee has recommended a new procedure in this regard, but that report has not been adopted. So, committee chairmen who are seeking approval by the Senate for expenditures of money do not really know where they stand, because they know a change has been recommended, and they are perfectly prepared to go under the new procedure, but the new procedure is not in place yet.

For that reason, I suggest that when we come to the order that deals with the recommendations of the Rules and Orders Committee for the new procedure that it revert to Senator Molgat. I have spoken to Senators Roblin and Doody about this as well as to Senator Argue, because it is now standing in his name, and they agree that it should revert to Senator Molgat so we will have the report of the committee, have it, perhaps, adopted and then all three of the chairmen will know what to do.

In the meantime, and because the trip is not scheduled until June, I move the adjournment of the debate on this report in the hope that when we get everything in place the three

chairmen can obtain authority from the Senate under the new procedure.

On motion of Senator Frith, debate adjourned.

YOUTH

CONSIDERATION OF REPORT OF SPECIAL SENATE COMMITTEE—DEBATE ADJOURNED

On the Order:

Resuming the debate on the consideration of the Report of the Special Committee of the Senate on Youth, entitled: "Youth: A Plan of Action", tabled in the Senate on 19th February, 1986.—(*Honourable Senator Marsden*).

Hon. Lorna Marsden: Honourable senators have heard the speeches made in the chamber by the Chairman and Deputy Chairman of the Special Committee of the Senate on Youth. You have heard the exposé of the misery we saw and the stifling of growth which we found among far too many young Canadians. You have heard of the deep feelings this aroused in all of us, and you see that in the courageous action taken by Senator Hébert. In his action you see the profound dismay we felt at the insensitivity of far too many Canadians to the situation which faces our future generation. You have heard from Senator Yuzyk the nature and scope of our work, and the range of issues which we addressed. I should like, particularly, to commend Senator Yuzyk's words to you because of the courage and commitment he showed in the cause of young people through his speech in this chamber. His speech showed that what we experienced in this investigation is not a matter of partisanship, not a special interest, but an urgent matter of strategic importance to Canada's future.

Both Senator Hébert and Senator Yuzyk were dedicated to their task and brought out the best in the public hearings, the research and the writing of this report. It was an honour and a pleasure to work with them and with other members of this committee.

Senator Hébert is bringing to this issue the passion and commitment that many Canadians feel, but have not found a means to express. We do care about young people; they can be helped to find their own feet in a changing world; we are collectively responsible not only for the bread in their stomachs, but for their feelings and their mental and social development. Senator Hébert gives life to the politics of conscience, to the view that the value of each human being transcends the bureaucratic process; and I am filled with admiration for him and for his courage in standing up and being counted in a cause of this importance, and unfortunately, up until now, a cause of this obscurity.

● (1630)

Because of the knowledge gained through work on this committee, and the views that we expressed in our report, I was quite nonplussed by Senator Roblin's response on Thursday last to a question about Katimavik. He suggested that the government's Job Entry Program is somehow or other a substitute for Katimavik. It is not a substitute at all and I am afraid that such a suggestion reveals that Senator Roblin, like so many other Canadians, has not understood the nature of the problem facing young people and its complexity, or the instruments which are available to the government, the provinces, individuals and community groups to get Canadians back into our society. The Job Entry Program, as Senator Roblin pointed out, is directed to those who have severe disabilities of a social, educational or physical nature, and who therefore need special care and attention in order to make their way into the labour market. Such a program is important, but it is not, in any fashion, comparable to the opportunity offered by Katimavik, or intended by our recommendation for a Young Canadians' Community Service Program.

The focus of our recommendation is upon the opportunity for Canadians from 17 to 24 years of age, from all types of backgrounds and both language groups, to serve the country and gain skills which are necessary for the workplace, but are not specific to the workplace; learning how to get along with people who are strangers to you; learning how to take on a task, complete it and clean up afterwards; learning how to work with new people, to co-ordinate tasks, to fend for oneself, to be successful through one's own efforts as part of the group. All of those are skills which must be learned through experience, and it is that experience, away from the protection or the difficulties of home, with other young people, in new parts of our complex country, that Katimavik has offered. It involves work, group action, but also a sense of adventure, of self-discipline and of accomplishment. It cannot be easily achieved if one is still at home, with all of the people and the things one grew up with. How do you become an adult when the community believes that you are a child? How can you make mistakes and learn with so much at stake in the community? How can you succeed if you are placed in a work program and labelled "disabled" or "difficult to employ"?

In short, the Job Entry Program and Katimavik are quite different and serve quite different purposes. Both may be needed, but it was our strong sense that the opportunities for experience, for learning by doing, for becoming grown-up and responsible for oneself, are much more constrained for this generation than for previous generations. It is not easy to just find a job, and, if you make errors and lose it, to find another one. It is much more difficult than it used to be to travel for adventure and learning, because one cannot easily make money to finance such adventure, which used to be the rite de passage for a very large proportion of young Canadians. As a recent report of the OECD put it, becoming an adult is no longer what it was. To the three Rs, the report advocates we must add three more: role in society, responsibility and realism. Those are the kinds of qualities which emerge from participation in a program such as Katimavik.

Our report concentrated in several chapters on the means by which young Canadians might better find their footing in this difficult world, in which they are cut off from the opportunities that their parents, or even their older brothers and sisters, had. Some of those means lie in the field of employment, such

as the Young Canadians' Community Service Program, and transitional experience. But others lie in education, and it is on the question of education that I would like to concentrate my comments today.

In our study we identified a breadth and depth of dissatisfaction with the education system which we had not anticipated. No one seems to like it, not the students, not the parents, not the teachers, not the school boards, not the employers of new graduates. Neither do they like the post-secondary system into which many such new graduates go. Such diffuse unhappiness suggests that the educational system, which is always a trailing institution in a period of social change, is ready for serious reform. That reform of the institution will arise at the local and provincial level, and, I would suggest, will probably be quite dramatic in its scope. It will need to prepare young Canadians for the post-industrial economy and the type of labour force and labour market which is already becoming evident in our country.

The question before our committee was: What are the means by which change and adjustment could be aided principally by the federal government? In chapter 3 of our report entitled "The Transition from School to Work" we have made nine recommendations concerning many aspects of the educational system which could usefully be changed by action on the part of the federal government or in co-operation with provincial governments. In addition, we examined a number of issues of a more general nature, such as the concerns of young women in education, which, we believe, deserve careful consideration.

Among our recommendations is one urging the government to support a national campaign to reduce illiteracy. I will not expand here on the nature of the problem, since colleagues are familiar with this issue; but I would like to point out that 7.1 per cent of 15 to 24-year olds are not literate, by Canadian measures; nor are 5.8 per cent of 22 to 24-year olds. The measure used is a rather basic one. There is virtually no work available any more for people in our society who cannot read or write. One must be able to look at a bank statement and make sense of it, to pass a driver's licence test, to read the instructions on a machine, or the warning signs in a workplace, in order to hold almost any job. There is less and less work for people with a low level of literacy. The need for good literacy skills is increasing. A larger and larger proportion of the labour force requires top literacy skills.

This is a major issue which faces our nation, and we can do something about it. We have better diagnostic procedures than we have ever had. We have learned a very great deal about tutorial work with adult learners. The need is quite clear. Frontier College and many other similar colleges, individuals and agencies are prepared to take up the challenge. But the federal government is in the best position to show leadership.

Many people who cannot read or write very well have some sort of learning disability. We learned that it is estimated that between 15 per cent and 20 per cent of people have a learning disability. That means that they may be perfectly intelligent, with all of the capacity to learn that they need, but they do not learn in the same way as other young people. They need attention and specific help.

Again, the problem is amenable to federal government action—for, like the physically disabled, the learning disabled said to us, "Don't think up any new solutions. Just implement the ones recommended in the report "Obstacles", which, as all honourable senators are aware, was published by the federal government not so long ago. We agreed with their view. We can think of no better solution than to support the "Obstacles" recommendations, and we urge the government to implement them.

Let me expand on three recommendations which require immediate action and which may not be as familiar to colleagues as the matter raised in the "Obstacles" report and in the widely publicized reports on illiteracy.

The first concerns co-ordination among jurisdictions. The usual response, when questions of federal intervention in the matter of education are raised, is the constitutional division of powers. This is a difficulty for a federal government. There is no direct mandate, no officially responsible minister and no national idea of education. However, there is a desire for a national—not a federal—policy. This was made quite clear to us by our witnesses. This is particularly true in the case of people who move often and across provincial boundaries, such as the children of military families, or parents whose companies move them frequently, or children from a province in which specialized education or training is not available.

There is a need for the harmonization of educational entry requirements across all jurisdictions, and there is a council of ministers of education, composed of all provincial education ministers and a federal presence. We have recommended that the federal government, in consultation with that body, and perhaps even by giving support to that body, establish a national task force on the co-ordination of educational qualifications. We suggest that it should be composed of the ministers of education from each province and territory, and a federal representative of equal stature—which would ease the path of students by looking at the educational qualifications and entry requirements to secondary and post-secondary institutions across the country.

I am interested to see today in the progress report put out by Multiculturalism Canada a similar kind of recommendation for evaluating non-Canadian degrees and credentials, and the licensing and practice of professions, trades and apprenticeships, which is also part of the work we would foresee being undertaken by this national task force. We would also suggest that this would necessitate some examination of the goals of the educational system, and we think that that would be equally beneficial.

● (1640)

We urge that such a national task force listen to parents and students, to employers and personnel officers, to licensed workers and to provincial union leaders and others in order to identify the problems which can be solved, and the barriers to

the interprovincial movement of people and their qualifications which can be removed.

Now is the time to take this action. The government enjoys good relations with the provinces. The trade talks require that labour adjustment issues be addressed. This is not a threat to jurisdiction, but an attempt to respond to the cries for help from many Canadians who are caught in the jurisdictional squeeze.

At the same time, it would help foreign employers to understand the nature of the Canadian educational system when our young people attempt to find work, or to attend school, outside of Canada. We very much hope, therefore, that the government will take action soon on this recommendation which is both inexpensive and eminently realizable.

Co-operative Education: The second matter I would like to raise concerns co-operative education. I have already described why we believe so strongly that the Young Canadians' Community Service Program is needed. It is needed because the transition from school to work is too abrupt. The experience required to learn about work is not available in the classroom, and the classroom skills are not applicable in the workplace. In Canada apprenticeships are no longer common. However, there is a rising tide of enthusiasm for co-operative education, and our committee shares it. Co-operative education in the secondary school system serves many useful purposes, but above all it breaks down the dumping process which prevails at present. When one leaves school now, one is dumped either into a post-secondary institution or on to the labour market. All too many young people do not survive that experience, and many are frustrated and damaged by it.

In co-operative educational programs now available in Ontario high schools, students can combine school and work for a year, or sometimes more, prior to graduation. This serves many useful purposes. For the young person who only wants to leave school as fast as possible, this allows him or her to have a job, but also to stay in school and receive the education and credits which are so crucial to a future in the labour market. We heard of young people who took this route and realized after a year that they needed more schooling in order to get the type of job they wanted, and so they returned to school. For many, it prevents a complete dropping-out of school. The drop-out rates in our secondary school system are very high, and one of the symptoms of the crisis in education.

For other young people, co-operative education represents a chance to try working in an occupation that they think they want to enter, but are not sure about. For example, we heard of a young woman who thought she wanted to work with mentally handicapped people and spent a year in school in the mornings and in the afternoons at work in such a facility. She learned that she was not able to cope with work in that setting but, in the process of learning that, she did not lose her school year nor did she spend years in training for that work, only to find that she was in a line of work that she was not able to fulfil.

For yet other young people, co-operative education provides work placements which give them working access to equipment they would never encounter in the workshops or laboratories of their schools. Specialized automotive and measuring equipment for those whose occupational interests lie in those fields is important.

In addition to what co-operative education provides for the students, it provides a great deal for employers. They get a much better look at how their future workers are being prepared, what they are learning, what they are not learning, and how the educational system can help them. For teachers, it gives an insight into the labour market, the needs of employers and the changes which are occurring so rapidly on the job. For parents, the anxiety over their children's vocational choice is eased by this transitional work experience. We believe that the co-operative nature of this educational experience is of great value to all the parties within the system, and we have recommended that it be encouraged and expanded—in the schools as well as in the colleges and universities.

The Co-operative Career Work Association of Canada could serve as a co-ordinating body for provincial and national advice and exchange, and we have recommended that such a national body be supported or, if necessary, established to help co-ordinate labour laws, union regulations, exchange of information and other focused aid to co-operative educational programs.

Increasingly, one hears of successful co-operative educational systems. This weekend I talked with some people from Manitoulin Island who are very enthusiastic about their successes with this type of program for young people in that very troubled area of the economy.

Foreign Students: The third matter which can be dealt with immediately concerns foreign students. In the field of post-secondary education, the thorny issue of financing is up for review and is currently being considered in depth by the Standing Senate Committee on National Finance. Therefore, I would like to confine myself to our recommendations concerning foreign students.

The problems facing post-secondary institutions in inviting qualified foreign students to enter their programs are very great indeed. Not only are there differential fees for foreign students established at the provincial level, but such students and their spouses are not able to work for pay outside of the universities while they are in Canada. Increasingly, programs for Canadians which were only viable if there was a draw of some foreign students in specialized areas to make a sufficient enrolment are being threatened by the discouragement of foreign students. Areas in international relations and development, in some languages, in some areas of science and some areas of specialization in the humanities are beginning to collapse because there is not sufficient enrolment to justify programs. However, the faculty are here and are underemployed or, in some cases, working in fields in which they are not particularly specialized. There are many domestic, as well as other reasons with which you are familiar, for keeping foreign students here in Canada.

Notwithstanding these current barriers, we do have foreign students in our post-secondary institutions. These students are suffering double jeopardy in some particular ways which are amenable to solutions. For example, although they are not eligible to draw unemployment insurance and pension benefits, they are required to pay the premiums if they hold positions as teaching assistants in the universities, which is the only work they are legally allowed to do. We recommend that either they have access to the benefits, or they be exempted from paying the premiums.

In addition, foreign students must renew their visa on a regular basis to allow them to stay in the country and to work in the universities. There is now a much increased visa charge for each such renewal. For some students this can cost $200 a year or more because a student visa may only cover the period from September to May. It must then be renewed for the summer term and a temporary visa may need to be sought for the end of the summer until the fees are paid so that a new student visa can be obtained. In addition to the paper burden, the financial burden is ridiculous.

The provinces also charge differential visa fees. These fees prevent many qualified students from coming to Canadian universities. The most noticeable drop has been amongst students from the United States. Although our universities and programs of study are constantly being compared to those in the United States, we are now finding it increasingly difficult to attract American students, even though we continue to send students south of the border in large numbers for post-secondary education. For students from developing countries this problem is sometimes even more difficult because, even if they can afford the fees, they often cannot afford to go home in the summer and, of course, are not allowed to work in Canada except inside the university, which cannot afford to hire them in the summer. We are damaging our international relations and we are reducing our effectiveness in international trade and development. We are depriving Canadian students of the vital experience of studying with people from other cultures and other countries, and we are damaging our academic programs. We are being punitive to those foreign students who do make it into our system by the visa fees and social security premium requirements and the restrictive nature of the student visas and, above all, we appear to be becoming more and more chauvinistic about it. Why can we not drop the punitive visa fees? Why can we not exempt students from social security payments? Why can we not adopt a solution such as the one the United Kingdom has found to the problem of differential visa fees? Why does not the federal government, through scholarships, targeted funds or agencies such as CIDA, IDRC, and others find a way for Canada to continue to attract qualified foreign students?

● (1650)

Some of these changes can be made immediately. We hope they will be and urge all honourable senators to add their voices to our recommendations for action on these important issues.

[Senator Marsden.]

In simple terms, we urge the government in our report and we urge senators here today to support the establishment of a national task force for the co-ordination of educational qualifications; to support the expansion and co-ordination of systems of co-operative education in the secondary and post-secondary schools; and to drop the punitive measures taken against foreign students in visa fees and restrictions, social security payments and differential fees.

There is a great deal that can be done and can be done very easily and very soon. I have tried this afternoon to emphasize the immediate agenda, but the long-term agenda is also in our report.

Before I conclude let me add in response to Senator Roblin's comments on Senator Fairbairn's question this afternoon that our committee did indeed meet with officials of the Canadian Employment and Immigration Commission; we did, indeed, discuss and study the variety of government programs in the employment sector. It is because we found those programs highly inadequate in our analysis of the problem facing young people in the country that we so strongly recommended the continuation of our version of Katimavik, which we call the Young Canadians' Community Service Program. It is because there is that gap in the existing programs through CEIC—that gap in the process of experience that is entirely missed in existing youth employment programs, that we have urged the continuation of such a model.

Senator Fairbairn's question was this: "Since there is a working model which fills the gap in our programs, why not keep it until the government is in a position to design something better?" Her question remains unanswered.

The fastest action that can be taken, of course, is to retain that which is working well—in this case the retention of Katimavik. Senator Fairbairn's question stands, and I believe that our report backs up her contention.

Some Hon. Senators: Hear, hear.

On motion of Senator Marshall, debate adjourned.

STANDING RULES AND ORDERS

SEVENTH REPORT OF COMMITTEE—ORDER STANDS

On the Order:

> Resuming the debate on the motion of the Honourable Senator Molgat, seconded by the Honourable Senator Croll, for the adoption of the Seventh Report of the Standing Committee on Standing Rules and Orders (procedurial guidelines for the financial operation of Senate committees), presented in the Senate on 5th March, 1986.—(*Honourable Senator Argue, P.C.*).

Hon. William J. Petten: Honourable senators, we would like this to stand in the name of Senator Molgat. Senator Argue does not wish to proceed with it at this time, so could we let it stand in the name of Senator Molgat? He will be ready to proceed tomorrow.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

Hon. Royce Frith (Deputy Leader of the Opposition): Just by way of a brief explanation, there are three items now before us that turn, to some extent, on this report for the new system dealing with orders of the Senate to permit travel and so on. That is Senator van Roggen's item, an item under the name of Senator Gigantès—at least initiated by him—and now Senator Nurgitz. We are hoping that we can get this new system established, get a report from Senator Molgat as to the response to Senator Roblin's intervention on the subject, and get the new system applying. That is why we are referring it to Senator Molgat so that he can report on the committee's reaction.

Hon. Duff Roblin (Leader of the Government): That seems to me like a sensible way to proceed, honourable senators. I think that I would be glad to accept the suggestion made by the Deputy Leader of the Opposition. I also think that he and I might get behind the curtains some time and perhaps go over some of the points at issue. Maybe there will be a meeting of minds.

Hon. Nathan Nurgitz: On a point of order, honourable senators, while those distinguished gentlemen are behind the Chair, they might try to decide what happens with respect to joint committees because, as I confirmed with Senator Molgat just moments ago, his report will deal with special committees and standing committees. I do not think the question raised by Senator Frith with me a short time ago with respect to the report of the Standing Joint Committee on Regulations and other Statutory Instruments is covered in those matters being considered by Senator Molgat in his Rules and Orders Committee.

Order stands in name of Senator Molgat.

RIGHTS AND FREEDOMS

CANADIAN FORCES—SPOUSES OF MEMBERS—SUBJECT MATTER OF MOTION REFERRED TO COMMITTEE

On the Order:

Resuming the debate on the motion of the Honourable Senator Marsden, seconded by the Honourable Senator Stewart (*Antigonish-Guysborough*):

That the Senate do urge the Government of Canada to permit freedom of assembly and speech, and such other freedoms guaranteed to all other Canadian citizens, for spouses of members of the Canadian Armed Forces and to amend or repeal all relevant regulations and orders accordingly.—(*Honourable Senator Flynn, P.C.*).

Hon. Jacques Flynn: Honourable senators, this item has stood in my name for quite some time and Senator Marsden asked me what I intended to do. I told her that I had inquired as to exactly what bylaws or regulations were at the root of her concern, or rather the concern of spouses of members of the armed forces. What I was able to find out is that it is about some provisions of the Queen's regulations that may have been in force since about the beginning of the century and which may be rather sexist, because, at that time, women in the military were not considered as they are today. I understand that the point was raised in the House of Commons and that the Associate Minister of National Defence, Mr. André, has promised to examine all these regulations and make a statement in the House of Commons. I was waiting for the statement to be made to see whether it would have been a good idea to have the Special Committee on National Defence consider the statement of the minister.

In any event, I think a committee could consider the matter if the problems have been, as I said before, identified clearly. I have no objection to that. I was going to let the matter stand until the minister made a statement, but if Senator Marsden, or someone else, wishes to do something at this time, I have no problem with that. I have made my point. I do not think we should deal with the subject matter of the motion before we have been informed as to exactly what we are talking about.

Hon. Royce Frith (Deputy Leader of the Government): Honourable senators, I agree with what Senator Flynn has said. I suggest that we do refer it to the Committee on National Defence with it being understood that they are not going to deal with it, or at least that they are going to be asking the minister perhaps to appear there when he is ready to make a statement, just to get it off our order paper, because it is a matter, and here I agree with Senator Flynn, that is quite appropriate for a committee to consider—provided they get the information that he is talking about, and, of course, it will be understood when we make this reference that they cannot proceed until they do.

• (1700)

Honourable senators, I move that this matter be not now dealt with, but that it be referred to the Special Committee of the Senate on National Defence for consideration.

Motion agreed to.

INTERNATIONAL FINANCIAL SYSTEM AND INSTITUTIONS

CANADA'S PARTICIPATION—MOTION TO AUTHORIZE FOREIGN AFFAIRS COMMITTEE TO ADJOURN TO TORONTO, NEW YORK AND WASHINGTON, D.C. FOR PURPOSE OF STUDY—DEBATE ADJOURNED

On Motion No. 3, by the Honourable Senator van Roggen:

That the Standing Senate Committee on Foreign Affairs, which was authorized by the Senate on October 29, 1985, to examine and report on Canada's participation in the international financial system and institutions and in particular the International Monetary Fund, the World Bank Group and the regional development banks, including the debt repayment problems of developing countries, be empowered to adjourn to Toronto, New York and Washington, D.C., for the purpose of such study.

Hon. Lowell Murray: Honourable senators, it was the hope and expectation of those of us who are members of the Standing Senate Committee on Foreign Affairs that this

matter would be dealt with today. Indeed, Senator Hicks and I have been deputized by the chairman to deal with the matter.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, we are again caught in the dilemma of procedure because this motion—without following the proposed procedures, but following the present procedures—asks for an authority to travel. Ideally, and for the sake of consistency, I think this motion should stand until we return after the Easter recess in the hope that we may have the report and the new system in shape. Admittedly, it will take the period of our adjournment plus another week before we can follow the proposed procedure. The committee could still say, "Oh to be in Washington now that April is there."

Hon. Henry D. Hicks: Honourable senators, I differ with my friend, Senator Frith, greatly about this. I have spoken in this chamber before about the petty attitude we take about the expenditure of a few dollars to enable the Senate or committees of the Senate to discharge its proper functions. This is a proper function, and I do not see why, because we contemplate some changes in the rules, we refrain from acting under the rules as they are now. I think this committee should be allowed to have its request for modest travel funds—and they are modest in the extreme—to complete its work approved in such a way and in such a time, that is to say, before the Easter recess, so that the committee might make its travel arrangements to Toronto, Washington and New York for the month of May or, at the latest, early in the month of June.

As for the rather—I do not mean to be offensive, but I am going to use the term anyway—snide comment that Senator Frith made when he said, "Oh to be in Washington now that April is there," I just do not think that is a proper comment to make about a Senate committee at all.

During my lifetime, honourable senators, I have travelled all I want to travel. I have no desire today, tomorrow or next month to go to Washington, New York, Toronto or anywhere else unless there is work to be done. In this case I believe there is work to be done. I wonder what we think of ourselves as a legislative body if we have to decide whether the Senate should carry on and perform its function on the basis of whether the Senate of Canada can afford another $10,000, $20,000, $50,000 or even $100,000 to do its job.

I very much resent the suggestion that this money is to be spent to give some people, including myself, a junket to Washington. I have no desire for a junket. I do feel that the inquiry the committee is making is important, and I do not think the Senate should stop the committee from making that inquiry on the basis of saving a few dollars or anticipating the compliance with a new set of rules and regulations which, at the present time, do not operate so far as the Senate is concerned.

Senator Frith: Honourable senators, I think I am bound to assure Senator Hicks that I did not intend to make a snide comment. I was hoping to make a light, poetic comment in trying to suggest that we can all look forward to spring wherever we might spend April. I had no intention of offending him, suggesting that this committee was doing something improper, or was eventually not going to get its authority.

[Senator Murray.]

With respect, it is not a matter of saying that we think this committee should not be given the authority to travel because it is going to spend some money; it is a matter of trying to find a way for senators to know, when they vote on a motion to authorize a committee to do anything which, in turn, is going to cost money, what that amount of money will be. It is not a matter of refusing; it is a matter of not voting blind.

That is the objective of the suggested proposal, and it is certainly not a new one, because it has been around for a long time. I hope Senator Hicks will view my earlier comments in the context of their being poetic and with reference to procedure. In my respectful view, it is not a matter of being stingy.

The difficulty with saying that, in this case, we should proceed is that it leads to inconsistency in that we have suggested to Senators Nurgitz and Gigantès that they should wait until the new system is incorporated.

Having said that, I do not intend to ask that the members be called in on the matter. If the Senate really wants to give this authority now, in spite of what I have said, then why not do it?

Senator Murray: I should point out, honourable senators, that the Senate is not being asked to fly blind or to write a blank cheque for the committee. The Senate was given an undertaking by the chairman of the committee the other day that the maximum sum that would be involved in the study would be $20,000. That was the undertaking the chairman gave on the basis of his research.

I should also point out that in the almost seven years that I have been a member of the committee, one sub-committee has travelled to the Middle East in connection with our study on that matter and the committee has once journeyed to Washington when it was conducting its study of Canada-U.S. relations. The record will show that the committee is in no way and never has been profligate. We also have an undertaking from the chairman of the committee as to the maximum amount that would be involved in respect of the present proposal.

Hon. Peter Bosa: Honourable senators, it was my impression, when this matter was discussed last Thursday, that Senator Frith had given an undertaking that we would consider the matter over the weekend and that at the next sitting the matter would be decided.

I refer honourable senators to page 2197 of the *Debates of the Senate* where it says:

> SENATOR VAN ROGGEN: Honourable senators, I would like someone to deny me leave.
>
> SENATOR FRITH: Honourable senators, I will be glad to accept that responsibility. I thought it was clear from the explanation I gave as to why I thought honourable senators should have the weekend to consider the matter and suggested that it should appear on the Orders of the Day for next Tuesday.

Senator Frith: It is on the Orders of the Day.

Senator Bosa: Yes, it is, but I believe the perception was that we would make the decision today and, on Thursday, it was a matter of not granting leave to deal with the subject matter. It was my understanding that since we were not abiding by the rules of the Senate, we would take the weekend to think the matter over and then the decision would be made on Tuesday.

It now seems to me that what is being suggested here is that we should postpone this decision until we return after the Easter recess or prorogation, whichever it may be. I thought Senator van Roggen had explained quite clearly that we needed to know if the Senate would grant permission for the committee to go on this delegation. I do not like the word "junket" or "trips". We are talking about a delegation that is going on a fact finding mission and about whether the Senate will grant permission so that the committee may go ahead and make the necessary arrangements to meet with senators of the United States and executives involved with international banks, people who are not very easily accessible. I thought that that was the reason why Senator van Roggen had made this special request. With that in mind, I think that the Senate should go along with the request.

• (1710)

Senator Frith: I give up.

Hon. Duff Roblin (Leader of the Government): I suggest that my honourable friend not give up quite so quickly. Things have come to a pretty pass in the Senate when I have to support the Deputy Leader of the Opposition, but I am on his side in this issue.

Senator Frith: Without even meeting behind the Chair?

Senator Roblin: I hope that that will be the solution to this problem. I am sympathetic to both points of view. After all, Senator van Roggen telephoned me to tell me what he was doing, and I explained to him the problem that I had, because I had already said in the house that I thought we should consider ways and means at the time the proposal was introduced. I have really not changed my mind. What the present argument illustrates beautifully is the problem of budgeting and how every special interest group is perfectly sure that their claim is appropriate and right. However, when you add up all the special interests and put them together, you may have a bill that may cause a problem.

I am not entirely sure that in the case of the three resolutions that we have been talking about we have a financial problem, because the amounts involved may very well be modest. However, I do not know. It seems to me that it is entirely reasonable that we investigate this matter a little further before we come to any fixed conclusion on it. It is true that the matter came up for discussion in the regular course of debate this afternoon, and that is quite proper. I do not like too many of these abridgments of the rules when the matter really needs to be discussed.

I do not know why we do not follow the suggestion that the chairman of the committee and some others of us canvass this matter. I am prepared to do so quickly to see whether we can come to some equitable solution that can be proposed tomorrow. I cannot guarantee that we would come to such an agreement, but I would be prepared to try along with others. I must say that I am on Senator Frith's side in this issue because we have budgetary problems. Perhaps this is a minor thing, but the principle is important. It is a question of management of the funds we have available, because we are not likely to get any more funds unless we raise an awful stink about it. I am prepared to go along with Senator Frith on this one, and I hope that we can come to a meeting of minds in a short time so that we might be able to decide things, probably by tomorrow.

Hon. John M. Godfrey: Honourable senators, as a young lawyer, I once read a book by Louis Nizer, a famous lawyer in New York, who said that one should always operate on the law of probability. I suggest that Senator van Roggen could operate on the law of probability that he will eventually get permission to go on the trip. In that light, he should go ahead and make the arrangments. In the unlikely event that he does not get permission, he will have to cancel those arrangements, but I am not impressed with that argument.

Senator Argue: He may have to pay the hotel bills.

Senator Hicks: Honourable senators, I think what Senator Godfrey has said requires a reply. Senator van Roggen has also considered this matter. He feels that since we are asking for appointments with important people with the World Bank, the International Monetary Fund and with others, we ought not to pin them down to appointments only to tell them in two or three weeks' time, "Sorry, we cannot afford to come to see you." I think that that would be *infra dignitatem* insofar as the Canadian Senate is concerned, and I would not want to have anything to do with it. I repeat the position that I took before, that the amounts—no, I will not repeat that the amounts are small. I do not think that that is important. The important thing is that the Senate has set itself on a path to undertake certain studies. I wonder what our American counterparts would think if we based our decision of whether or not the Senate can fulfil the duties that it has set for itself to perform upon a few thousand dollars.

Senator Frith: That is not the point.

Senator Hicks: It is the point. It has the effect of being the point anyway.

Hon. C. William Doody (Deputy Leader of the Government): Are we finished with this matter for today?

Senator Flynn: The motion to adjourn the debate was put by Senator Frith.

The Hon. the Speaker: I understand that there is no motion on the floor.

Senator Frith: There is a motion to adjourn.

The Hon. the Speaker: I did not hear it.

Senator Frith: Did I adjourn it? No, I did not, not this time.

Senator Doody: In view of the fact that Senator Roblin has put forward a suggestion that may resolve the situation sometime tomorrow, perhaps I should take the adjournment of the

debate and wait until we see what can be worked out behind the curtains, under the table, or wherever it is that you do these things.

The Hon. the Speaker: I do not think we can adjourn the debate on the motion, because the motion has not been put. It is Senator van Roggen's motion, but nobody has moved it.

Senator Hicks: Senator van Roggen, Senator Murray and I have discussed this matter, and it was agreed that we would make the motion on his behalf. In view of what has been said, I move for Senator van Roggen, seconded by the Honourable Senator Murray:

> That the Standing Senate Committee on Foreign Affairs, which was authorized by the Senate on October 29, 1985, to examine and report on Canada's participation in the international financial system and institutions and in particular the International Monetary Fund, the World Bank Group and the regional development banks, including the debt repayment problems of developing countries, be empowered to adjourn to Toronto, New York and Washington, D.C., for the purpose of such study.

Senator Argue: It is too late.

Senator Frith: No, it is all right.

The Hon. the Speaker: It is moved by the honourable Senator Hicks, for Senator van Roggen, seconded by the honourable Senator Murray—

Senator Roblin: We should not be debating this thing without a motion before the house!

Senator Doody: Can I not take the adjournment of this debate now?

Senator Hicks: But the motion has to be put before you can adjourn the debate.

The Hon. the Speaker: It is being put now. Honourable senators, the motion is being—

Senator Doody: Excuse me. Honourable senators, did Senator van Roggen not put the motion when he introduced it?

Senator Roblin: No.

Senator Doody: Oh yes, of course not.

Senator Bosa: No, we denied him leave.

The Hon. the Speaker: Honourable senators, is it your pleasure to adopt the motion?

On motion of Senator Doody, debate adjourned.

OFFICIAL LANGUAGES

STANDING JOINT COMMITTEE AUTHORIZED TO EXAMINE PRIVY COUNCIL VOTE 15 OF ESTIMATES, 1986-1987

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I have a motion which in effect regularizes the situation we had before us this afternoon arising from the Speaker's statement on Senator Frith's point of order.

Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(e), I move:

> That the Standing Joint Committee on Official Languages be authorized to examine the expenditures set out in Privy Council Vote 15 of the Estimates for the fiscal year ending the 31st March, 1987; and
>
> that a message be sent to the House of Commons to acquaint that House accordingly.

This is the part of the message that was approved earlier on.

The Hon. the Speaker: Honourable senators, is leave granted?

Hon. Senators: Agreed.

Motion agreed to.

The Senate adjourned until tomorrow at 2 p.m.

APPENDIX A

(*See p. 2229*)

SUPPLY TO DATE FOR 1985-86

Three Appropriation Acts have been approved in respect of the Estimates for 1985-86:

Supply Approved to Date		
Appropriation Act No. 1., 1985-86 which granted Interim Supply for *April, May and June* including 42 additional proportions, based on the *Main Estimates* for 1985-86		$10,502,377,163.36
Appropriation Act No. 2, 1985-86 which granted Full Supply for:		
—the balance of the *Main Estimates* for 1985-86	$26,714,480,556.64	
—the whole of *Supplementary Estimates (A)* for 1985-86	$365,400,002.00	
Appropriation Act No. 3, 1985-86 which granted Full Supply for the whole of *Supplementary Estimates (B)* for 1985-86	$1,054,978,042.00	$28,134,858,600.64
		$38,637,235,764.00
Awaiting Approval		
Supply for the whole of *Supplementary Estimates (C)* for 1985-86		$234,960,148.00
TOTAL		$38,872,195,912.00

ESTIMATES TABLED TO DATE FOR 1985-86

	To be voted	Statutory	Total
Main Estimates		(in thousands of dollars)	
Budgetary	$36,908,917	$65,621,666	$102,530,583
Non-Budgetary	307,944	733,333	1,041,277
	$37,216,861	$66,354,999	$103,571,860
Supplementary Estimates (A)			
Budgetary	$ 350,600	$	$ 350,600
Non-Budgetary	14,800	(14,800)	.....
	$ 365,400	$(14,800)	$ 350,600
Supplementary Estimates (B)			
Budgetary	$976,783	$(277,900)	$698,883
Non-Budgetary	78,195	899,000	977,195
	$1,054,978	$621,100	$1,676,078
Supplementary Estimates (C)			
Budgetary	$214,760	$1,452,663	$1,667,423
Non-Budgetary	20,200	(107,600)	(87,400)
	$234,960	$1,345,063	$1,580,023
Total Estimates Tabled			
Budgetary	$38,451,060	$66,796,429	$105,247,489
Non-Budgetary	421,139	1,509,933	1,931,072
	$38,872,199	$68,306,362	$107,178,561
LESS:			
Loan Repayments: —Non-budgetary (per Main Estimates Part I)			$410,421
TOTAL NET ESTIMATES TABLED TO DATE			$106,768,140

APPENDIX B

(*See p. 2230*)

Interim Supply for April to June, 1986

The proposed bill will provide:
In respect of the Estimates, 1986-87

(a)	*Three-twelfths* of all items to be voted in the Estimates, other than the items included in Schedules A, B, C, D and E.		$ 7,666,357,410.75
(b)	*Schedule A—eleven-twelfths of*		
	Energy, Mines and Resources	Vote 15	
	Indian Affairs and Northern Development	Vote L60	
	Public Works	Vote 45	
	Transport	Vote 20	$ 13,955,333.33
(c)	*Schedule B—nine-twelfths of*		
	Treasury Board	Vote 5	$ 262,500,000.00
(d)	*Schedule C—six-twelfths of*		
	Indian Affairs and Northern Development	Vote 50	
	Transport	Vote 30	
	Treasury Board	Vote 10	$ 115,113,500.00
(e)	*Schedule D—five-twelfths of*		
	Communications	Vote 75	
	Consumer and Corporate Affairs	Vote 15	
	Employment and Immigration	Vote 10	
	Energy, Mines and Resources	Vote 45	
	National Health and Welfare	Vote 55	
	Public Works	Vote 35	$ 74,986,541.66
(f)	*Schedule E—four-twelfths of*		
	Agriculture	Vote 15	
	Communications	Vote 30	
	Consumer and Corporate Affairs	Vote 20	
	Employment and Immigration	Votes 15 and 25	
	Energy, Mines and Resources	Vote 1	
	Environment	Votes 1 and 15	
	Indian Affairs and Northern Development	Votes 15, 30, 35 and 40	
	Parliament	Vote 10	
	Public Works	Vote 30	
	Secretary of State	Vote 25	
	Supply and Services	Votes 1 and 10	
	Transport	Votes 1 and 40	
	Veterans Affairs	Vote 20	$ 2,036,442,056.66
			$10,169,354,842.40

Estimates Division
March, 1986

THE SENATE

Wednesday, March 26, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

[*Translation*]

THE SENATE

MOTION TO CONSTITUTE ITSELF IMMEDIATELY IN COMMITTEE OF ORDERS AND CUSTOMS OF THE SENATE AND PRIVILEGES OF PARLIAMENT

Hon. Jacques Flynn: Honourable senators, in conformity with section 46, paragraphs (b) and (k) of the Rules of the Senate and of the motion passed by the Senate on the first day of the present session, I move, seconded by Senator Murray:

> That the Senate constitute itself immediately in Committee of the Orders and Customs of the Senate and Privileges of Parliament to examine the action taken by our colleague, Senator Hébert, inasmuch as that action affects the said orders, customs and privileges of the Senate and of its members collectively or individually.

The Hon. the Speaker: Honourable senators, is it your pleasure to adopt the motion?

Senator Flynn: Honourable senators, since I moved that the question be referred to a Committee of the Whole, I don't think it would be useful to consider the substance of the matter at this time.

For the information of our colleagues, I may remind them that at the beginning of each session the Senate adopts a motion that reads as follows:

[*English*]

> That all the senators present during this session be appointed to a committee to consider the Orders and Customs of the Senate and Privileges of Parliament and that the said committee have leave to meet in the Senate chamber when and as often as they please.

[*Translation*]

The committee, as I just said, is formed at the beginning of each session. And as I mention in the motion, the possibility of referring the matter to this committee is provided under section 46, because no notice is required of any motion before the referral of a question to a committee, as indicated in paragraph (b) and in paragraph (k), which mentions a question of privilege.

Once again, I do not want to discuss the substance of the question. I thought of adding to the motion that the committee would meet *in camera* so that it would feel more comfortable in discussing this problem, and the conclusions of the committee would then be reported to the Senate.

At this time I do not see what else we could add. We all know the problem and the fact that the Senate must come to some kind of conclusion as soon as possible. I hope that the motion as formulated will meet with the approval of honourable senators, and that it will not aggravate the general feeling on this question.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, the Leader of the Government in the Senate was so kind as to give me prior notice of Senator Flynn's intention to move this motion.

I therefore had an opportunity to consult with my colleagues, and I must say we intend to oppose this motion for the following reasons:

First, regarding the wording of the motion, we feel that Senator Hébert's gesture was and still is a personal one. He did not set out to do what he is doing as a result of some collective action by the Senate or other institutions or persons. He did so purely of his own volition.

For this reason, we do not think it is fair to see this as a problem that involves us all or as a question of privilege. This is neither logical nor defensible. We believe that Senator Hébert's gesture, as I said before, is a personal one and that it does not affect the said orders and customs of the Senate and each of its members.

[*English*]

Hon. Duff Roblin (Leader of the Government): Honourable senators, I had not really thought of taking part in this discussion, because yesterday I explained at some length the position which I am adopting in this matter. However, I think there are considerations here that, perhaps, ought to be restated because they bear on the importance of the issue now before us.

I think we have to respect the right of our colleague, Senator Hébert, to, if I can quote myself, "follow his own star" and obey the promptings of his conscience in these matters. But I think there is another issue that honourable senators cannot lightly ignore. That arises from the fact that, if things go according to schedule, we will be leaving this place today for a period of several days, perhaps a week and perhaps longer. I must express my concern as to what might happen during that time if Senator Hébert should run into physical difficulties because, as things stand at the moment, there seems to be no clear authority for dealing with an emergency of that kind. As far as the rules and orders of the Senate are concerned, there is none and that really is part of our problem.

I should feel very uneasy if we were to leave this chamber today with that possibility looming in the background without

having come to some meeting of minds as to how we would see this difficult problem being handled in the interval.

Regardless of our feelings on the issues concerned, it seems to me heartless to leave to Senator Hébert a responsibility which he willingly assumes—let it be said—in respect of his health and future condition, but I do not want to leave this house without having expressed concern about that and to say that we have been searching for some way of coming to grips with this problem. I do not know how Senator Hébert feels about it, but it would be a great relief to me, and to many others, if he would make some arrangements that would enable us to help him if his physical situation should deteriorate to an extent which would be seriously harmful. I do not know the answer to this problem. It may be a difficult question to solve, but I believe that we cannot ignore this aspect of the matter when we decide what to do about this motion.

• (1410)

Hon. Lowell Murray: Honourable senators, yesterday we were told by the Deputy Leader of the Opposition that he and his colleagues would have no enthusiasm for any collective action which would be taken against the wishes of Senator Hébert.

Hon. Royce Frith (Deputy Leader of the Opposition): I did not say "and our colleagues". I said "speaking for myself".

Senator Murray: I thought I understood the Deputy Leader of the Opposition to say that it was the attitude of his colleagues. In any case, today he has gone one step further, and, speaking on behalf of his colleagues, he has disclaimed all responsibility, as members of the Senate, for the consequences of the action that is being taken by our colleague, Senator Hébert. Of course, it is an individual action on the part of Senator Hébert, but it does concern us (a) because he is a colleague and (b) because the manifestation is taking place in this part of the Parliament Buildings over which we have control.

The Deputy Leader of the Opposition told us a few moments ago that he and his colleagues will refuse even to discuss the matter. They oppose the motion by Senator Flynn that we resolve ourselves into the Committee on Privileges, which was established at the beginning of the session, to discuss the matter, to try to find a solution to the matter that will be a happy rather than a tragic solution.

I am disappointed and somewhat discouraged, on this last day before we return to our homes for Easter, that this should be the attitude of our friends opposite. I see no reason why they could not at least agree to go into Committee on Privileges to discuss the matter. By their refusal to do so, they are disclaiming any responsibility for what happens. It seems to me to be an attitude that is laden with very grave consequences.

Senator Frith: Honourable senators, just so that we can be clear, perhaps Senator Murray was not present in the chamber when I explained the position. I did not make this particular point, but I must say that I do not understand why the question of privilege is any different on this Wednesday from what it was on Tuesday, or at any other time, with regard to this motion, which is whether my privileges or those of other honourable senators are being affected by this action.

Senator Hébert is here. We know that he has taken this action. I personally support the action he has taken, and I support his cause.

Some Hon. Senators: Hear, hear.

Senator Frith: But that is not the point here. The point is that we are being asked collectively to try to find a solution to a problem arising from an action taken by one of our colleagues. I am sure that our colleague took that action knowing what the results would be so far as his health is concerned. Our position is—and I believe it is very relevant to the motion before us—that it is not action taken by us and that it is not affecting our privileges collectively or otherwise, and beyond that it is not our business as a Senate.

Senator Flynn: Honourable senators—

The Hon. the Speaker: Honourable senators, if Senator Flynn speaks now, his speech will have the effect of closing the debate.

[*Translation*]

Senator Flynn: Honourable senators, I would like to add my personal regrets to those of Senator Murray concerning the attitude of the official opposition. In fact, their overwhelming majority makes them masters of the Senate and its positions.

In proposing the motion I refrained from dealing with the basic issue. I have no intention of saying anything more, other than rejecting the suggestion of Senator Frith to the effect that the privileges of all senators, individually or as a whole, are not affected by the behaviour of Senator Hébert.

Since Senator Frith has raised the question, I admit that Senator Hébert has every right to be on a hunger strike and threaten his own health. He has the right to resort to means which are more or less consistent with ethics, and certainly contrary to parliamentary procedure. But he does not have the right, for personal purposes, to occupy the premises as he has been doing for 15 days.

Needless for me to describe what the situation might be if five, ten or more members of this house were to decide to emulate him. We know full well no-one is allowed to occupy these premises day and night. We know full well that most senators would not let someone from the opposition behave as Senator Hébert is doing by occupying the premises. The hunger strike is his business. Occupying the premises, contrary to Senate customs, is a problem which may become very serious over time. In any event, the Senate will have to solve it eventually. I would much prefer that it be settled now, before Senator Hébert endangers his health. Senator Roblin mentioned that we are going to be absent—

Senator Frith: On a point of order, honourable senators, as I understand our rules, Senator Flynn is now exercising his right to respond. He does not have the right to launch into another speech—that is what he is doing—in which he raises other

questions to which we will have an opportunity to respond, and so on.

In my opinion, he is abusing his right to respond and close the debate.

Senator Flynn: I thrive on applause from onlookers, like Senator Sinclair's, for instance, who does not understand anything about the Rules of the Senate; this is not the Canadian Pacific boardroom!

[*English*]

Senator Frith: Come on, Jacques!

Some Hon. Senators: Order!

[*Translation*]

Senator Flynn: Who raised the question?

[*English*]

Senator Frith: You are really abusing the proceedings. Order!

Some Hon. Senators: Order!

[*Translation*]

Senator Flynn: Who raised the question?

[*English*]

Senator Frith: It is not a reply. It is a new speech.

[*Translation*]

Senator Flynn: Who raised this question? Listen, did Senator Frith say—

• (1420)

[*English*]

Senator Frith: Senator Flynn merely has the right of reply. This is an abuse of privilege, but of course he will go on and do it.

Senator Sinclair: Perhaps he would get up and explain the rules.

Senator Flynn: If I thought it would be useful, I would do so, but I am replying to the objection by Senator Frith. In my comments I was very careful to say that I do not want to touch upon the problem of the action of Senator Hébert as such. I said, let us examine whether the privileges and the customs of the Senate are involved here.

Senator Frith: You made that speech when you started.

Senator Flynn: You replied, "No."

Senator Frith: Yes.

Senator Flynn: In closing the debate, I have the right to contest your argument, and the only way—

Senator Frith: Yes, but not with new material.

Senator Flynn: It is not new material. You said that it does not affect our privileges. I am explaining how it affects our privileges.

Senator Frith: You are going to do it anyway, so go ahead.

[Senator Frith.]

Senator Flynn: You should have understood that. You were merely trying to stop me, and you know that you will have no more success than you have had up to this point, because it is only obstruction that you have in mind.

Senator Stanbury: You do not care about the rules.

Senator Flynn: The rules are quite clear. I could have touched on that question in my main presentation. I would not touch on it in my reply if Senator Frith had not claimed that the action of Senator Hébert was not affecting the rights and privileges of the Senate or of senators individually. I was merely making that point and warning the Senate, and the Liberal majority which controls the Senate, that eventually the problem will come back to haunt us. I was merely asking that we discuss it and I was willing to discuss it *in camera* in order to avoid the problem of controversy and partisanship. I did not touch on the question of conduct up to that point; you did, and you would wish me not to reply to you. In other words, to let the record stand as if you were entirely right. You have the right to win because of your numbers, but you do not have the right to be always right.

Therefore, I suggest to you, honourable senators, that we are missing an opportunity to deal with this matter in a civilized way. It is the responsibility of the Senate to say no to this motion.

The Hon. the Speaker: Honourable senators, it is moved by the Honourable Senator Flynn, P.C., seconded by the Honourable Senator Murray, pursuant to rule 46(b) and (k) of the rules of the Senate, and with the motion passed by the Senate on the first day of the present session:

> That the Senate constitute itself immediately in Committee of the Orders and Customs of the Senate and Privileges of Parliament to examine the action taken by our colleague Senator Hébert, inasmuch as that action affects the said orders, customs and privileges of the Senate and of its members collectively or individually.

Is it your pleasure, honourable senators, to adopt the motion?

Some Hon. Senators: Yes.

Some Hon. Senators: No.

The Hon. the Speaker: Will those honourable senators in favour of the motion please say "yea"?

Some Hon. Senators: Yea.

The Hon. the Speaker: Will those honourable senators who are against the motion please say "nay"?

Some Hon. Senators: Nay.

The Hon. the Speaker: In my opinion, the "nays" have it.

And two honourable senators having risen.

The Hon. the Speaker: Please call in the senators.

Senator Frith: Honourable senators, perhaps we can dispense with the continuation of the ringing of the bells and have a standing vote immediately.

Senator Flynn: We have no problem with that.

Motion negatived on the following division:

YEAS

THE HONOURABLE SENATORS

Barootes	Muir
Bélisle	Murray
Doody	Nurgitz
Doyle	Phillips
Flynn	Roblin
MacDonald (*Halifax*)	Simard
Marshall	Tremblay—14.

NAYS

THE HONOURABLE SENATORS

Adams	Lapointe
Argue	Leblanc (*Saurel*)
Bosa	LeBlanc (*Beauséjour*)
Buckwold	Lefebvre
Cools	Le Moyne
Corbin	MacEachen
Davey	Marchand
Denis	Marsden
Fairbairn	McGrand
Frith	Molgat
Gigantès	Olson
Godfrey	Petten
Graham	Pitfield
Haidasz	Rousseau
Hastings	Sinclair
Hébert	Stanbury
Hicks	Stewart (*Antigonish-*
Kenny	*Guysborough*)
Kirby	Thériault
Kolber	Turner—39.

ABSTENTIONS

THE HONOURABLE SENATORS

NIL

SENATOR HÉBERT—HUNGER STRIKE—SPEAKER'S STATEMENT

The Hon. the Speaker: Honourable Senators, I had prepared a statement, and I am pleased to advise you on matters as they now stand from the point of view of the Chair.

As the situation developed, it became clear that action would have to be taken by the Senate, and I have, accordingly, acted in three areas of concern. These three areas are security, legal and medical.

• (1430)

I turn first to the question of security. In this area I have two concerns. The first is the protection of Senator Hébert from any unacceptable harassment. The second is to see that the precincts of the Senate are adquately protected.

I have instructed the Clerk to take whatever action is necessary to ensure that these two goals are met. I have also satisfied myself that he has taken the necessary steps with his officials.

I think that all senators will agree that to date there has been no adverse incident in the area of security and that our protective staff are to be commended for the manner in which they have carried out their duties.

Some Hon. Senators: Hear, hear.

[*Translation*]

The Hon. the Speaker: With respect to the legal aspects of this unprecedented situation, my concern is of course to ensure that a correct balance is struck between the legal rights of all concerned, including Senator Hébert, other senators, the Senate, the press and the public. The legal aspects of the matter have been referred both to our Law Clerk and to outside counsel for their comments. The reports of these gentlemen are providing me on an ongoing basis with the necessary perspectives on the parliamentary and civil law aspects of the situation to ensure that, as the Senate acts and reacts to the facts, it does so in a way consistent with the traditions of Parliament, the law and common sense.

My third area of concern, the health of our colleague, is one that has also been the subject of an expression of concern by many senators, especially those of the medical profession. Honourable senators are no doubt aware that, almost from the first day of his fast, Senator Hébert has been attended on a daily basis by his personal physician. Notwithstanding this fact, it seemed wise to me to ensure that the senator and the physician in question have the benefit of a second opinion. With these goals in mind, I asked Senator Hébert to accept to have a second medical consultant, appointed by the Department of National Health and Welfare. Needless to say, the senator was co-operative and his physician will be regularly in touch with the medical consultant.

[*English*]

A parliamentary recess is now upon us and honourable senators will want to know what arrangements have been made to ensure that the development of this situation is properly monitored in our absence. My decision is to appoint a committee of three persons, all officers of the Senate, to keep me informed of the situation at all times. These persons will have access to me on a twenty-four hour basis.

In conclusion, honourable senators, I trust that my actions and plans meet with your approval and I invite any comments that honourable senators may have. Finally, I think that I express the wishes of all honourable senators, even Senator Hébert, when I say that I hope that this matter will soon be resolved.

Hon. Royce Frith (Deputy Leader of the Opposition): Well, honourable senators, in responding to His Honour's statement, I suggest we ought to make it clear that while thanking the Speaker for the natural concern he has in his position and for the subjects he delineated in that statement, we should remember—and I am sure we all do remember—that there is no difference between any of us on the fact that the privileges of a senator are the subject matter of and within the responsibility of the Senate as a whole.

Senator Argue: Exactly.

Senator Frith: Therefore, if Senator Hébert has agreed to the steps that have been taken—those that affect him directly, such as those relating to his health—then it seems to me that we should support those steps, because in doing so we are supporting his privileges.

I hope that Your Honour intends to maintain the principle that any steps that are taken, especially any steps that are taken against the wishes of Senator Hébert, must be the subject of consideration by the Senate as a whole.

Senator Flynn: What about in our absence?

Senator Frith: We can be called back, of course, under the rules.

Senator Murray: Put that on the record.

Senator Frith: It is on the record.

ARMY BENEVOLENT FUND ACT AND RELATED ACTS

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-100, to amend the Army Benevolent Fund Act, the Children of War Dead (Education Assistance) Act, the Compensation for Former Prisoners of War Act, the Pension Act, the Veterans' Land Act and the War Veterans Allowance Act.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(f), bill placed on the Orders of the Day for second reading later this day.

● (1440)

CORRECTIONS

NOTICES OF MOTIONS

Hon. Earl A. Hastings: Honourable senators, I give notice that next Monday, March 31, 1986, I will move:

That there be laid before this House copy of the service contract between Correction Service of Canada and Daniel Hawe or Daniel Hawe & Associates Ltd. of Edmonton with respect to the Daniel Hawe Report on Community Correction Services in Alberta.

[The Hon. the Speaker.]

That there be laid before this House detailed statement of expenditures by the Correction Service of Canada with respect to the Daniel Hawe Report on Community Correction Services in Alberta.

That there be laid before this House copy of service contract between Task Force on Program Review and Daniel Hawe or Daniel Hawe & Associates Ltd. of Edmonton with respect to Study Team on Corrections report.

That there be laid before this House copy of any service contracts that may now be in effect between Daniel Hawe or Daniel Hawe & Associates Ltd. of Edmonton, Alberta, and the Correction Service of Canada.

QUESTION PERIOD

[*English*]

CANADA-ITALY INTERNATIONAL SOCIAL SECURITY AGREEMENT

PENSION APPLICATIONS

Question No. 18 on the Order Paper—**By Hon. Peter Bosa:**

26th November—In relation to the Social Agreement between Canada and Italy, 1. How many pension applications originating in (a) Canada and (b) Italy have been received by the Department of National Health and Welfare, International Operations Division during the years (i) 1982 (ii) 1983 (iii) 1984 (iv) 1985?

2. How long does it take on average to process an application originating in (a) Canada and (b) Italy?

3. When an application is received by International Operations, how long does it take before it is sent to its destination in Italy?

4. How long does it take on average for the Italian provincial administration to process an application originating in Canada?

5. What percentage of applications originating in both countries are delayed as a result of incomplete information submitted?

6. What is the main complaint most frequently made by applicants to the Department?

7. Has there been any improvement in the time that it takes to process these applications in both countries?

8. What is the backlog of applications waiting to be processed at International Operations?

9. What is the number of applications waiting to be processed in Italy?

10. Under this agreement (a) how many pensioners residing in Italy have received Canadian benefits (b) what is the total amount of funds remitted to that country (c) how many pensioners residing in Canada have received

Italian benefits and (d) what is the total amount of funds remitted to that country?

Reply from the Minister of National Health and Welfare:

A Reciprocal Social Security Agreement between Canada and Italy was signed on November 17, 1977. This Agreement, which took effect on January 1, 1979, enables the two countries to coordinate their social security programs that provide old age, disability, survivors and death benefits.

The Agreement makes it possible to add periods of residence, insurance, or contributions in the two countries in order to meet the minimum eligibility requirements of the social security scheme of either country.

The agreement prevents a worker from having to contribute to the social security schemes of the two countries for the same work.

Each country pays its benefits inside its own borders or abroad, if the minimum conditions for the payment of benefits abroad have been met and if such payment is provided for under the Agreement or by the country's legislation. The amount of the benefit aid is proportional to periods of residence, insurance or contributions to the Canadian or Italian schemes, as applicable. Each country pays its benefits in its own currency directly to the beneficiary.

1. (a) - applications for Canadian benefits originating in Canada:

(i) from April 1, 1981 to March 31, 1982 - 563

(ii) from April 1, 1982 to March 31, 1983 - 886

(iii) from April 1, 1983 to March 31, 1984 - 920

(iv) from April 1, 1984 to March 31, 1985 - 918

(v) from April 1, 1985 to November 1985 - 889

- applications for Italian benefits originating in Canada:

(i) from April 1, 1981 to March 31, 1982 - 3,242

(ii) from April 1, 1982 to March 31, 1983 - 3,043

(iii) from April 1, 1983 to March 31, 1984 - 3,984

(iv) from April 1, 1984 to March 31, 1985 - 5,369

(v) from April 1, 1985 to November 1985 - 4,122

(b) - applications for Canadian benefits originating in Italy:

(i) from April 1, 1981 to March 31, 1982 - 458

(ii) from April 1, 1982 to March 31, 1983 - 644

(iii) from April 1, 1983 to March 31, 1984 - 598

(iv) from April 1, 1984 to March 31, 1985 - 601

(v) from April 1, 1985 to November 1985 - 580

- applications for Italian benefits originating in Italy:

not available

2. (a) - applications for Canadian benefits originating in Canada:

6.5 months as of November 1985;

- applications for Italian benefits originating in Canada:

4.5 months as of November 1985, before the applications is forwarded to Italy.

(b) - applications for Canadian benefits originating in Italy:

6.5 months as of November 1985;

- applications for Italian benefits originating in Italy:

not available

3. 4.5 months; supporting documentation must be obtained before the application is forwarded to Italy.

4. 1.5 year

5. 50 per cent

6. Length of time required to process applications.

7. Yes; operational meetings between Canadian and Italian officials to discuss liaison process and streamline workflows should further accelerate processing time.

8. Applications currently being processed at International Operations:

about 4,100.

9. About 8,700

10. (a) 2,350 pensioners;

(b) from January 1, 1979 to November 1985: $12,366,290;

(c) not available, however the Italian authorities have confirmed that 12,118 applications have been approved since January 1, 1979;

(d) not available.

PETROLEUM INCENTIVES PROGRAM ACT

BILL TO AMEND—THIRD READING

Hon. Efstathios William Barootes moved the third reading of Bill C-85, to amend the Petroleum Incentives Program Act.

He said: Honourable senators, if any other honourable senator wishes to speak, I shall defer.

Hon. H.A. Olson: Honourable senators, this is a very strange procedure.

The Hon. the Speaker: Senator Barootes has moved third reading.

Senator Olson: I understand that and I have no problem with it. My concern is that Senator Barootes, the sponsor of the bill, did not reply to any of the questions we raised when we closed the debate on second reading.

Senator Doody: Senator Barootes is prepared to answer any of your questions.

Senator Olson: Now he chooses, apparently, not to make any comments on third reading.

Senator Doody: He thought you might have another question.

Senator Olson: I am sorry; I misunderstood him.

Senator Barootes: Honourable senators, my purpose was to defer my answers to the questions raised yesterday because someone else might wish to have the floor, and I would yield to him first.

There apparently being no one else who wishes to speak, honourable senators, perhaps I can proceed to deal with the evocative statements made by my dear friend yesterday.

In my closing remarks on Bill C-85, I should like to thank Senator Hastings and Senator Olson for their contributions to our discussion. Senator Hastings, as chairman of the Standing Senate Committee on Energy and Natural Resources, indicated that he can support the bill. Essentially it conforms to the recommendations of his committee's study of the National Energy Program.

I also concur in his opinion that the Petroleum Incentives Program, in its early existence, helped to delineate the existence of what are termed "elephants" or large pools of light oil in the frontier areas at a time when our reserves of light conventional oil in readily accessible areas were diminishing. This was, indeed, accomplished, however, at a very heavy cost to the purse of the government and the Canadian taxpayer.

The days of such high-risk wildcatting are over. We now require development to bring such reserves to production and to market; hence, as he said, PIP is less required now in the national interest.

I also agree with the honourable senator that it did assist many small Canadian companies to gain experience in conjunction with larger companies with more expertise in this field and, indeed, may have helped—again at a very high price—our Canadianization policy.

Yesterday, during debate on second reading, my honourable colleague, Senator Olson, questioned the use and the extent of the minister's discretionary powers as set out in the bill. The honourable senator was concerned that the exercise of ministerial discretion on a well-by-well or company-by-company basis would leave some Canadian companies without PIP incentives due to budgetary constraints.

First, let me say that the budget for PIP grandfathering, which is estimated to be around $1 billion from April 1 on, was arrived at in consultation with the oil and gas industry. The industry was canvassed and the matter was discussed with them as to the wells they wanted to drill, based on prospectivity and marketing economics. These wells are all commitment validating wells as of March 28, 1985. No new commitments after that date will be eligible for PIP under the grandfathering régime.

Therefore, it is most unlikely that the cost of this grandfathering régime will escalate; rather, honourable senators, given the present world oil situation, some companies may not be able to complete all their planned activities thereby freeing up some of the dollars in this budget.

Second, allow me to assure Senator Olson and my honourable colleagues here in this chamber that this bill does not confer upon the minister broad discretionary powers; rather, the minister will be constrained by regulations which will set out which applicants and which activities will be entitled to PIP.

[Senator Doody.]

In particular, I would point out to Senator Olson that the specified portion referred to in clauses 1 and 3 of the bill will be defined in regulations to mean that a person who, on March 28, 1985, was an exploration agreement interest holder or was a party to a signed unconditional agreement which provided for the applicant's participation in the drilling of a well will have his qualified share of well expenses provided as a specified portion.

Since the well itself must meet the initial test of being a grandfathered well, that is, a prescribed activity, the specified portion provisions can only limit who can be qualified for PIP. For example, if a company were committed to picking up 30 per cent of the well cost on March 28 of last year, the date of the Western Accord, but subsequently agreed to pick up a larger portion of the well, say, 50 per cent of the cost, the expenses incurred as a result of the increased commitment since the date of the Western Accord, that is, the additional 20 per cent, would not automatically qualify for grandfathering and, therefore, not be a specified portion.

If there were unusual circumstances, the minister, in her discretion, might recommend regulatory amendments to pick up this additional 20 per cent, and this is the flexibility which the industry requested—yea, demanded—to be included in the bill to allow for changes in these kinds of circumstances.

Clause 4 of the bill empowers the minister, in granting an approval for grandfathering, to provide relieving discretion in situations. She would previously have been faced with an all-or-nothing situation.

Honourable senators would be aware that the Canadian Petroleum Association, in testimony before the legislative committee on Bill C-85, specifically endorsed the entrenchment of ministerial discretion in the bill so as to allow the minister this flexibility to judge the merits of special circumstances which arise from time to time, given the complexity of the industry's operations.

• (1450)

Honourable senators, as I stated in my remarks yesterday, the industry is well aware of the principles underlying the grandfathering regime. Indeed, over 100 meetings were held with the industry on how to implement these principles and to explain how they would affect individual companies. The minister, in listening to the industry, directed that the regulations contain provisions to allow for both generic and specific company exceptions.

Let me provide honourable senators with a couple of examples. PIP will be provided for an additional 30 days past March 31, 1986, to companies drilling in the Northwest Territories or in the ice islands of the Arctic so that they can complete their drilling season. Similarly, there will be an extension because of ice floes down in the Hibernia area. It is also a matter of public record that the minister has made a special exception for Husky-Bow Valley and the Home-Esso

group to receive PIPs on penalty expenses during the grandfathering regime.

As the parliamentary secretary observed during the meeting of the committee yesterday, the regulations are yet to be released. They have been drafted and are currently being finalized by the Department of Justice. However, let me again reiterate that the principles underlying those regulations have been known to the industry for some time. The regulations in no way detract from the principles generally outlined. In fact, the regulations will provide for specific exceptions. It is my belief that those regulations should go a long way toward satisfying the concerns mentioned by Senator Olson yesterday.

He also commented on extending the period of PIP beyond 1987, since drilling programs on frontier properties may be projected for several years in advance of actual work.

The notice given to the industry of the government's intention to end PIP, with which it agreed, was given in April, 1985, giving a lead time of two years and eight months—which I believe is amply generous and fair to any economic plans. Certainly it is a much longer period than the precipitate changes in oil prices which were experienced in 1973, 1979 and again this past winter. Moreover, the request to extend PIP, as suggested by Senator Olson, seems to misinterpret the very intention of the bill. Bill C-85 is meant to end PIP, not to perpetuate it.

Finally, honourable senators, the government was accused of espousing less interventionism in the oil and gas industry when, in fact, Senator Olson believes that ministerial discretion in this bill actually means that the government is more interventionist. In fact, the act will allow for more flexibility in this anxious transition period—a quality which the industry has sought of the minister, and a quality which she has amply demonstrated in her consultations in the past 18 months.

Honourable senators, I should be more than willing to allow the oil industry, the provincial governments and the public to decide if Pat Carney has demonstrated characteristics of interventionism rather than consultative co-operation. In that regard, I would be very pleased to have her attitude compared to that of her predecessor, the Honourable Marc Lalonde. Honourable senators, I move third reading of this bill.

Senator Olson: Honourable senators, I wish to express my appreciation to Senator Barootes, the sponsor of this bill, for trying to deal with some of my questions.

Senator Doody: You are forthcoming.

Senator Olson: I am glad that is the opinion of the Deputy Leader of the Government. But I have to say to Senator Barootes that while I admire his attempt, I do not admire some of his examples. There is always reference to something that may have happened in 1980 or 1981. I might say that a long discussion would be necessary to make that comparison valid, and I do not intend to take that much time this afternoon. There is one thing that should be said, which is that the government, including Senator Barootes and his colleagues, should understand that Canadians are getting tired of that explanation. That is no longer a good explanation. It was good for a few months. What Canadians are interested in is not what happened way back behind us, whether it is two years, five years or twenty years. What they are interested in is what the government is going to do now and what is the policy basis on which it is going to do it.

I wish to say also that I believe that Senator Barootes did not tell us satisfactorily what the minister is going to do with that wider discretion that she has under the statutes. There are two areas. He said, "Well, we are going to make regulations under the statutory authority given in Bill C-85 that will do certain things." When we in this chamber are considering amendments to the statutes, to the whole legislative process, we have to look at what the authority that is given will do—and that includes the parameters in which they make regulations. So far, there has been no description of what the government intends to do with respect to those regulations, except that it says, "Trust us. It will be all right." Well, if I were a small oil company which had entered into contractual arrangements that made it mandatory that I live up to those contractual arrangements with some other company, where in some cases 80 per cent of the cost was going to be paid by the Petroleum Incentives Program, I would be very worried about the minister's having the discretion concerning whether or not there were going to be rules that applied uniformly across the country.

As a matter of fact, Senator Barootes has again admitted that there is a limit of $1 billion until January 1, 1988. I have been told that it does not provide sufficient money for all of the "farm-in" deals and the plans that were based on them. Senator Barootes did not deal with that point. It is very important that we know whether or not there are "farm-in" contracts. For those honourable senators who are not familiar with the jargon of the industry, when I refer to "farm-in" I am referring to arrangements that are made by a number of oil companies with the major leaseholder to do some of the development on that leasehold. Senator Barootes did not answer whether or not the government had even considered the matter, to see whether the amount of money over the period of time was sufficient to satisfy all of the contracted arrangements that had been made. What happens to a small oil company that had a "farm-in" arrangement with, for example, Imperial Oil? Does it lose its interest and all of the value of its investment to date because it cannot live up to the rest of it—because the cost of doing that kind of development changes rather dramatically when you have to pay 100 per cent rather than 20 per cent of the cost of the exploration and development?

As I said, I do not intend to be too long on this debate. However, I am rather disappointed that the honourable senator could not be more specific in his answers.

• (1500)

In conclusion, I believe that we are slipping again. I believe that the consequences of phasing out the petroleum incentive grants will leave the entire field of exploration and development on the offshore on the east coast, whether it is Hibernia, farther north on the Labrador coast or south near Nova

Scotia, to the multinationals, because virtually none of the Canadian companies is large enough to handle that kind of activity without some help to at least delineate the seismographic findings. These operations are being left entirely in the hands of multinational companies such as Exxon, Shell, Texaco, Chevron, and so on. I do not think that it is good for Canada to be heading back to the situation where, for example, 85 per cent of all oil production in Alberta was in the hands of the multinationals. It is sad, because we had made quite a lot of progress, as Senator Barootes just admitted, in Canadianization, in Canadians owning a larger portion of this vital resource. Obviously, this will slip away again. It is unfortunate.

I had intended to say a few words about some of the other matters, such as the fact that the industry is well aware of the discretionary powers being given to the minister under this bill. However, I asked myself, "So what?" Did all the little companies agree? Did they take out their contractual arrangements, and so on, and say, "Well, are you going to honour your part until the end of these arrangements?" Senator Barootes did not say as much. He said that the program will end at the end of 1987. Senator Barootes pointed out certain provisions. As a matter of fact, he used the example to show where the minister could change the amount to be paid out by some 20 per cent. I suspect that there will be a lot of these changes for a number of reasons. The senator did not explain very well how they would word the regulations with respect to that matter. In effect, the government is saying, "Give us all this statutory authority to make regulations and trust us." I do not think that there are many oil companies that have important investments and that are now at the stage where a wrong move could break them who would like to say, "We trust you to act completely and fairly for everybody involved."

Motion agreed to and bill read third time and passed, on division.

APPROPRIATION BILL No. 4, 1985-86

THIRD READING

Hon. C. William Doody (Deputy Leader of the Government) moved the third reading of Bill C-101, for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1986.

Motion agreed to and bill read third time and passed.

APPROPRIATION BILL No. 1, 1986-87

SECOND READING

On the Order:

> Resuming the debate on the motion of the Honourable Senator Doody, seconded by the Honourable Senator Marshall, for the second reading of the Bill C-102, intituled: "An Act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1987".—(*Honourable Senator Frith*).

[Senator Olson.]

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, as was pointed out by Senator Doody yesterday, this is Appropriation Bill No. 1, 1986-87. Its purpose is interim supply. The government is not being given supply for the fiscal year 1986-87. It is being given a portion of the supply that it needs to function in the meantime. As Senator Doody also pointed out, in no way is Parliament being asked to pass the entire amount of the vote. This means that in the usual way and according to Parliamentary tradition, the Senate is not to be taken as passing on these estimates or in any way giving up its right to raise questions on the estimates that relate to the interim supply or a fraction of the supply.

Senator Doody: Agreed.

Senator Frith: For that reason, I see no reason to debate this matter further and suggest that we give it second and third reading today.

Hon. Hazen Argue: Honourable senators, I have a few remarks to make on this appropriation bill. Good health care for Canadians, I believe, should be the right of all Canadians. It seems to me that our medical and health care systems are at something of a crossroads. Growing knowledge and advances in many aspects of treating acute and chronic disease seem to be at hand. On the one hand, health practices that can add to human well-being, happiness and longevity are considered, discussed and sometimes recommended by health practitoners. On the other hand, the often near total dependence on drugs and surgery by many in the medical profession is being questioned and challenged by laypersons and by growing numbers of the medical profession itself, certainly by those practitoners whose emphasis is outside the realm of drugs and surgery.

Larger and larger numbers of our population are reading widely on the practice and claimed successes of such diverse and wide ranging regimes as homeopathy, osteopathy, reflexology, holistic medicine, acupuncture, allergy treatment, naturopathy, chiropracty, health foods, diet, exercise, meditation, herbs, massage, faith healing and psychic healing.

Advances in traditional medicine—that is, in controlling disease—have greatly reduced the incidence of death from contagious diseases. Instead, the disabilities that now add greatly to costs and fill the hospitals are the chronic and degenerative diseases, such as mental illness, cancer, strokes, cardiovascular diseases, arthritis, cirrhosis, allergies, chronic bronchitis, and emphysema as well as injuries at work, at home and at play. The extent of degeneration and chronic diseases may require different approaches to treatment, cure and prevention.

• (1510)

Therefore, the question arises: How can we deal most effectively with these chronic afflictions? How can we provide a wide range of health services that result in healthier, happier people? How can we provide such services at reasonable and, if possible, reduced costs? What are the rights and responsibilities of the citizenry? Should the public be entitled to freedom of choice of a wide range of health care and treatment services,

or should we continue on the present course where the available treatments are solely, or almost solely, concentrated in the current exclusive and restrictive services provided by conforming members of the medical profession; a profession whose parameters of practice are defined, restricted and disciplined by members of the provincial or territorial College of Physicians and Surgeons or Medical Council?

Is this a system that constitutes an unjustified monopoly and denies to the public the chance to use other disciplines that may show superior results and greater patient satisfaction? Further, what is the potential of preventive medicine? Can increased emphasis on preventive medicine promise improved health care at lower costs?

As the public gains more and more knowledge of various types of health care and their potential, and as more and more persons offer health services outside the current narrow medical practice dependent on drugs, surgery and hospitalization, the reaction of the medical associations is to oppose these developments and, where medical doctors are involved, to move in on them and to suspend their licences.

A number of medical doctors have come to me with reports of harassment and perceived unjustified action by their respective medical associations. A case in point is that of Dr. Donald Branigan, a medical practitioner in the Yukon. He has been accused by his fellow practitioners in the Yukon Medical Council. Dr. Branigan has the largest medical practice in the Yukon. His treatments often consist of dietary change, the use of vitamins, acupuncture and stress-relieving procedures. He was first brought before a board of the Yukon Medical Council. His licence was suspended. During this time, he ran for re-election as Mayor of Whitehorse. In spite of a strong campaign against him, he was re-elected mayor with a very large majority. A petition in support of Dr. Branigan obtained more than three thousand signatures. On an appeal to the courts, a judge ruled that the committee of the Yukon Medical Council had a conflict of interest and should not hear the case. The newly selected review board consisted of members of the Alberta medical profession. Dr. Branigan's licence was reinstated after the judge's decision, but it was subsequently suspended again by the Alberta committee. Dr. Branigan has been presumed guilty before a final decision has been rendered. He has been deprived of his livelihood. His legal expenses to date are in excess of $30,000. He is without legal counsel because he requires a deposit for future legal expenses of $25,000, and he does not have the money.

In Whitehorse and the rest of the Yukon, Dr. Branigan is the people's choice. However, his type of practice appears to be a threat to the conventional, narrow, drug/surgery/hospitalization regime of his medical competitors.

Speaking to this matter on a personal basis, Dr. Branigan considered the symptoms of my youngest daughter, Dawn Murphy. My daughter had been ailing for 15 years and her condition seemed to worsen in spite of treatments by many doctors in Ontario and Saskatchewan over this period. Dr. Branigan discussed my daughter's condition with my wife, Jean, who is widely read on health matters, and handed my wife a good deal of literature on allergies and immune deficiencies and recommended a particular textbook for study. Our daughter sought medical treatment along the lines suggested by Dr. Branigan, and after eight months of these new treatments, having to do mainly with diet, she is today in good health. She is able once again to look after her family and has accepted a full-time job.

Some other aspects with regard to this inquiry are: There was a wide seizure of Dr. Branigan's medical records. These records, in my opinion, should not have been seized and their seizure should not be condoned. Such seizure, in my judgment, is contrary to the Charter of Rights and Freedoms. This inquiry is in secret and that, I believe, is unfair. No trial should be conducted in secret. This inquiry and others like it should be open to public scrutiny.

There is widespread support for Dr. Branigan, both by his large number of patients and by the Yukon public. I believe that citizens should have freedom of choice of medical and health practitioners.

There are health services that are not dependent on drugs, surgery and hospitalization that have helped many Canadians. Such services are gaining greater support and acceptability. The types of services provided by Dr. Branigan and by many other health practitioners in other parts of Canada should be available to all Canadians. Under the circumstances, I hope that Dr. Branigan's records and licence will be restored with no undue delay.

Health care and costs are of enormous importance. In the days ahead, I will ask the Senate to give consideration to the establishing of a special committee to study the whole question of a broad spectrum of medical and health services and how their availability, delivery and effectiveness can best serve the health needs of Canadians.

Motion agreed to and bill read the second time.

THIRD READING

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

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(b), I move that the bill be read the third time now.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to and bill read third time and passed.

ARMY BENEVOLENT FUND ACT AND RELATED ACTS

BILL TO AMEND—SECOND READING

Hon. Jack Marshall moved the second reading of Bill C-100, to amend the Army Benevolent Fund Act, the Children of War Dead (Education Assistance) Act, the Compensation

for Former Prisoners of War Act, the Pension Act, the Veterans' Land Act and the War Veterans Allowance Act.

● (1520)

He said: Honourable senators, once again I am pleased to introduce legislation to upgrade programs benefiting a large number of veterans and their families.

Honourable senators, the government of the day has been completely faithful to its election promises to veterans. This bill is the second major piece of legislation brought forward since the Honourable George Hees was named Minister of Veterans Affairs. The first series of amendments cured many of the deficiencies that the Senate pinpointed in its report: "They Served, We Care". The bill before the Senate today continues in that tradition.

Honourable senators will recall that the first pieces of legislation dealt with two amendments introduced by this government. The first amendment enshrined the basic right to a pension; the second extended the proportion of pensions for widows so that they now receive the married rate for a disability pension for one year after the death of the spouse. That allows them time to adjust to their new circumstances.

Former prisoners of war will particularly welcome this lelgislation. Those Canadians taken prisoner at Hong Kong in 1941 will be the main beneficiaries of the amendment eliminating the long-entrenched "100 per cent" rule covering veterans' compensation.

Let me explain the background, honourable senators. As most of you are aware, a disability pension is based on the degree of disability sustained by a veteran and the severity is translated into percentage terms with 100 per cent representing total disability. In addition, former prisoners of war are entitled to compensation because of their confinement. This is expressed as a percentage of the disability pension benefit. Hong Kong prisoners of war received compensation equal to 50 per cent disability. Naturally, honourable senators, the vast majority of these particular POWs have a double claim to compensation. But under section 8 of the Compensation for Former Prisoners of War Act, they could not go beyond 100 per cent. That section limited their overall compensation to 100 per cent of the pension rate.

To his great credit, Mr. Hees has said that this is unjust. He believes both awards should count to the maximum, and that there should be no convenient, arbitrary cut-off level. I am confident honourable senators will agree with the minister.

In other words, if a disability pensioner were now receiving 100 per cent, and he happened to be a Hong Kong veteran who was incarcerated, he was entitled to a 50 per cent POW compensation, but did not receive that. Under this bill he will now be able to receive both. Before he could not go beyond the 100 per cent limit. That veteran would have received $1,191.00 as a 100 per cent disability pensioner at the single rate. Now his pension will increase to $1,786.00, which means that he will, indeed, be getting 150 per cent disability pension, a change which was never contemplated before. Other veterans will receive a lesser increase, depending upon the severity of the disability. They all deserve everything Canada is able to offer them, because they have lived through the most terrible of wars.

The lesser disability is for a veteran who is receiving a 90 per cent disability pension, and being a Hong Kong veteran, and having been incarcerated, he was entitled to 50 per cent. He will now receive 140 per cent, with graduations of 10 per cent on the decrease.

Honourable senators, this legislation will also increase the benefits of another group of former prisoners of war, those who were detained by a power other than Japan for a period of more than 30 months. Now they receive a pension based on the 20 per cent disability level. This legislation will increase that level to 25 per cent.

The scale for those prisoners of war was as follows: If they were incarcerated for from three to 18 months, they receive a 10 per cent prisoner of war compensation, equivalent to a 10 per cent disability pension; if they were incarcerated for from 18 to 30 months, they receive a 15 per cent POW compensation; and if they were incarcerated for 30 months and over, they receive 20 per cent.

It was argued by many veterans' organizations that that spread was not enough to recognize those who spent 30 months or more as a prisoner of war. They will now receive 25 per cent.

This increase will benefit 1,550 veterans and widows at an annual cost of $1.28 million. Most of those who will gain are those who were taken prisoner during the Dieppe Raid in 1942. I know that the government has been anxious that the hardships this group endured should be recognized through higher compensation. Over the past five years, veterans' organizations have been trying to press the Senate Subcommittee on Veterans Affairs, the House of Commons committee and the Minister of Veterans Affairs for this increase, and it should be welcomed by them.

The legislation, all told, will cost the government $20 million over the next four years, depending, of course, on how many veterans are left after those four years. Many of the remaining amendments, honourable senators, are of an administrative nature. I do not believe there is any reason to delay the business of the Senate today by detailing them.

However, I think honourable senators will want to take special note of the amendments dealing with the children of veterans. At present, veterans are paid in respect of a child of a veteran until the child reaches 17. Other social legislation, as honourable senators are aware, regards the child as a dependent until the age of 18. The government wants to bring the Pension Act and the War Veterans Allowances Act into conformity.

Additional educational assistance is being offered to the children of the war dead. Qualifying children receive assistance in the form of a monthly living allowance and a tuition grant. However, they only qualify if they have graduated from high school, and this requirement is penalizing those whose ambitions are not academic. This amendment will extend

educational assistance to those who attend trade and technical schools, which is only reasonable, and also the maximum grant will increase from $800 to $1,500 per academic year.

Finally, I will just touch briefly on two other amendments, affecting the spouses of veterans, which I think are important. The first one changes the Veterans Land Act so that for the first time the spouse of a veteran can be included as an owner of the family holdings. Provided the spouse is shown on the property agreement as a "joint owner", there will be no need in future for the veteran's will to be probated in order for the spouse to succeed to the property on the death of the veteran.

Another proposed change will amend the Pension Act. There have been cases where a veteran has died after filing an appeal against a pension assessment. This amendment will permit the spouse or children of such a veteran to follow through with the appeal. This has been very demeaning to veterans' spouses when the veteran appealed a pension prior to death. This now gives the spouse or the children of the veteran the authority to go to the Pension Review Board and appeal a case without the veteran being there, as it were.

Honourable senators, you will have noted that this legislation helps many different groups. It is gratifying that while the government continues to honour its commitment to reduce the deficit, it is once again honouring the debt Canada owes its veterans. I am sure all honourable senators will give this legislation the support it deserves, particularly, honourable senators, because we are adjourning for the Easter break, and the legislation is deemed to come into force on April 1, 1986. By passing this legislation today, there will be no delay in the administration of the payments that will go out next month. I am sure honourable senators will agree that this is important.

Hon. Richard J. Stanbury: Honourable senators, it is my pleasure to congratulate Senator Marshall on his excellent explanation of the bill. This is a bill which I think all of us can quite properly support. As he has said, it improves the lot of veterans who were prisoners of war. It improves the availability of pensions for spouses, and it extends the age limit for dependent children and increases the aid for students who are children of veterans.

• (1530)

The main group who benefit from this bill are those who were war prisoners in Hong Kong and Dieppe, as Senator Marshall has said. I must say that I had the good fortune not to be among those—as I think most of us did. My army experience was limited to Canada. But I did have the disaster of Dieppe brought home to me when I was assigned to the Special Officers Training Corps Centre in Sussex, New Brunswick. I was told to occupy the bed of one of a group of young officers who had just left for Europe. Within two weeks of our arrival in Sussex, we were informed that 90 per cent of those young officers had been killed in Dieppe. So, I have at least some of the appreciation of the sadness which was caused to the families who lost their loved ones. I think I have, from my knowledge of other veterans, some idea of the hardship that the prisoners encountered both after Dieppe and after Hong Kong.

The Veterans Assistance Program of the Canadian government, after World War II, was the most comprehensive and generous of any program of any of the Allies after the war, but, of course, it needs to be updated. It has to be updated from time to time. This is the most recent of the updating and the adjusting to modern social needs.

I am grateful to the government for understanding this need and reacting to it. I give much of the credit for that to the Honourable George Hees, who had both the seniority and the prestige, as Minister of Veterans Affairs, to have it enacted in the other place.

My reason for giving so much credit to the Honourable George Hees is not only my personal admiration for him, but also because I can see no other reasonable assumption upon which to base the fact of this legislation's having been passed.

The government, sadly, has failed to show a similar understanding and sensitivity to the needs of other elements of our society—the aged, the mothers and the youth. I was rather amused that Senator Marshall began by saying that this was one case in which the Prime Minister had fulfilled his election promises. I was immediately prompted to say, "That's once." I think the count is something like 500 to 1 now, but we are grateful for the one.

Senator Frith: And we are still waiting for the others.

Senator Stanbury: Still waiting. In any event, we do congratulate the government on this piece of legislation and will support its early passage.

Hon. Senators: Hear, hear.

Hon. Stanley Haidasz: Honourable senators, I do not want to delay the passage of this bill. I just want to refer to the Compensation for Former Prisoners of War Act.

A couple of years ago, in the Senate committee studying the Pension Act, I raised the question of the lack of eligibility for Canadian citizens who are veterans of the Polish Armed Forces of World Wars I and II who fought alongside the Allies in both wars. There are only a few hundred of these veterans in Canada today. I know that their veterans' associations—such as the Polish Combatants Association of Canada—have made several representations to the Ministers of Veterans Affairs in the past, as I have. I am wondering why, in amending this Compensation for Former Prisoners of War Act, the Canadian citizens who are veterans of the Polish armed forces living in Canada are still denied eligibility under this act.

Senator Marshall: Honourable senators, I am aware of the group of Polish veterans that Senator Haidasz—

The Hon. the Speaker: Honourable senators, if Senator Marshall speaks now, his speech will have the effect of closing the debate on the motion for second reading of this bill.

Senator Haidasz: Actually, my short intervention was a long question, so others may speak if Senator Marshall would like to answer my question now.

Hon. Finlay MacDonald: Is the point of your question that you were referring to Polish prisoners of war?

Senator Haidasz: Yes.

Senator Marshall: To respond to Senator Haidasz's question, I am well aware of the veterans group to whom he refers, the Polish veterans under General Sznuk, who has been a friend for many years. Each year I have attended with him when he met with the minister on the plight of the Polish veterans.

The minister, at the last meeting we had, indicated his sympathy. However, it is a matter of funding. He said that it is under consideration and the government will be considering it very seriously as the economy improves and they are able to include them in the amendments which will follow over the period of the future.

I appreciate most of the remarks of Senator Stanbury, particularly when he refers to the work that the Honourable George Hees is doing and the fact that we have been able to fulfil many commitments—a statement with which he does not agree—but, certainly, he agrees with what we have done concerning veterans affairs.

Honourable senators, as I indicated before, it is important that we get this bill through all stages today because of the deadline of April 1, but I want to commend Senator Stanbury for the non-partisan attitude he takes and for his support of veterans. I know that all senators feel the same way, and I move second reading.

Motion agreed to and bill read second time.

THIRD READING

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

Hon. Jack Marshall: Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(b), I move that the bill be read the third time now.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to and bill read third time and passed.

• (1540)

BUSINESS OF THE SENATE

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I should like to ask for leave to proceed to Order No. 10 on the order paper, which is the motion for the adoption of the Seventh Report of the Standing Committee on Standing Rules and Orders dealing with the procedural guidelines for the financing of various committees.

If Senator Molgat is allowed to deal with this now, we will perhaps be in a better position to consider the various requests for funding which have been put forward.

Hon. Royce Frith (Deputy Leader of the Opposition): I think there is some disposition on the part of honourable senators to deal with Order No. 7. This deals with what most seem to think is a modest budget for the Standing Senate Committee on Foreign Affairs to travel to Toronto, New York and Washington, D.C. Perhaps we should grandfather that order by dealing with it now, passing it, and then hearing from Senator Molgat.

As I understand it, two other committees are in the same position. But Senator Nurgitz, I understand, is not under the same pressure, and I have spoken with Senator Gigantès and he is of the same view. However, in the case of the order dealing with the Foreign Affairs Committee, there is some pressure, so perhaps we should deal with it now.

Senator Doody: I have no objection to that procedure. This is a visual presentation of the amount of influence Senator Murray has in this chamber.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

INTERNATIONAL FINANCIAL SYSTEM AND INSTITUTIONS

CANADA'S PARTICIPATION—FOREIGN AFFAIRS COMMITTEE AUTHORIZED TO ADJOURN TO TORONTO, NEW YORK AND WASHINGTON, D.C., FOR PURPOSE OF STUDY

Leave having been given to proceed to Order No. 7:

Resuming the debate on the motion of the Honourable Senator van Roggen, seconded by the Honourable Senator Murray:

That the Standing Senate Committee on Foreign Affairs, which was authorized by the Senate on October 29, 1985, to examine and report on Canada's participation in the international financial system and institutions and in particular the International Monetary fund, the World Bank Group and the regional development banks, including the debt repayment problems of developing countries, be empowered to adjourn to Toronto, New York and Washington, D.C., for the purpose of such study.—(*Honourable Senator Doody*).

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I have no comment to make. It is just a matter of putting the question.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

STANDING RULES AND ORDERS

SEVENTH REPORT OF COMMITTEE ADOPTED

Leave having been given to proceed to Order No. 10:

Resuming the debate on the motion of the Honourable Senator Molgat, seconded by the Honourable Senator Croll, for the adoption of the Seventh Report of the Standing Committee on Standing Rules and Orders (pro-

cedural guidelines for the financial operation of Senate committees), presented in the Senate on 5th March, 1986.—(*Honourable Senator Molgat*).

Hon. Gildas L. Molgat: Honourable senators—

The Hon. the Speaker: Honourable senators, I wish to inform the Senate that if the Honourable Senator Molgat speaks now, his speech will have the effect of closing the debate on the motion for the adoption of the Seventh Report.

Senator Molgat: Honourable senators, I almost allowed the opportunity to say a few words in this regard pass by, because it seemed to me that there might have been a disposition to accept the report of the committee as proposed. In fairness, I think I should respond to some comments made by Senator Roblin at the time I presented the report, because he did put forward some arguments which have validity and, I think, merit a response as to why the committee proceeded as it did.

I listened carefully to Senator Roblin that day and have since reread his comments. I must say that my views have not changed. I believe the recommendation of the committee, while not perfect, best meets the existing circumstances and the problem we are trying to resolve.

The committee, in its deliberation, wanted to make sure that no attempt was made to prevent any senator from coming forward with a recommendation for an inquiry. It was important for the Senate to retain the practice, which has existed here from the very beginning, that any senator could come forward and suggest that the Senate ought to inquire into a particular subject. The committee also felt that there ought to be a very easy approach to requesting an inquiry. This is one of the elements in the parliamentary system that the Senate could provide and which could not be provided by the other place, that is, very easy access to an inquiry.

We started from the premise that an honourable senator who had an idea that some subject should be studied should be able to express that view here in this chamber, without any inhibitions and without having to go into a detailed budget at that point. The senator would just present the idea so that the first decision would be based on the subject matter. The subject matter of the inquiry would be the matter we had discussed in the chamber.

Subsequently, the other matters of concern would be, of course: Does the Senate have enough members who are not otherwise occupied or who can spend more time in committee? And does the Senate have sufficient dollars to embark upon the study?

According to our present practice, and until we adopt this new rule, an honourable senator will come forward, propose a subject for study, and the Senate will make a decision. If the decision is in the affirmative, the Senate then refers the matter to the Standing Committee on Internal Economy, Budgets and Administration which is then bound by the decision of the Senate that the matter should be studied. If a budget is required, the Internal Economy Committee finds itself in a difficult position.

We have tried to get around that by a two-step approach. Senator Roblin has said that we should not have a two-step approach, but that what we should do is insist that a budget is presented at the outset. The reason the committee did not go along that route is that, if it were followed, we would be back in the same bind.

As an example, Senator Kelly now has before us a motion. In making that motion, he would also have had to present a budget or, at least, an idea of how much money the committee would spend. If the Senate were then to approve that, it would really tie the hands of the Internal Economy Committee, because the Senate would then have pronounced itself not only on the principle that terrorism is important, but also—in the knowledge of how much it was going to cost—it would be telling the Internal Economy Committee that it must provide the money. The Internal Economy Committee would then really be in a much worse bind than it is now. That is why we propose the two-step method.

In the first step, the Senate would discuss the merit of the proposition, that is, whether it is worth doing or not. It may be that having approved of the committee's being structured, the committee may not need any money. The committee may decide it can do its work without any kind of budget, in which case it would proceed with its work. If money is required, then the Internal Economy Committee would consider the matter. The Internal Economy Committee at that point would be in a much better position to study the request than it would be otherwise, because it would have all the facts. It would know the budget required and all the other requests that were before the Senate; whereas, if the Senate had already made a decision on the dollars, it would be doing so without that full knowledge that only the Internal Economy Committee would have.

In that second step, the Internal Economy Committee can study the budget, approve it, reduce it or refuse it. It could send the matter back to the committee; the committee would come back to the house with the recommendation from the Internal Economy Committee and the full facts, because the Internal Economy Committee would have studied the matter in the light of all their other obligations, and the Senate could then make a sensible decision.

I recognize that this is a somewhat slower procedure, but I think it is the best way in which we can make informed decisions. Internal Economy would have been able to study the matter thoroughly without undue pressure from the Senate itself, but in full knowledge of the facts.

Honourable senators, that was the reasoning behind the final decisions of the committee. I still recommend them to the Senate. It may be that in practice once we are into the system, we may find that some more changes are required, but I propose that we at least give it a try, see how it works and, if further changes are required, then deal with them at that time.

Hon. Nathan Nurgitz: Honourable senators, would Senator Molgat entertain a question? My question deals with the practice he has outlined and how it affects joint committees.

Senator Molgat: I thank the honourable senator for his question. I noted in reading yesterday's *Debates of the Senate* that that matter came up. Joint committees did not come under the ambit of our study. They were not part of it, so that nothing we recommend covers joint committees. I should have made that clear in my comments today.

I suppose there should be a study on the question of joint committees, although I do not know whether that is the responsibility of the Standing Committee on Internal Economy, Budgets and Administration or the Standing Committee on Standing Rules and Orders. There could be some problems there. Certainly, according to past practice, as I know it, both houses must pass the resolution before it comes into effect. Then there comes the question of sharing the budget. The standard practice, as I recall it, has been that it has been shared on a 70 per cent-30 per cent basis. However, I do not believe there is anything in writing in that regard. It may mean that when we accept the joint committee, we accept automatically the cost without really knowing what it is. That is an area that could merit some study.

• (1550)

Hon. Lowell Murray: Honourable senators, I presume that the honourable senator's proposal concerns special studies by committees and has nothing to do with the legislative work of committees; is that the case?

Senator Molgat: Yes. The report covers both, but in that report we have separated the two elements into two separate sections. The regular work of committees, which we consider to be bills, the subject matter of bills, and estimates, is an entirely separate matter and is dealt with in one section of our report. The other section concerns special studies, whether undertaken by standing or special committees—which frequently is the case, as, for example, is being done at present by the Standing Senate Committee on Foreign Affairs. That is covered in the second section of our report.

Senator Murray: The proposal is that with regard to its legislative work, a committee would do what it is now doing, which is to put in a budget prior to the commencement of the fiscal year; and that budget would be approved or otherwise by the committee and by the Senate.

In what vote is the money to be found for special studies? Is there a sum from which the Senate can draw for this, or is it in the overall amount allotted to committees? Where is it in the budget of the Internal Economy Committee?

Senator Molgat: That question should really be addressed to the Internal Economy Committee. I believe that it comes under committee expenses. However, that is really an Internal Economy matter.

Motion agreed to and report adopted.

[Senator Nurgitz.]

YOUTH

CONSIDERATION OF REPORT OF SPECIAL SENATE COMMITTEE—DEBATE CONTINUED

On the Order:

> Resuming the debate on the consideration of the Report of the Special Committee of the Senate on Youth, entitled: "Youth: A Plan of Action", tabled in the Senate on 19th February, 1986.—(*Honourable Senator Marshall*).

Hon. Jack Marshall: Honourable senators, I could not make two speeches in one day, so I will yield to Senator Fairbairn.

Hon. Joyce Fairbairn: Honourable senators, I should like to thank Senator Marshall for yielding to me. I know that he is anxious to speak in this debate, which is why he adjourned the debate yesterday; and I know that some of my colleagues who served on the committee are also anxious to speak when the Senate resumes following the Easter recess. I again thank Senator Marshall for his courtesy in letting me proceed today.

Honourable senators, today we continue this debate on Canadian youth, its problems and its future, against a background of great emotion and anxiety in this chamber, in this Parliament, and, indeed, all across the country. A subject which ordinarily we find tremendously difficult to get a focus on has, in a short period of time, become the hottest issue in the land. It is not because of dramatic government action; it is not because the special Senate committee travelled across Canada; it is not because of organized protest on the part of youth. I truly wish it were any of the above. Instead, it is because one individual has chosen, of his own free will, to shatter our conventions, to shock our sensibilities, to intrude into the privacy of our consciences, and demand that we stop and listen and hear the cries for help and understanding from our young people. This one man has taken a stark and simplistic symbol—a personal hunger strike aimed at a single program—to force each of us to face the reality that there is a crisis among young Canadians which is poisoning their generation and thereby diminishing the national security and health of their elders and the children who look up to them for guidance.

Today, I do not intend to dwell on my friend and colleague, the Honourable Jacques Hébert, or on Katimavik. No one can speak as eloquently as he himself can about his concerns and convictions—concerns and convictions which I deeply share.

We wait to see what progress the government is making on its program, or on programs that the Prime Minister and others indicated are in the works and may indeed be placed before the country at or about the end of this fiscal year. Nonetheless, as we note today, Senator Hébert is there, it is happening, it affects the dynamics of this debate and every other activity on Parliament Hill. We all know it and feel it, and there is no need to dwell on this reality.

I wish to speak about the reasons that have driven Senator Hébert to this extraordinary protest, because they are at the heart of the work of the Special Senate Committee on Youth and the discoveries made by the members of the committee in

the course of that work. The Senate committee commenced in reality a year ago. Despite the fact that we were entering International Youth Year, there was some doubt as to whether we, as a Senate, could afford the special committee. The need for it was questioned back in the fall of 1984. I personally found it rather odd and somewhat disquieting that it had taken some time—indeed, in my view, far too long—to get a special focus on the problems of the youth segment of our population, with the youth minister and with the special Senate committee under the former government—far too long. Given that the climate for youth problems had not improved, it seemed odd that the case had to be argued and fought again.

At any rate, after perhaps a shaky beginning, the committee was actually enlarged and the 12 of us began our work in Ottawa and across the country. I should have said 14, because there was always the presence of the Leader of the Government in the Senate and the Leader of the Opposition in the Senate, who were with us in spirit, if not in physical form, as we moved across the country.

It was clear from the start that the job of the committee was not to chronicle how great life was for those who were the success stories—those 80 per cent, God bless them, who had some kind of job or who were thriving at school and university, with the assistance of strong support systems, of family and friends. We rejoiced at every bit of the evidence that such circumstances do exist. But central to our job was to listen and learn how the systems of government and other institutions were working across this country; where the problems were, how deep they were, and what could be done to change or improve the opportunities for those young people who were struggling with their lives.

We knew before we started that there were deep divisions and difficulties in the youth community. The statistics were readily available telling their cold numerical story—those without jobs, those who drop out, suicides, drugs, alcohol, teenage pregnancies. We also knew that there was money in the system to assist, but was it sufficient or was it going in the right direction? Were the methods and goals, the techniques for educating our youth in the broadest sense, really delivering what they had been designed to deliver?

• (1600)

There are no real lobby groups for young people. That is part of the problem. That is why we call them the almost voiceless generation. They have neither the experience nor the resources to put a good case for themselves before the institutions which govern their lives. They are listened to politely, often impatiently, because, after all, as we adults all too often tell them, they are "very young" and they do not "understand" or "fully appreciate what they are talking about." That is always the classic put down for the young person—things like, "Well, in my day this is the way it was done", or, "Things were a lot rougher when I was a kid, but we muddled through. What's the matter with you?", or things like, "You have your whole life ahead of you, a beautiful future ahead of you." How selective our memories become with the wisdom of years of learning to rationalize our hopes and ambitions with reality.

The job of our committee was to hear what young people and those who deal with youth had to say and see if we could take their suggestions and produce a report which might offer some guidance for change. It was not, as the Leader of the Government seemed to suggest to me yesterday, a question of producing a balanced document outlining what the government was doing. The question was, "Could it be done better and differently to produce more effective results for its young clients?"

Let there be no doubt about it, honourable senators, our committee was shocked by what we heard at our public hearings. It was not the shock of naivety or new information. It was the shock of getting behind the statistics and seeing the faces of frustration, anger, fear, poverty, discrimination, prejudice, hopelessness, distrust and dull resignation that permeated, in part, each of our hearings.

There were moments of humour and courage and the exhilaration of success, but most particularly we saw in spades the results, or potential results, of a generation at great risk for reasons not of their own making, whether they be economic, cultural or educational. By no means was it just a question of dollars and cents. Everywhere we went, the reality behind the facts and the figures stuck out in ways which one can remember more vividly than any written brief.

I remember Regina where we listened to a professor tell us bluntly that many young people today were facing a future in which they might never have a job, or might never work as we understand it. He spoke of the gap at the core of a young life that creates the danger of civil unrest if it is ignored, a danger than can spread to an entire society.

In St. John's, Newfoundland, we spoke with eager, articulate young people from Bell Island desperate to live productive lives where they are, but already facing the bleak reality that there are no jobs in the foreseeable future. They told us that when and if they graduated, they were given not graduation parties but going away parties, because they had to go away if they wanted to find work. They cannot get training, and so they face unemployment situations elsewhere in the province, to say nothing of the mainland, which leaves them trapped.

We are talking here about an unemployment rate among young people, 15 to 24 years old, of 95 per cent. There are 146 young people on Bell Island and two of them have work. Very few young people will ever move outside the ranks of the unemployed. One young man learned to become a machinist because that was all the training that was available, even though he knew full well that there were no opportunities whatsoever for getting a job as a machinist.

In Fredericton, an energetic young lady from Saint John told us of a survey her group had conducted of 4,300 young people in that community. Unemployment, drug and alcohol abuse lead the list of concerns. But as the young people got into their survey, another hidden concern became evident. Over and over again young people who were approached, while expressing interest in the survey, either declined to fill it out or asked if they could get some assistance doing so. It became

evident that they were illiterate. They could neither read nor write.

Honourable senators, I have just been advised by the Deputy Leader of the Opposition that the Deputy Governor General is here to give Royal Assent. I am at the disposal of the Senate, and if it is the wish of honourable senators that I interrupt my remarks now and proceed on another occasion, I shall be glad to do so. If honourable senators wished to resume after Royal Assent, I would also be glad to proceed.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

On motion of Senator Fairbairn, debate adjourned until later this day.

ROYAL ASSENT

NOTICE

The Hon. the Speaker informed the Senate that the following communication had been received:

RIDEAU HALL
OTTAWA
GOVERNMENT HOUSE

26 March 1986

Sir,

I have the honour to inform you that the Honourable Gérard V.J. La Forest, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber to-day, the 26th day of March, 1986, at 4.30 p.m., for the purpose of giving Royal Assent to certain Bills.

Yours sincerely,
Leopold H. Amyot
Secretary to the Governor General

The Honourable
The Speaker of the Senate
Ottawa

The Senate adjourned during pleasure.

At 4.45 p.m. the sitting of the Senate was resumed.

The Senate adjourned during pleasure

ROYAL ASSENT

The Honourable Gérard V. J. La Forest, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, having come and being seated at the foot of the Throne, and the House of Commons having been summoned, and being come with their Deputy Speaker, the Honourable the Deputy Governor General was pleased to give the Royal Assent to the following bills:

An Act respecting the operation of the Toronto Island Airport by the Toronto Harbour Commissioners (*Bill C-76, Chapter 10, 1986*)

An Act to amend the Royal Canadian Mounted Police Act and other Acts in consequence thereof (*Bill C-65, Chapter 11, 1986*)

An Act to amend the Family Allowances Act, 1973 (*Bill C-70, Chapter 12, 1986*)

An Act to amend the Immigration Act, 1976 (*Bill C-55, Chapter 13, 1986*)

An Act to amend the Petroleum Incentives Program Act (*Bill C-85, Chapter 14, 1986*)

An Act to amend the Army Benevolent Fund Act, the Children of War Dead (Education Assistance) Act, the Compensation for Former Prisoners of War Act, the Pension Act, the Veterans' Land Act and the War Veterans Allowance Act (*Bill C-100, Chapter 15, 1986*)

An Act to impose reporting requirements with respect to public pension plans and to amend certain Acts in consequence thereof (*Bill C-255, Chapter 16, 1986*)

The Honourable Marcel Danis, Deputy Speaker of the House of Commons, then addressed the Honourable the Deputy Governor General as follows:

May it please Your Honour:

The Commons of Canada have voted certain supplies required to enable the Government to defray the expenses of the public service.

In the name of the Commons, I present to Your Honour the following bills:

An Act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1986 (*Bill C-101, Chapter 17, 1986*)

An Act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1987 (*Bill C-102, Chapter 18, 1986*)

To which bills I humbly request Your Honour's assent.

The Honourable the Deputy Governor General was pleased to give the Royal Assent to the said bills.

The House of Commons withdrew.

The Honourable the Deputy Governor General was pleased to retire.

The sitting of the Senate was resumed.

YOUTH

CONSIDERATION OF REPORT OF SPECIAL SENATE COMMITTEE—DEBATE CONTINUED

The Senate resumed from earlier this day the debate on the consideration of the Report of the Special Committee of the Senate on Youth, entitled: "Youth: A Plan of Action", tabled in the Senate on 19th February 1986.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, we adjourned during pleasure. Senator Fairbairn had moved the adjournment of the debate on the order to which she was speaking until later this day. I wonder if we can have consent for her to proceed now; then we can deal with the remaining orders.

Hon. Senators: Agreed.

Hon. Joyce Fairbairn: Thank you, honourable senators. I will not detain you for any length of time this afternoon. As you know, I was just launching into my remarks on the report of the Special Committee on Youth. I have a fair amount left to say.

One of the points I wished to make before concluding for the day was that we had been filled with a great deal of hope earlier today that we would have a substantive announcement from the government concerning its new youth program, which had been alluded to in the House of Commons earlier this week by the Prime Minister as being something that might be announced at or around the end of the fiscal year. It was a considerable letdown for all of us—and I would imagine particularly so for Senator Hébert—to learn that today's announcement was restricted only to the transfer of the Minister of State for Youth from under the umbrella of the Secretary of State to that of the Minister of Employment and Immigration.

I suppose we all rejoice in the fact that the Minister of Youth has retained her employment. We also note that she has been given the responsibility of co-ordinating youth programs from within her new position. She will be assisted by a panel of people from the private sector in dealing with employment programs and reviewing employment programs, including a review of the report of the Special Senate Committee on Youth and another report by a one-man task force from the New Democratic Party.

I suggest again that worthy though these efforts on her part may be, this is far from the substantive announcement that had been indicated. One can, perhaps, conclude that that is yet to come.

It is my intention to carry on, after the Easter break, having heard, I hope, in detail, what this new program or programs of the government will be. It is also my personal hope, when we return, to move the adoption of this Youth Committee report. I will not do that today. It is my hope, on reflection over the Easter break, perhaps, to consider that when we come back.

With those brief remarks, I move that this debate be adjourned to the next sitting of the Senate.

On motion of Senator Fairbairn, debate adjourned.

[*Translation*]

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

STANDING SENATE COMMITTEE AUTHORIZED TO PUBLISH AND DISTRIBUTE REPORT DURING ADJOURNMENT

Leave having been granted to revert to Notices of Motions:

Hon. Arthur Tremblay: Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*e*), I move:

> That the Standing Senate Committee on Social Affairs, Science and Technology be authorized to publish and distribute its report on its examination of the activities of the National Film Board with respect to the film "The Kid Who Couldn't Miss" as soon as it becomes available, even though the Senate may not then be sitting.

The Hon. the Speaker: Honourable senators, is leave granted?

Hon. Senators: Agreed.

Motion agreed to.

[*English*]

ADJOURNMENT

Hon. C. William Doody (Deputy Leader of the Government), with leave of the Senate and notwithstanding rule 45(1)(g), moved:

> That when the Senate adjourns today, it do stand adjourned until Tuesday, 15th April, 1986, at 2 o'clock in the afternoon.

Motion agreed to.

BUSINESS OF THE SENATE

EASTER GREETINGS

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, if I may, I would like to thank my colleagues on both sides of the house for the co-operation that we have received during this session.

Senator Hastings: Any time!

Senator Doody: We certainly appreciate the sentiment of Senator Hastings. His co-operation on Bill C-65 is a prime example.

Our legislative agenda is pretty well cleaned up at this point. There is a possibility—a very faint possibility—that some other legislation may come from the other place during the adjournment period that I mentioned, so, as always, we reserve the right to call the Senate back under rule 14A. I do not anticipate that as a probability, but just to cover that—

Hon. Royce Frith (Deputy Leader of the Opposition): Shouldn't that be "to ask the Speaker to call the members back"?

Senator Doody: Yes. If I may, rule 14A reads:

> If, during any adjournment of the Senate, the Speaker is satisfied that the public interest requires that the Senate meet at a time earlier than that set forth in the

> motion for such adjournment, the Speaker may call such a meeting by sending a notice to each senator at the latest address of the senator filed with the Clerk of the Senate, informing the senator of the time of the meeting.

That provision is always there, and, if necessary, it can be invoked, but I certainly do not anticipate that it will be.

I take this opportunity of wishing all honourable senators a very happpy Easter.

Senator Frith: On our behalf, ditto.

The Senate adjourned until Tuesday, April 15, 1986, at 2 p.m.

THE SENATE

Tuesday, April 15, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

[*Translation*]

OFFICIAL LANGUAGES

REPORT OF COMMISSIONER TABLED

The Hon. the Speaker: Honourable senators, I have the honour to table the Report of the Commissioner of Official Languages for the calendar year 1985, pursuant to section 34(2) of the Official Languages Act, Chapter O-2, R.S.C., 1970.—Sessional Paper No. 331-831A.

BORROWING AUTHORITY BILL, 1986-87

FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-99, to provide borrowing authority.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(f), bill placed on the Orders of the Day for second reading at the next sitting of the Senate.

NATIONAL FILM BOARD

REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON FILM ENTITLED: "THE KID WHO COULDN'T MISS"

Hon. Arthur Tremblay, Chairman of the Standing Senate Committee on Social Affairs, Science and Technology, presented the following report:

Tuesday, April 15, 1986

The Standing Senate Committee on Social Affairs, Science and Technology has the honour to present its

EIGHTH REPORT

Your Committee, which was authorized to examine and report upon the activities of the National Film Board with respect to the production and distribution of the film "The Kid Who Couldn't Miss", has, in obedience to the Order of Reference of Tuesday, October 8, 1985, proceeded to that examination and now presents its report.

Respectfully submitted,

ARTHUR TREMBLAY
Chairman

The Hon. the Speaker: When shall this report be taken into consideration?

On motion of Senator Tremblay, report placed on Orders of the Day for consideration at the next sitting of the Senate.

[*English*]

OFFICIAL LANGUAGES

REPORT OF COMMISSIONER OF OFFICIAL LANGUAGES REFERRED TO STANDING JOINT COMMITTEE

Hon. C. William Doody (Deputy Leader of the Government), with leave of the Senate and notwithstanding rule 45(1)(e), moved:

That the Report of the Commissioner of Official Languages for the calendar year 1985 (Sessional Paper No. 331-831A) be referred to the Standing Joint Committee on Official Languages, and

That a Message be sent to the House of Commons to acquaint that House accordingly.

Motion agreed to.

QUESTION PERIOD

[*English*]

LIBYA

UNITED STATES AIR STRIKE—CONSULTATIONS BETWEEN CANADA AND UNITED STATES AND BETWEEN CANADA AND WESTERN ALLIES

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, in view of the serious events which occurred last evening, namely the military operation of the United States against Libyan territory and Libyan installations, can the Leader of the Government in the Senate tell honourable senators the nature of the consultations which were held between the Government of Canada and the Government of the United States to which reference was made in a statement issued by the Prime Minister, and what information was conveyed to the Government of Canada when the intentions of the United States were made known to Canadian authorities?

Hon. Duff Roblin (Leader of the Government): I think that I had better content myself with saying that, before the event took place to which my honourable friend has made reference, a special envoy of the National Security Council visited

Ottawa to explain the policy that the Government of the United States was following and to make it clear that they were acting because they believed they had incontrovertible proof of the involvement of the Libyan government in some of the terrorist activities that have been carried out in recent times. So we were told that they thought they had incontrovertible proof of the involvement of the Libyan government in the situation and that they intended to make selective, and what is called in modern terminology, surgical strikes to respond to some of these activities and to give us some indication of the seriousness with which they viewed this situation.

Senator MacEachen: The Leader of the Government has mentioned that the consultation was undertaken by a special envoy who was a member of the National Security Council. Can the Leader of the Government tell us the identity of that envoy with whom discussions were held in Ottawa?

Senator Roblin: I think I had better say that he was sent on the instructions of the President of the United States, but I shall have to take advice as to whether I can give further details at the present time.

Senator MacEachen: Were there any discussions held between the President of the United States and the Prime Minister of Canada, or between the Secretary of State for External Affairs for Canada and the Secretary of State for the United States on this matter, or did the consultation take the form of a visit of an official of the American government to Ottawa? If that is the case, and the consultation was undertaken on the American side by an official, with whom did he consult while in Ottawa?

Senator Roblin: I can tell my friend that this matter has been the subject of conversations between the President of the United States and the Prime Minister of Canada.

Senator MacEachen: I am interested in that. Is it true, then, that the President advised the Prime Minister personally that he had authorized or that he proposed to carry out this action against Libya?

Senator Roblin: I have no information as to what took place in those discussions.

Senator MacEachen: May I ask when those discussions took place between the President and the Prime Minister?

Senator Roblin: I shall try to find out the answer to that question.

Senator MacEachen: So we do not know whether any recent discussions have taken place between the President and the Prime Minister. One could interpret the answer to mean that the question of Libyan terrorism was discussed on the occasion of the Prime Minister's visit to Washington some considerable time ago.

● (1410)

The Prime Minister issued a statement last evening to the effect that the Government of Canada had been fully consulted by the United States and was notified in advance of its intentions with respect to Libya.

The Leader of the Government has told us that an official of the National Security Council came to Ottawa yesterday and met unidentified persons. Can he tell us with whom that official met yesterday?

Senator Roblin: I would not like my honourable friend to assume that that particular meeting I referred to is the only discussion that has taken place between the two governments on the matter. That is the latest one. That is all I can say about that.

The Prime Minister has been in touch with the President subsequent to his visit to Washington.

Senator MacEachen: Was the Prime Minister in touch with the President with respect to this action taken by the United States against Libya? When the intentions of the United States had been formulated and conveyed to the Government of Canada through this envoy, was the Prime Minister then in touch with the President or with any other official of the United States?

Senator Roblin: My friend is asking for the sequence of discussions. I will find out what I can tell him about the sequence of discussions.

Senator MacEachen: Did the honourable leader use the word "secrets"?

Senator Roblin: The sequence.

Senator MacEachen: Yes, the sequence.

I should like to know whether the consultation that took place was a real consultation between heads of government on this very important matter, or whether it was simply a communication conveyed by an official to persons in Ottawa. And again I ask with whom that official met in Ottawa.

Senator Roblin: I shall take advice as to how far I can go in answering these questions because they concern discussions between the Government of Canada and the government of another country. I want to be quite sure as to the facts that I am authorized to give on this matter.

Senator MacEachen: I am astonished that the Leader of the Government is timid about saying with whom that official met in Ottawa. What is tender or sensitive about that?

May I follow up and ask another question. The Prime Minister stated last night, and I quote:

> We accept President Reagan's statement that Libya was involved in the perpetration of terrorist attacks.

I want to ask whether such evidence was produced by the American authorities, and if so, whether that evidence was examined by Canadian officials to convince them that the President's statement was correct.

The German Foreign Minister is reported to have stated yesterday that he had seen the evidence and he did not find it convincing. I want to know whether Canadian officials saw the evidence or whether they were simply told by the Americans

that Libya was involved and whether we accepted that statement by the Americans at face value.

Senator Roblin: My friend is asking me for details of discussions of which I am not aware. I was not at the meeting, as my friend knows, so I will have to obtain further information before I can answer that question.

But I think I should observe that this is an improvement over the situation that we were faced with when Grenada was invaded, because in this instance we were consulted in considerable depth and to a high degree during the course of the activity.

Senator MacEachen: I am not sure whether this is an improvement or not. There is no possible parallel to be drawn between the two incidents. If the Leader of the Government remembers, the United States government did not even consult Her Majesty's government in connection with the invasion of Grenada. I am surprised the Leader of the Government would cite that as a difference in this case. In that particular case, Her Majesty's government was not consulted, even though Her Majesty is Queen of Grenada. Canada was not consulted either. In this particular case, the United Kingdom gave permission to the United States to overfly its territory, and Canada was consulted. You say there is a difference, but I think you are comparing two totally different situations.

The Leader of the Government has told us that he cannot tell us anything about those discussions. I am not asking for the internal two-way discussion; I want to know if the American envoy presented evidence to the Canadian government that convinced the Canadian government that these acts were perpetrated by Colonel Khadafy. That is all I want to know. Did you get evidence that convinced you?

Senator Roblin: Well, I got the import of the question the first time; my friend did not have to ask it a second time. I told him I will see what information I can give him. If he cannot see the difference between not being consulted about Grenada and being consulted about this incident, then I think he is being rather obtuse.

Senator MacEachen: Well, I must say that it may be necessary to instruct the Leader of the Government a little more about what happened, because the Government of the United Kingdom was treated in precisely the same way as the Government of Canada was on that occasion. On this occasion the Government of the United Kingdom was treated in precisely the same way as the Government of Canada. So there was an exactly parallel situation in both instances with respect to Canada and the United Kingdom. But I am asking about the evidence, and the honourable Leader of the Government has said that he will try to find out.

Now may I ask this question: When the envoy came to Ottawa and told the Government of Canada, "We intend to have this air strike. We intend to attack the territory of Libya," what did the Government of Canada say? Did it make any comment? Did it disapprove, or did it approve?

Senator Roblin: I would like to come back to the Grenada situation. There is a great deal of difference.

Senator MacEachen: No doubt you would. In your place I would too.

Senator Roblin: On that first occasion my honourable friend was not consulted; neither was the Government of the United Kingdom. That is a fact. On this occasion the Government of Canada was consulted and the Government of the United Kingdom was consulted. That is the fact.

Senator MacEachen: Yes, exactly. So what conclusion do you draw?

Senator Roblin: Well, in one case we were not told about it at all. In this case we were informed. That is the difference,—

Senator Frith: Because it's convenient.

Senator Roblin: A very clear and obvious difference, and my honourable friend is doing his best to fudge it, but he can't do it.

Senator MacEachen: But, get on to Libya! Tell us some new information about it.

Senator Roblin: Well, you get on to it. All that I am going to say in respect of this matter has already been said by the Prime Minister. My friend need not expect me to say anything more than that. The Prime Minister made a statement today in respect of this matter and I would be glad to read it to my honourable friend. It reads as follows:

> Our prime concern all along in the Libyan crisis has been the safety of Canadians. Our consul in Tripoli has informed us that he has contacted the Canadian community throughout Libya. He has reported that no Canadians have been killed or injured as a result of last night's events. Another officer from the Canadian Embassy in Tunis is being dispatched urgently to Libya to assist Canadians.
>
> Although United States' intention was scrupulously to avoid civilian targets, we profoundly regret the loss of innocent life.
>
> As the government has made it clear many times in the past, terrorism is reprehensible and an evil which all members of the international community must work to eliminate.
>
> The United States was seeking to do precisely that and Canada supports that objective.
>
> We are concerned, however, lest the cycle of violence continue.
>
> Canada considers that terrorism cannot permanently be eradicated without resolving the root political problems which give rise to it. We urge, therefore, a renewal by all concerned to reach negotiated settlements to the tensions that have long plagued the middle east.

That is the government's statement on that.

Senator MacEachen: May I ask the Leader of the Government whether the Canadian government made any comment about the intentions of the United States to conduct a strike against Libya? Did it say, "We are concerned. Don't do it!"

Or did it say, "Go ahead, you have our blessing"? I want to know.

Senator Roblin: It accepted the word of the United States government that they had concrete evidence of the involvement of the Libyan government in this thing and therefore considered that what the United States government did was understandable in terms of their priorities. As far as the Canadian government is concerned, it does not think that the cycle of violence should be allowed to escalate, if it is humanly possible to prevent it, and that we should do what we can to get to the root causes of this problem.

Senator MacEachen: So we have a statement from the Leader of the Government that the Government of Canada saw no evidence. It took the word of the United States that there was incontrovertible evidence.

• (1420)

Secondly, it approved the actions of the United States in undertaking this strike.

I want to ask the Leader of the Government, in light of the fact that the ministers of the European Community were meeting yesterday with this matter as their main agenda item and in light of the fact that the Prime Minister was recently in France and in other parts of Europe where he repeated the intention of the Canadian government to seek even closer relations with the Government of France, did the Prime Minister or the Government of Canada have any consultations with other allies, including France, with respect to the intentions that had been disclosed by the United States?

Senator Roblin: I want to go back to the first part of my honourable friend's question in which he referred to the question of proof about the involvement of the Libyan government. I did not make any statement about that with respect to what information we had received. I told my friend that I would make inquiries to find out what information we had received. I would not like his statement to be uncontradicted on the record, because I do not believe that it is correct.

The other part of his question is: What consultations did we have with our other allies? I wish he would extend his question to include not only France but the NATO countries which are, perhaps, more closely associated with us than any other group of countries. I will ascertain what consultations took place in that respect.

Senator MacEachen: I would hope that, before giving its support to the action taken by the United States, the Government of Canada would have convinced itself, on the basis of evidence, that Colonel Khadafy had been implicated in these terrorist acts.

The Leader of the Government has now stated that he will try to get that information. I would have hoped that, before taking a position on a matter of this importance, the Government of Canada would have consulted other allies, including France, the United Kingdom and West Germany, two of whom have been violently opposed to the action taken by the United States. Why would Canada base its action solely on a single visit from an official from the United States and not take a wider sampling of opinion?

Senator Roblin: Of course, it is my honourable friend's assumption that we took our action solely on the basis of a single visit from a representative of the United States. That, of course, is not correct. This decision was arrived at over the term of the crisis which did not develop overnight; it has been with us for some time. We had plenty of opportunity to know that the situation was becoming difficult.

What is particularly in question now is the precise form American action was to take, and that is what we have been talking about.

As for the idea that we have just suddenly decided to do this thing, I think that is quite mistaken. The government has been considering the whole of this matter, along with its allies, over an extensive period of time, and we have come to our conclusions as a result of our assessment of the situation.

Senator MacEachen: I am bound to ask, if this has been considered over an extensive period of time, when first did the United States tell Canada that it intended to undertake this military strike?

The Leader of the Government says that it has been considered over an extensive period of time. Are we to believe now that some ten days ago the United States told Canada it intended to do this, or did that information come yesterday?

Senator Roblin: My honourable friend knows perfectly well that I am not talking about a decision being made ten days ago to strike Libya, because, as far as I know, it was not made ten days ago.

What I am telling him is that the question of American-Libyan relations, the question of terrorism, the question of appropriate response and the possibility that the Americans would take some action, as they have done, have been with us for some time. Was what took place in the Gulf of Sidra, for example, not a military event of some importance? My honourable friend knows perfectly well that this whole question is not something that blew up yesterday or the day before, but is a matter that has been under consideration by governments around the world for some time, and that is what I meant when I talked about the lapse of time over which this matter has been maturing.

Senator MacEachen: The Leader of the Government cannot shift the ground completely to suit his own inadequacies in answering questions. He said that the matter we have been discussing—namely, the intention to strike against Libya—has been the subject of a lot of discussion over an extensive period of time. Having said that, he now reverses himself and relates it to an entirely different series of events. We all know that the matter of Libyan terrorism has been under discussion, but what happened yesterday was a major military action taken by the United States against Libya.

I am trying to find out from the minister what consultations were undertaken by the United States with Canada, and I have found out virtually nothing from him. I am very disappointed that the Senate cannot hear information from a

member of the government, who now appears unready to tell us even the name of the person who came to Ottawa yesterday. He appears unwilling to tell us the names of the members of the Government of Canada who met with that person. He appears unwilling to tell us the sequence of events and the evidence that was heard. We have received nothing from the member of the government who is answering in this chamber for a very important action that could affect the future peace of the Middle East and, as a result, of the world. We deserve better.

Some Hon. Senators: Hear, hear!

Senator Roblin: It is interesting to see that my honourable friend regards the activity in the Gulf of Sidra as being of no importance in terms of leading up to this event, because it certainly was. It is interesting to see that he is trying to get me to say that I have to restrict my replies to the particular incident that took place yesterday. Of course I do, and I am going to get the answers that my honourable friend seeks. But for him to suggest that this situation has not developed over a considerable period of time is quite unrealistic and quite untrue.

I say to my honourable friend that he knows perfectly well that while I have the responsibility for answering questions in this chamber, I am not the Secretary of State for External Affairs, I am not the Minister of National Defence and I am not the Prime Minister. I have to go to the best source to get the answers that he seeks. If he wants me to extemporize on my feet this afternoon as to the answers to his questions, he is mistaken because I am not going to do it. But I will undertake to get answers to any reasonable questions he asks. That has always been my stance. I think it is quite uncalled for that he suggests that I should be in a position to answer all of the questions on any topic that anyone wishes to raise in this house, because I am not able to do so. He knows that very well.

Some Hon. Senators: Hear, hear!

Senator Roblin: My honourable friend knows that I have to take advice on the answers I give, particularly on a matter of this kind. How irresponsible it would be of me—

Senator Frith: To prepare yourself?

Senator Roblin: —to try to satisfy his questions when I have to seek the information from the proper source, and he knows that. I am not going to be coaxed into that no-man's-land of trying to respond to his questions simply because he wants the answer now. He is going to get the answer when I am able to provide it to him. I will, in my usual style, get it for him as soon as I can and in the greatest detail possible.

Senator Frith: In his usual style, quite right. He might have prepared himself for it.

Senator MacEachen: I might say that the comments of the Leader of the Government deserve at least one rejoinder; namely, that we on this side do not expect the Leader of the Government to come into the house with all of the details of every active government policy. But we do expect that when an event of the importance of the strike against Libya occurs, when the whole world has focused upon it, when the President of the United States gives a press conference and the Secretary of Defense and the Secretary of State give press conferences, and when an envoy from the United States comes to this country, as happened yesterday, in the intervening time the Leader of the Government should have taken the trouble to inform himself on what has happened.

Senator Frith: Exactly. Hear, hear!

Senator MacEachen: I think it is irresponsible of the Leader of the Government to have come into the house unprepared and to have said that he will get the answers and that we ought not to expect anything better.

Senator Roblin: I think my honourable friend is really not as reasonable as he could be. He knows perfectly well that I have not been sitting in my office, twiddling my thumbs over this matter or any other matter. I have to anticipate as best I can what questions will be asked. I am telling him that I am really not able to anticipate all of the questions he is going to ask. He is a man who ran the foreign affairs of this country for some time. He probably knows more about them than anyone else in this chamber—certainly more than I do. I try to arm myself with the information that is available at a particular time, and that is what I have done. If my honourable friend thinks up questions which I am not able to answer, I am not a bit surprised, because I cannot anticipate every question that he will ask.

As for this chamber's being informed, it will be informed, but one has to remember that those who are responsible for conducting government policy are not in this house. They are in the other house, and I daresay that today there is a very active question period taking place on that side. But one cannot ask a member of the cabinet, who is without portfolio, who has to cover the whole range of questions that might be asked on this subject and any other, to have all of the answers at this fingertips, because that just will not happen. It never happened on previous occasions when I was on the other side, and it is not going to happen now. What my honourable friend is entitled to, and what he will get, is a respectful hearing of the points that he makes. He will get my assurance that I will get what information I can properly give him; and he can also be assured that I will do my best not to give him any misinformation, because I am being needled by him to answer questions in this house at the present time.

• (1430)

Some Hon. Senators: Hear, hear.

CANADA-UNITED STATES RELATIONS

BILATERAL TRADE NEGOTIATIONS—GOVERNMENT POLICY

Hon. H. A. Olson: Honourable senators, I should like to direct a question to the Leader of the Government. Whether or not he anticipated the question today, I am sure that it is a matter that has occupied a great deal of his attention and that of his colleagues in committee meetings of the cabinet, because

it has been touted from time to time as being one of the highest priorities of this government. I refer to the free trade negotiations with the United States. I ask the Leader of the Government: What is the present position of the government in light of the fact that a majority of the United States Senate Finance Committee, including its chairman, have indicated that they are unwilling to grant authority to the administration to enter into negotiations with Canada.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I think the position of the government is very straightforward. We are going to wait to see what decision is made by the Senate of the United States with respect to this matter. We have been disappointed—let us be frank about it—and surprised—let us be frank about that too—that this situation has developed, because the best information we were able to obtain—and, so far as I could tell, it was the same information that was available also to the United States administration—was that the committee would deal favourably with this matter. It may still do so; but we have to recognize the fact that this is the responsibility and the prerogative of the Congress and the administration of the United States. They are the people who have to decide this. It is not something that we can decide. We will simply have to bide our time and see what decision that committee makes when it reaches its determination some time soon.

Senator Olson: Honourable senators, as a supplementary, I guess I am surprised that the Leader of the Government would again use the term that has been reported from time to time to have been used by several ministers, that is that the Canadian government was surprised that the members of the United States Senate were of the opinion that they expressed recently, namely, that there were a number of severe irritants in the Canada-United States trading relations that were of such high priority, from their point of view, that they had to be dealt with. I should like to ask the Leader of the Government whether or not the Canadian government intends to consider and acquiesce—if that is the right word, although perhaps it is too strong—in some of the terms and conditions that have been spelled out by a number of the members of the United States Senate committee, but particularly by the chairman, concerning softwood, and so on.

Further, I wonder whether the Leader of the Government can give us some indication as to why he and his colleagues continue to use the word "surprised". That almost borders on being misleading, because surely they have been listening to what those members of the United States Senate, and indeed members of the other house of Congress, have been saying for weeks, namely, that they do not intend to ease up on the foreign trade negotiations unless and until some other conditions are met with respect to some of their concerns in terms of what we all refer to as protectionism, and, indeed, it is protecting some of the interests of their constituents.

Senator Roblin: Let us be clear about this. I do not think the government is surprised about the position of Senator Packwood, or of Senator Baucus, or of other people who are interested in timber. Their position is well known. They have been anxious to have something done about it that we are not willing to do at the present time. What is surprising is that apparently they claim to have a majority of the committee who think as they do, even though they are people who, up until the present time, have expressed no views in connection with this particular issue. That is the surprise, and not that there were problems in the committee. The surprise is that a majority of the committee members are claimed by Senator Packwood as being opposed to the policy of the United States government in this matter. That is the surprise; and if my honourable friend thinks that it is curious that we were surprised, then I should say that so was the United States administration—and, according to the newspaper reports, which I cannot verify, so indeed were staff members of that committee. They did not expect that there would be this majority opposed to action by the administration—and there may not be. The die has not yet been cast. The committee has not yet decided. So we will wait until it does.

Senator Olson: I understand that the vote is expected tomorrow. It may not happen, but that is when it is expected. It may be that we can give some credence to the size, because, as I understand it, there were only two members of that committee who indicated they were willing to support it. I am not sure of both their names, but Senator Moynihan was one of them. What the government now seems to be indicating, or what is being reported, is that there is some intensified lobbying going on to try to change the statement of intentions before the vote is taken either tomorrow or on Thursday. Can the Leader of the Government indicate what "lobbying" in the United States means with respect to this matter?

Senator Roblin: Well, there are all kinds of speculation about it, on which I am not able to comment. All I can say is that this is a matter that is domestic to the United States. I do not believe that the Canadian government would be lobbying United States senators on that committee to change their views, because it is a matter that they themselves have to decide. It is a matter between them and the administration of the United States. I think we would take it rather poorly if someone came up here to try to influence us while we were debating a matter in that sense. So I do not think it would be expected that we should do the same down there.

Senator Olson: That is why I asked the question, because I believe there is some resentment, and perhaps even some impropriety, in another government's lobbying members of a foreign legislative body. It seems to me that there have been several officials, at least, if not members of the government, who have indicated that they expect some results from intense lobbying, or from "intensified lobbying"—I believe that is the term they have used. That is why I wanted to know what it meant.

Senator Roblin: We have to be a little careful about what we are lobbying for, because I know perfectly well that members of the Canadian Parliament have lobbied members of the Congress in the United States. Senator Guay could perhaps remind me of the name of the dam in North Dakota in connection with which Canadian parliamentarians, both feder-

al and provincial, lobbied the members of Congress; and certainly we have done so in other cases, such as fisheries. However, on this particular point, where a committee of the United States Senate is seized of this question, I do not think it is appropriate for us to lobby them.

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, is the Leader of the Government saying that the Canadian Ambassador in the United States is not lobbying the American senators like mad at this very moment? Is he saying that that would be inappropriate?

Senator Roblin: I am not saying that. I do not know what the Canadian Ambassador to the United States is doing with respect to this matter. I thought my friend was asking me what the members of the Canadian government were doing, and I tried to answer that.

Senator Olson: What they were doing not only personally, but also on the instructions of others—which includes the ambassador, by the way.

Senator Roblin: Members of the Canadian government are not lobbying the United States senators. What other activities are going on, I am not aware of at the present time.

Hon. Hazen Argue: Honourable senators, as a supplementary, has the government studied what it might think would be the possibility of getting any trade agreement between Canada and the United States through the Congress? Is there not a real possibility that even if such a treaty were agreed upon, the Congress would oppose the treaty and would fail to pass it; and therefore all of the effort that Canada has put into these negotiations would be for naught?

Senator Roblin: Of course, that is entirely possible; but we will never know until we get further on in the negotiations.

Senator Argue: My question was: Is it correct to say that the Canadian government, having looked at the composition of the Congress, and at its stand in recent years with regard to protectionism, still thinks there is really a hope in hell of getting a treaty through the American Congress? Why does the Canadian government continue to make concessions—and I believe concessions are being made—to the United States while these discussions are going on to make it easier for Americans to come into Canada and gobble up our industries? Now, the government is capitulating to the pharmaceutical industry through the bill to open up the patent laws so that the Americans can make greater use of them, and Canadians will be denied cheaper drugs. Why do we not quit making concessions?

• (1440)

Senator Roblin: I see that my honourable friend is not really a supporter of the free trade initiative in any respect.

Senator Olson: He wants some results.

Senator Roblin: So do we, but it takes two to tango.

Senator Frith: Excellent metaphor.

Senator Roblin: One has to remember that though the United States government may have a policy, they are not able to deliver the Congress in the same way the Government of Canada can assure the assent of the Parliament of Canada, as long as it holds a majority in the House. It is a different situation.

Senator MacEachen: What about the Senate?

Senator Roblin: The Government of Canada cannot deliver five cents in the Senate, because my honourable friend over there controls the majority.

Senator Argue: Come on, Duff, we are no problem.

Senator Roblin: This is the case, even though my honourable friend does not represent anybody. He does not represent a soul, and he is not responsible in any democratic sense. Yet, under our Constitution, he has the power to frustrate the House of Commons and the elected Government of Canada. That is the situation here.

Senator Olson: You have described it wrongly.

Senator Argue: I am sure that we are your biggest worry.

Senator Frith: What tigers we are!

Senator Roblin: If the Americans were aware of that situation, and if they knew about the anti-free trade sentiment that is rife in the Liberal Party, they might be asking the Prime Minister of Canada whether he can deliver the Senate of Canada. That is a question we will get to one of these days.

Senator MacEachen: We had better start. We want Reagan to come to us.

Senator Argue: My question is, why are we giving away the Canadian shop for an agreement that is not likely to be passed in any event?

Senator Roblin: Of course, that is precisely what we are not doing. If we were giving away the Canadian shop, we would be making a deal in lumber, but we are not making a deal in lumber.

Senator Argue: You are making a deal on drugs. Yeutter told you to get going.

Senator Roblin: My honourable friend can say that, but that matter is not part of the trade negotiations in any respect. We are not giving away the shop, and we do not intend to give away the shop. Unless we can get a reasonable deal, we will not make a deal, and my honourable friend can solace himself with that statement.

Senator Argue: Why should the Canadian Government march to the orders of Clayton Yeutter, who is the chief negotiator for the United States in the trade talks, on a question of generic drugs?

Senator Roblin: One might ask, why should the American government march to the tune of some Canadian spokesman? The answer is that they do not, and we do not.

Senator Argue: Is that the only reason you have?

Senator Frith: You accepted what they had to say about Libya.

Senator Roblin: That is not part of the trade discussions.

Senator Frith: No, but it shows what you will give away and how tough you are.

Senator Olson: Honourable senators, my conclusion of this discussion would be to give notice to the Leader of the Government that, in view of the way he wrapped himself in sackcloth and ashes a few minutes ago about how innocent he was of what goes on in cabinet committee meetings—

Senator Argue: He doesn't do that.

Senator Olson: Well, he tried it a few minutes ago. I merely want to give him notice that after the vote in the Senate, I intend to raise a number of times the question of what the government's intention will be with respect to foreign policy, particularly as it applies to economic and trade matters. I hope that he will be ready for it.

Senator Roblin: I am always ready for my honourable friend, and he has never yet been able to stump me.

Senator Frith: Oh, my God! How ready are you when we do not get information for weeks and sometimes we have to go and get it ourselves?

Senator Roblin: You get the answers you deserve.

Senator Frith: Oh, yes, as you see it.

Senator Roblin: Of course, as I see it. You will just have to sit there and listen.

LIBYA

UNITED STATES AIR STRIKE—POSITION OF CANADIAN NATIONALS

Hon. Joyce Fairbairn: Honourable senators, a few moments ago the Leader of the Government in the Senate indicated, to the relief of all of us I am sure, that there had been communication with the Canadian community in Libya, and it is our understanding that no one from that community has been killed or injured. Would the Leader of the Government tell us whether there has been any indication of Canadians wishing to leave Libya as a result of this contact that was made?

Hon. Duff Roblin (Leader of the Government): Honourable senators, as far as we know at the present time and according to the advice of our representatives in Libya, the Canadian community does not feel itself threatened, and there does not seem to be any significant trend toward Canadians leaving that country.

Senator Fairbairn: Honourable senators, I have a supplementary question. It was mentioned today that three Canadian Hercules aircraft were standing by in Lahr, West Germany, should the occasion arise for Canadians to be airlifted out of Libya. Would the government leader indicate to the Senate whether the Canadian government has requested permission for those aircraft to land in Libya, should our nationals request to be taken out.

[Senator Argue.]

Senator Roblin: Honourable senators, we have had discussions with our allies in Europe with respect to contingency plans for the removal of Canadians who might wish to leave under certain circumstances. I do not think I should go beyond that comment at the present time.

CANADA-UNITED STATES RELATIONS

BILATERAL TRADE NEGOTIATIONS—ROLE OF LOBBYIST

Hon. David A. Croll: Honourable senators, I have a question for the Leader of the Government. According to American press reports, we have on our payroll the very best lobbyist in Washington, a fellow named Weaver, I think the name is, who just resigned from the President's staff. Those press reports state that we pay him $500,000 per year. I believe that they are true. What kind of service are we getting from our lobbyists when this fellow Weaver does not know what is going on even though he has been on the job for months?

Hon. Duff Roblin (Leader of the Government): The man's name is Michael Deaver—

Senator Frith: You ought to know how to spell his name if you are making out the cheques!

Senator Roblin: It has been said that he is a Canadian lobbyist, and I guess he is. I shall have to find that out. However, I would be surprised if he were getting $500,000 per year from the Canadian government. I shall see what I can find out about the matter.

Senator Olson: But what he is doing is proper, though.

Senator Roblin: Honourable senators, I do not know. You see, you are damned if you do and you are damned if you don't. The other governments in this world, particularly the Government of Japan, recognized long ago that it was important to have the assistance of people like Mr. Deaver in the capital city of the United States, and I think they have benefited from that. We have eschewed anything of that sort over many a long year. It is only now that we are beginning to think that there might be some advantage to be gained by such a move. I think it would be wrong for us to say that we should not undertake these arrangements with people in order to deal with the type of government that exists in Washington. We have to recognize the way in which it operates and govern our activities accordingly. So I would not be inclined to apologize for Mr. Deaver yet. Maybe he is no good and maybe he is being paid too much, but I do not know that. I think it is important that we have the best means of representing our views in the United States that we can find.

Senator Frith: Perhaps he gave you the information about Grenada.

Senator Roblin: He never got it from the U.S. Government, that's for sure. You were sitting there waiting, too.

Senator MacEachen: Like Her Majesty.

Senator Roblin: You are no better than they are.

Senator MacEachen: Indeed not.

Senator Croll: Honourable senators, I think the Government of Canada is doing the proper thing in hiring the very best men they can get. We should have done it a long time ago. However, that is not my question. If we are hiring the very best men, Mr. Deaver ought to know what is going on within the Senate committee rooms. He ought to be on the job. The kind of production I have referred to does not speak well for the people that we are hiring. We are entitled to something better, and why are we not getting it?

Senator Roblin: Honourable senators, I always listen to any remarks made by my honourable friend with a good deal of sympathy because I respect his views. My suspicion is that Mr. Deaver was not hired to be an adviser or communications link with respect to foreign policy. I think that his responsibilities have more to do with internal policy, particularly with respect to such things as acid rain. My friend should also recognize that it was not only the Canadian government that was surprised by the fact that the majority of this committee is going to be hard to handle, if I can put it that way, but the U.S. administration itself was too. If they were not fully informed of the matter, how could anyone else be?

Senator Perrault: Don't give him his Christmas bonus this year.

Senator Croll: A good lobbyist is never surprised.

MULTICULTURALISM

GOVERNMENT POLICY

Hon. Stanley Haidasz: Honourable senators, last weekend in that great city of Toronto, the centre of the ethnic community of this country, the Minister of State for Multiculturalism stated that the multiculturalism policy of the government will be given a new face; namely, a new direction—business enterprises. Can the Leader of the Government in the Senate state whether that means the cutting of existing multicultural programs?

● (1450)

Hon. Duff Roblin (Leader of the Government): No, I cannot say that. I will have to ask my colleague as to whether any changes are going to be made.

Senator Haidasz: I have a supplementary question. While the Leader of the Government in the Senate is inquiring about that matter, could he also find out for us what additional funds have been allocated to bring this new direction towards multiculturalism into place?

Senator Roblin: I do not think my honourable friend should assume that there are additional funds. I do not know, but it is certainly an assumption I would not make without inquiring. I think my friend will find that there may be a re-ordering of funds.

AGRICULTURE

WESTERN GRAIN STABILIZATION ACT—SUGGESTED AMENDMENT

Hon. Hazen Argue: Honourable senators, on Monday of this week, the Minister of State for the Canadian Wheat Board made a very important announcement, namely that substantial sums of money were being paid out to producers under the Western Grain Stabilization Act. I think the fact that he can make that announcement demonstrates the wisdom that was used by Otto Lang many years ago in bringing forth that act and having it approved by Parliament. I think it is a good act that is serving us well in times of great difficulty.

My question, however, is: Is the government giving consideration to possible amendments to the Western Grain Stabilization Act in order to make it possible for farmers in a drought area, or for farmers who have a crop failure, to pay into the fund more money than they are now allowed to pay so that when a payment is made out they will no longer be in the position that they are in today, namely, that those who need it most because of drought or crop failure will be getting much less than those who had the good fortune to get good crops and were therefore able to pay more into the fund? I say this with respect, because I am trying to be constructive, but I think that amendments along that line could be made on the basis of the value of grain that could be grown on an individual farm in a normal year, according to the crop insurance records. I think farmers should have the opportunity to elect to pay in on the basis of an average crop so that they would be able to receive a rather substantial sum when large payments are being made out, rather than making the very small payments they are now allowed to make. As the minister well knows, the payment is based on the contributions made in the most recent three years, and, of course, in the area that I come from and in southern Alberta and now, of course, in the Peace River and in many other areas, there are farmers who have had two or three years of what are virtually crop failures. I think such an amendment should be considered.

Hon. Duff Roblin (Leader of the Government): I think it is correct to say that the Western Grain Stabilization Act is a good one. It was widely supported when it was first introduced and has been considerably improved by the present administration when we made some amendments to it the other day. Now we see the value of this fund which, this spring, will provide $580 million to farmers who badly need it. This amount is in addition to some $520 million that was paid out, I think, some six months ago. Therefore it has been a great form of assistance.

As I understand it, the principle of the Western Grain Stabilization Act is to deal with price fluctuations. That is the main aim. However, crop insurance is something a little different. My honourable friend has raised the point that if you have three or four bad years in a row, then there are problems. I think the government would prefer to address this through amendments to the Crop Insurance Act rather than through the Western Grain Stabilization Act. If my memory is correct, work is already under way to bring in amendments to

the Crop Insurance Act which will deal with this question of what happens when you have three bad years in a row. The present insurance arrangements are something less than completely satisfactory.

Senator Argue: I think any consideration being given to improving current crop insurance is wise because, as the minister knows, a farmer who has a number of crop failures is then penalized, whether or not those crop failures were clearly an act of God or whether they had something to do with bad farming practices and that, of course, is very unfair. I would imagine that that is, at least, a major part of the problem that the government will be looking at, and that is fine.

However, that does not in any way detract from the question I asked. For a person who does have a total crop failure and who gets the best possible pay-out under crop insurance, I would put it to the minister that that cannot be of as much value as it would have been if it were linked to an average crop because you do not get 100 per cent insurance. I would therefore ask the government, through the Leader of the Government in the Senate, to take my suggestion and consider it, rather than merely saying, "We are doing something else," because I think there is an area for much-needed improvement.

Senator Roblin: It is perfectly true that the farmer has a hard time on two counts: first, he is not in control of his prices; and, second, he is not in control of the weather, so we have developed these two pieces of legislation to try to mitigate the adverse effects.

I myself happen to believe that crop insurance is the way to go, but my honourable friend has made a suggestion and I shall have no hesitation at all in passing it on to my colleague, the Minister of Agriculture.

Senator Argue: I would like to point out again, if I may, that while the Western Grain Stabilization Act has to do with general cash flow and the general price level, it is of very little value to a person who does not have a crop. I would submit that the person who does not have a crop should be given the same opportunity to receive the extra money that comes from the Western Grain Stabilization fund, over and above a crop and over and above crop insurance. I think that they are two different subjects.

LIBYA

UNITED STATES AIR STRIKE—GOVERNMENT POLICY

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I would like to refer to the statement which the Leader of the Government put on the record earlier today in response to one of my questions. I would like to read one sentence which was read by the Leader of the Government, as follows:

> We are concerned, however, lest the cycle of violence continue.

[Senator Roblin.]

> Canada considers that terrorism cannot permanently be eradicated without resolving the root political problem which give rise to it.

That is the end of my quotation.

Can the Leader of the Government clarify what he means or what the Prime Minister meant by the expression "the root political problem"? Is that intended to convey—and if it is, I would disagree with it—that the actions of Colonel Khadafy are the result of the dispute which exists between the Arab countries and Israel? What is the "root political problem"?

Hon. Duff Roblin (Leader of the Government): I am not going to say what the Prime Minister intended to say because I do not know that, but I can tell my friend what I think it means. I think it means that the root problem is terrorism. Terrorism is not restricted to Colonel Khadafy. There is a wide range of terroristic problems throughout the world. One of the sources of that problem is undoubtedly the Arab-Israeli dispute and while the settling of that dispute, or indeed any other, is no guarantee that we would eliminate terrorism from the world, it would be a mighty good place to start.

Senator MacEachen: Honourable senators, I think the question is quite important, because this is the Prime Minister saying:

> Canada considers that terrorism cannot be permanently eradicated without resolving the root political problem which give rise to it.

In other words, "*the* root political problem" which gives rise to terrorism. My question is: What is the root political problem?

Senator Roblin: I simply repeat my statement. I think we would start with the Arab-Israeli question and if we could get that settled, we would be making good progress.

Senator MacEachen: So the government is saying in this statement that the terrorism perpetrated by Colonel Khadafy is the direct result of the Arab-Israeli conflict. I would be very sceptical of that conclusion, and I hope the government will take steps to remove that impression.

• (1500)

Senator Roblin: That is not what the government said; that is what I said. That is the advantage my friend has over me all the time. He wants a reply to a statement which bears on government policy that is not within my orbit of knowledge; I cannot give him that. But in an effort to encourage him in the discharge of his responsibilities, I have tried to give him what I think was some constructive comment on what he has said.

I am the man who said that the Israeli-Arab conflict is part of the problem, and, if it were resolved, it would help us to eradicate terrorism. But I am not the man who said that that would solve the entire problem, and that is all there would be to it, because everybody knows that is not the case. There are other terrorists in the world who have nothing whatsoever to do with that conflict. But if we could get that problem solved, we would make good progress.

Senator MacEachen: I am not going to press the Leader of the Government for his personal interpretation, but I think it is

important to know what the Prime Minister meant when he said "that terrorism cannot permanently be eradicated without resolving the root political problem which give rise to it."

I should like to know—and I give notice to the Leader of the Government—what is the root political problem which gives rise to terrorism, namely, the action of Khadafy?

The leader has said that he has expressed the personal view that it is the Arab-Israeli conflict, in part. I think that is taking a long step. Without pressing it further, I think we are entitled to a clarification from the government as to whether it believes that the Arab-Israeli conflict is the cause of Khadafy's actions, and that if there were a peace settlement, the root political problem would disappear.

Senator Roblin: I think it is perfectly clear that no one can guarantee that terrorism will disappear if Colonel Khadafy disappears. That is jejune; nobody thinks that. Nobody thinks that that particular statement refers only to Colonel Khadafy. Terrorism is not restricted to Colonel Khadafy; it is all over the place. We have it in Canada, where it is thought to be by Sikhs, but who knows?

It is not a simple problem, and it is not possible to say that one particular political problem is the cause when we know that there are many, but the central fact is that there is an atmosphere, a sentiment, a feeling in the world today which lights a fire under terrorism and makes people do things which, in their right frame of mind, possibly they would never do.

Senator MacEachen: Honourable senators, I want to conclude by saying that I am not going on an excursion; I am concentrating on the statement which the Leader of the Government read into the record as being the policy of the Government of Canada on Libyan terrorism today. I think I am entitled to ask what is meant by that statement of official government policy. I think it will be examined very carefully to determine what was meant by the Prime Minister when he used the words "the root political problem", and that that political problem has to be resolved.

I ask the Leader of the Government in the Senate whether he can tell us what the official view of the Government of Canada is as to the "root political problem". I do not want any imaginary, speculative answers. I just want what is meant by this statement which was read into the record, and which was issued and uttered today by the Prime Minister.

Senator Roblin: Obviously, the statement cannot be limited to Libya only; it relates to terrorism and the Khadafy variety is but one. However, terrorism is not limited to that. There is the Red Brigade in West Germany, which is left-wing terrorism, and there is right-wing terrorism in parts of South America. Terrorism is a widespread phenomenon in the world today. The Prime Minister's statement surely is not limited to terrorism originating in Libya only.

If my honourable friend wants a definition of what the root causes of terrorism are, I will see what I can do for him.

Senator MacEachen: I think the Leader of the Government is being a little unfair—

Senator Frith: Or he does not understand. Maybe he just does not understand.

Senator MacEachen: —because this is a statement made by the Prime Minister on the Libyan crisis, not on terrorism in general. He is talking about Libya, about the attack by the United States on Libya, and he is concerned about the cycle of violence continuing, and that it will continue unless the root political problem is resolved. I think he is clearly talking about that situation. I should like some clarification about Libya, which is the object of the Prime Minister's statement, not the Red Brigade.

Senator Roblin: I will try to obtain a statement, but I disagree with him when he says that the concept of terrorism in that statement is limited to Libya. Libya is its focus, to be sure, but it is not limited to Libya.

Senator MacEachen: I ask any honourable senator to read the statement; there is no mistaking the fact that this is directed to Libya and Libya alone, and terrorism as an emanation of Libyan action.

Senator Roblin: I just do not agree with my friend. I can read it as well as he can.

Senator MacEachen: The Leader of the Government has contradicted himself again. He is now saying that it deals with terrorism in general; a moment ago he agreed that the root political problem, as it related to Libya, was the Arab-Israeli conflict. He cannot have it both ways.

The honourable Leader of the Government should watch his own words because he is contradicting himself. This is the second time in one Question Period that that has happened. I do not think that verbal footwork is the answer to these problems; it is a clear enunciation of what the government policy is, and once we get that, we can deal with it.

Does the Prime Minister believe that the actions of Khadafy are an offshoot of the Arab-Israeli conflict? Because that is what the statement says.

Senator Roblin: My honourable friend keeps insisting that this relates to the Libyan situation only. That is not what the Prime Minister said. Why does he not read the whole thing. I will read it for him. It states:

> Canada considers that terrorism cannot permanently be eradicated without resolving the root political problems—

It is "problems". It is the plural. You told us it was "problem", singular.

Senator MacEachen: My text is—

Senator Roblin: Well, your text is wrong; it is plural. It goes on to state:

> —which give rise to it. We urge, therefore, a renewal of effort by all concerned to reach negotiated settlements to the tensions that have long plagued the Middle East.

That is clear enough.

Senator MacEachen: Of course it is clear that the terrorism is located in the Middle East.

The Leader of the Government has already said that, in his view, the root cause of it is the Arab-Israeli conflict, and that is why Khadafy is doing this. I do not accept that. I do not intend to wait for a resolution. I do not intend to wait, and the world should not wait, for the Arab-Israeli conflict to be settled and, in the meantime, give Khadafy a free ride. That is what you are saying.

Senator Roblin: My honourable friend and his associates were in charge of the Government of Canada for many years, and I would like to know just what progress they made in settling this question that he will not wait for now. He waited when he was in office, but now that he is out of office he does not want to wait.

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I thought we would never get to this interesting part of our proceedings.

Senator Frith: If we get answers it will be interesting.

Senator Roblin: My honourable friend sits there and mumbles into his chin, you know, and—

Senator Frith: I did not mumble; what I said was quite clear.

Senator Roblin: Then why not stand on your feet when you have something to say? I have to, so you should also.

Senator Frith: I will stand and say that it will, indeed, be interesting if we are finally getting some answers.

Senator Roblin: Now that we have had that enlightening statement from my friend, we can get on with the business. He has made a great contribution to the work of the Senate this afternoon.

The answers I have today are to questions asked by the Leader of the Opposition on March 13, regarding the budget paper sent to Canadian embassies, if he remembers that question.

Hon. Allan J. MacEachen (Leader of the Opposition): May I have that read, please?

• (1510)

Senator Roblin: Certainly.

THE BUDGET

VERSION OF BUDGET PAPER SENT TO CANADIAN EMBASSIES

Hon. Duff Roblin (Leader of the Government): Honourable senators, this is in response to a question raised in the Senate on March 13 last by the Honourable Senator MacEachen regarding the Budget—Version of Budget Paper sent to Canadian Embassies.

With the release of the February 1986 Budget, a separate document entitled "The Canadian Budget in Perspective" was circulated to the Canadian embassies. This document provides a synopsis of information published in the "Budget Speech," "Budget Papers," "Fiscal Plan" and "Toward a Sustained Expansion" documents and is totally consistent with the information provided in these documents.

It should be noted that some of the charts in the two documents, while identical in all substantial respects, have different physical dimensions due to the varying formats of the documents.

Copies of the document are available and have been forwarded to honourable members of both houses.

CANADA-UNITED STATES RELATIONS

MEETING BETWEEN PRIME MINISTER AND PRESIDENT OF THE UNITED STATES—STATUS OF DOCUMENT

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on March 13 last by the Honourable Senator MacEachen regarding Canada-United States Relations—Meeting between Prime Minister and President of the United States—Status of Document.

The document *BACKGROUND PAPERS: The Washington Summit March 18-19, 1986* was prepared by the Department of External Affairs and the Prime Minister's Office and published under the authority of the Secretary of State for External Affairs. It served, as its title suggests, as a background document for the press to supplement the oral briefing to the press prior to the Washington Summit between the Prime Minister and President Reagan.

The introductory section contains an overview of the government's approach and relationship to the United States of America. It also includes a review of the major events since September 1984. Naturally, this included reference to the major speech the Prime Minister gave in New York in December 1984. The sentence dealing with that speech is an accurate reflection of the Prime Minister's address where he said:

> So these are the main reasons why my government is so committeed to rebuilding Canada's image in the world:
>
> —as a free, tolerant and independent nation;
>
> —as a reliable trading partner;
>
> —as a good place to invest and do business;
>
> —as a people committed to the entrepreneurial spirit; and
>
> —as a nation that honours its commitments to its allies.

The full text is available from the Department of External Affairs (Statements and Speeches No. 84/18, *New Climate for Investment in Canada*).

FOREIGN AFFAIRS

CENTRAL AMERICA—USE OF MILITARY FORCE—GOVERNMENT POLICY

Hon. Duff Roblin (Leader of the Government): Now what about the one on Central America? Would you like that one read too?

Senator MacEachen: Please.

Senator Roblin: Honourable senators, this is in response to a question asked by the honourable Leader of the Opposition on March 18, 1986, regarding Foreign Affairs—Central America—Use of Military Force—Government Policy.

At the recent summit meeting in Washington between Prime Minister Mulroney and President Reagan, the situation in Central America was discussed. The Prime Minister raised with the President, Secretary Shultz and others, the Government of Canada's position on the nature of the crisis in Central America and the appropriate means of pursuing a solution. Canada's view is that the region's basic problems are social and economic in origin and the solution similarly must be social and economic, not military. Canada has acted in a concrete manner by increasing our development assistance to Central America, and we have played a constructive role in supporting the Contadora process, not only through public statements but also in providing expertise on control and verification mechanisms of a peace agreement.

With respect to the military situation in Central America, the Canadian government is not in favour of any third party intervention in Central America and has publicly regretted the extension to Central America of East/West confrontation and the related militarization of the area. Canada does not approve of the supply of armaments by any country to opposing factions in Central America. That position has been expressed on a number of occasions to the United States government, to the various Central American governments and to others such as Cuba. The government has emphasized that Canada believes strongly that the countries of Central America must be free to seek their own solution without interference from any source.

Hon. Allan J. MacEachen (Leader of the Opposition): With respect to the answer on Central America, while it is true that—as I heard the answer—Canada has expressed the view in various places that it is not in favour of military intervention, it is not stated in the answer that the Prime Minister conveyed this opinion directly to the President. Am I missing something, or is that contained in the answer?

Senator Roblin: I think the Prime Minister expressed our position clearly to the President.

Senator MacEachen: But am I correct in saying that the answer that has been provided does not contain the information that the Prime Minister conveyed that view directly to the President?

Senator Roblin: I do not think that is correct. The Prime Minister raised Canada's position with the President, and that includes the things I have mentioned.

Senator MacEachen: Oh, so the leader tells us that it includes it, but the answer does not say so.

Senator Roblin: It does say so. It says, "The Prime Minister discussed Canada's position." I have read what Canada's position is and that is the position that was conveyed to the President. I do not see how there could be any doubt about it.

Senator MacEachen: That is not contained in your answer.

Senator Roblin: It certainly is.

Senator MacEachen: In the written answer?

Senator Roblin: When my friend has a chance to read it, perhaps he will be better satisfied.

Senator MacEachen: I have listened to it and that is it.

Senator Roblin: There is one more answer. This is in response to a question by Senator Olson. He is not here. I will not read it unless someone asks me to.

Senator Frith: Agreed.

CANADA-UNITED STATES RELATIONS

MEETING BETWEEN PRIME MINISTER AND PRESIDENT OF UNITED STATES—U.S. AGRICULTURE POLICY AS AGENDA ITEM

Hon. Duff Roblin (Leader of the Government): I have a delayed answer in response to a question raised in the Senate on March 18 and 20, 1986, by the Hon. Hazen Argue, and on March 19, 1986 by the Hon. H.A. Olson, regarding Meeting between Prime Minister and President of United States—U.S. Agriculture Policy as an Agenda Item.

(*The answer follows:*)

Canadian concerns over certain provisions of the 1985 U.S. Food Security Act (Farm Bill) were raised by the Prime Minister during discussions with President Reagan, Secretary of State Shultz, Secretary of Agriculture Lyng, U.S. Trade Representative Yeutter and with the leadership of the Senate. Prime Minister Mulroney noted the problems affecting farmers on both sides of the border, indicating that the recently announced reduction in the 1986 loan rate for wheat and other crops receiving price support would only worsen the current situation of low world prices for these commodities. He also pointed out Canadian concerns about the high level of agricultural export subsidies contained in the legislation and about possible restrictions on the movement of Canadian livestock products to the United States. The Prime Minister asked for U.S. understanding and cooperation regarding Canada's desire to ensure that conditions in the international trading environment did not further deteriorate. The U.S. response in the discussions was to observe that many of the export programs were aimed at the European Community and not at Canada, but that Canadian concerns would be noted and all possible done to not harm friendly trading nations such as Canada. The United States and Canada share many objectives in regard to the upcoming multilateral trade negotiations in the GATT and both countries are looking for an improved set of rules and procedures for trade in agricultural products.

REQUESTS FOR ANSWERS

Hon. Stanley Haidasz: Honourable senators, the Leader of the Government still has not come up with an answer to my

question No. 17 dated October 16 about the Deschênes Commission. Could the leader tell us how long it will take to get this answer?

Hon. Duff Roblin (Leader of the Government): I will make inquiries, honourable senators.

Hon. Philippe Deane Gigantès: Honourable senators, I may have missed the occasion on which the Leader of the Government answered a question I posed more than a year ago as to whether Mr. Ed Broadbent, Leader of the New Democratic Pary, had been invited to the gala following Shamrock Summit No. 1.

Hon. Duff Roblin (Leader of the Government): I will endeavour to find an answer to that stimulating question.

REGULATIONS AND OTHER STATUTORY INSTRUMENTS

FIFTH REPORT OF COMMITTEE—DEBATE CONTINUED

On the Order:

Resuming the debate on the motion of the Honourable Senator Nurgitz, seconded by the Honourable Senator Murray, for the adoption of the Fifth Report of the Standing Joint Committee on Regulations and other Statutory Instruments (Statutory Instruments No. 32), presented in the Senate on 20th March, 1986.—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, you will notice that Senator Nurgitz is not in the chamber at the moment. I think he is engaged with one of his committees. However, he asked me to clarify the position I have on this order, which he is interested in. I told him what my position is and that I propose to put it on the record today. He agreed that I should do so, even though he is not here.

There are three points I want to make. The first is that I generally support the idea of our Joint Committee on Regulations and other Statutory Instruments, namely the activity of the committee in attempting to, perhaps, broaden and increase its authority on a pattern based on the authority that its counterpart has in Australia. In essence, that power in Australia is a power to disallow, in effect, certain statutory instruments or regulations, or what is called subordinate legislation. Now whether we want to go that far or not I do not know, but Senator Godfrey and others have told us that the committee in Australia is powerful, effective, and produces desirable results because of the power it has in this very important field of subordinate legislation—that is legislation that is, in effect, passed by regulation and by bureaucrats and departments rather than by Parliament.

That having been established, the question is: Does this committee need to travel to Australia to get the information, or can it get the information here?

● (1520)

I know it is difficult to define the advantages that may be derived from these meetings as distinct from simply reading documents. I want Senator Nurgitz to know that I—as, I hope, are other senators—am open to persuasion, so I think we ought to hear something about the advantage of the proposed trip to Australia as opposed to a reading of documents. I should like to hear the persuading arguments, and I believe Senator Nurgitz should put them on the record.

The third and final point I wish to make is that there are expenses involved in such a trip and our share, I take it, will be one third of the total. We do not know what those figures are, and I think, in compliance with both the spirit and the letter of the Seventh Report of the Standing Committee on Standing Rules and Orders which was adopted at our last sitting, we should have that information. I believe that information should then be considered by the Standing Committee on Internal Economy, Budgets and Administration so that when we come to vote on the motion all three points will have been satisfied. To reiterate, honourable senators, my first point concerns the general principle of the advantage of informing ourselves on the powers, authorities and activities of the Australian counterpart committee; my second is to ask why it cannot be obtained simply by a reading of documents; and my third point is; how much is it going to cost?

Hon. Stanley Haidasz: Honourable senators, I should like to clear up one other matter. Is it true that the members of this committee travelled to Australia previously, that being about one or two years ago?

Senator Frith: I do not know the answer to that. This is not my motion.

Senator Doody: It was not that committee.

Senator Frith: I do not know the answer to the question, but I do not think that is the case.

Senator Roblin: Some of us did travel, and we learned something.

Senator Frith: Yes, some of us did, but we were not members of that committee, and the trip was not made in connection with this subject matter. However, I agree that we did learn something about this subject also on that trip, and that was the basis of my first point.

I think this is exactly the kind of question that Senator Nurgitz wants to see on the record, and I am sure he will deal with it when he speaks to the motion.

On motion of Senator Doody, for Senator Nurgitz, debate adjourned.

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

PERMISSION FOR COMMITTEE TO TRAVEL—ORDER STANDS

On the Order:

Resuming the debate on the motion of the Honourable Senator Gigantès, seconded by the Honourable Senator Lapointe, P.C.:

That the Standing Senate Committee on Social Affairs, Science and Technology, which was authorized by the Senate on October 29, 1985, to study and report upon the

Consultation Paper on Training, and the document entitled: "Employment Opportunities: Preparing Canadians for a Better Future", or any sub-committee so authorized by the Committee, be empowered to adjourn from place to place within and outside Canada for the purpose of such study.—(*Honourable Senator Marshall*).

Hon. Royce Frith (Deputy Leader of the Opposition): As I understand it, Order No. 10 deals with the power of a subcommittee of the committee chaired by Senator Tremblay to take certain evidence; is that correct?

[*Translation*]

Does Order No. 10 deal with the power to travel to take evidence from the subcommittee of the Standing Senate Committee on Social Affairs, Science and Technology? Is that the raison d'être of Order No. 10?

Hon. Arthur Tremblay: Yes.

Senator Frith: If I understand correctly, there were two problems in principle: First, the question as to whether such a committee can travel with only one member to take evidence; second, it was thought the cost of travel should be established in advance.

In that sense, this question was related to the seventh report of the Committee on Regulations and Other Statutory Instruments. As I see it, I think we can refer the matter to the committee or leave things as they are. In the meantime, am I right to suggest that, in any event, both problems must be submitted to the Committee on Internal Economy, Budgets and Administration?

Senator Tremblay: I understand the situation the same way as Senator Frith does. Indeed, according to the new rules adopted last March 26, the next step is to appear before the Committee on Internal Economy, Budgets and Administration.

Once that committee has submitted its report on the request referred to in the new rules, we will come back to the Senate to study these new rules.

[*English*]

Hon. Duff Roblin (Leader of the Government): Honourable senators, I want to be quite clear that I understand this distinction, because I had a conversation with the Deputy Leader of the Opposition on this subject. As I understood the matter as it developed, there were a couple of points to which my honourable friend has referred that were causing trouble for me, at any rate. The idea was that we would let the argument take place before the committee without committing ourselves in advance through the form of this resolution, one way or the other. I am curious to know how we intend to do that.

My thought was that we would informally, if in no other way, put the matter before the committee before dealing with it in this chamber. If that is the understanding, I am agreeable to it.

Senator Frith: Honourable senators, perhaps I should look at the report again, but, as I recall it, it is my understanding that the order will stand, that it will not be referred as an order to the committee and that we are not asked, and we ought not—in fact, under the amendment, as I understand it, we cannot and must not—pass such a motion until we have a report from the Standing Committee on Internal Economy, Budgets and Administration so that when we make the decision, we make it knowing the costs.

Senator Haidasz: Honourable senators, I should like to ask the chairman of this committee whether this motion has been approved by the committee or whether it reflects the personal initiative of Senator Gigantès.

Senator Tremblay: It has been approved by the committee.

We were waiting for the new rules, as contained in the report presented by Senator Molgat and which were adopted on March 26, before proceeding to the Internal Economy Committee to have the budget which was approved by the Standing Senate Committee on Social Affairs, Science and Technology, approved or modified. That is my understanding of my reading of the new rules. Perhaps I am no exception in trying through experience to learn the exact meaning of the new rules.

Hon. Philippe Deane Gigantès: Honourable senators, if I am wrong, I hope someone will correct me, but I do not think I could have proceeded on the basis of a personal initiative as a subcommittee chairman without the approval of the full committee. I do not really understand the question by Senator Haidasz. It was not addressed to me, but, as I understand the rules of the Senate, what he has suggested is not possible.

Senator Doody: I presume this order will stand in the name of Senator Marshall who will be with us on Thursday. He is presently in Charlottetown in connection with veterans' affairs.

Senator Frith: He will then have had an opportunity to read these edifying remarks.

Senator Doody: It will be something for him to look forward to.

Order stands.

CANADA-UNITED STATES INTER-PARLIAMENTARY GROUP

TWENTY-FIFTH MEETING—REPORT OF CANADIAN DELEGATION—DEBATE CONCLUDED

On the Order:

Resuming the debate on the inquiry of the Honourable Senator Stanbury calling the attention of the Senate to the Twenty-fifth Meeting of the Canada-United States Inter-Parliamentary Group, held at Dorado, Puerto Rico, from 8th to 12th March, 1984, and to the Report of the said Meeting.—(*Honourable Senator MacEachen, P.C.*).

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I do not intend to participate in the debate on this matter. If no one else wishes to do so, perhaps this inquiry can be considered debated.

The Hon. the Speaker: Honourable senators, is it agreed?

Hon. Senators: Agreed.

The Senate adjourned until tomorrow at 2 p.m.

THE SENATE

Wednesday, April 16, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

REGULATIONS AND OTHER STATUTORY INSTRUMENTS

SIXTH REPORT OF COMMITTEE PRESENTED AND PRINTED AS APPENDIX

Hon. Nathan Nurgitz: Honourable senators, I have the honour to present the Sixth Report of the Standing Joint Committee on Regulations and other Statutory Instruments (*Statutory Instruments No. 33*) respecting certain amendments to the Canadian Home Insulation Program.

I ask that the report be printed as an appendix to the *Minutes of the Proceedings of the Senate* and to the *Debates of the Senate* of this day and form part of the permanent records of this house.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

(*For text of report, see appendix, p. 2300.*)

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Nurgitz, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

QUESTION PERIOD

[*English*]

LIBYA

UNITED STATES AIR STRIKE—REQUEST FOR ANSWERS

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, yesterday I addressed a number of questions to the Leader of the Government with respect to the serious situation which prevails in the Middle East as a result of the action taken by the United States in directing attacks on military targets and installations in Libya in retaliation for acts of terrorism.

The Leader of the Government undertook to provide information on these points, and I wonder if he is in a position to give me that information today.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I do not have specific replies to all the points raised by my honourable friend, but some of them were covered last night in the speech made by the Minister of National Defence in the other place. The items covered in his speech that caught my eye had to do with consultation with allies. In his remarks the minister in the other place stated that France, Italy, the United Kingdom and the Federal Republic of Germany had been consulted since the beginning of this crisis. That particular question, I think, is disposed of in that way.

From a hurried glance at his speech I am not entirely sure that he did not answer other questions, but if he did I have not noted them. I will have to content myself with giving a more considered reply when I am able to do so.

Senator MacEachen: Honourable senators, I want to register my own disappointment that the Leader of the Government has not taken advantage of the 24 hours that were available to him to inform himself on very relevant information that is necessary for senators if they are to participate effectively in the affairs of this country. I do not know what recourse one has in circumstances of this kind. Yesterday I addressed a series of questions to the Leader of the Government, and he has referred to one snippet of information that was contained in a speech made by the Deputy Prime Minister in the other chamber.

I want to tell the Leader of the Government in the most serious way that we on this side of the house find his attitude quite unsatisfactory. Yesterday I asked the Leader of the Government if he would reconsider his position and he has come back into the house and shown even greater contempt for all of us than he did yesterday, because he did not even take the opportunity of that 24 hours to inform himself on matters that would have been easily available to him if he had taken various simple steps.

Senator Roblin: I want to assure my honourable friend that I have been doing my best and that I will get the answers for him. But I think he would agree with me that on matters as important and serious as this he deserves and he will get a considered statement in reply to the points he raises. I have asked my colleagues who are responsible for these matters to give me information in writing so that I can provide it to my honourable friend in a complete and accurate manner. That is what I intend to do.

Hon. H. A. Olson: Honourable senators, that is not a satisfactory answer. It is unsatisfactory—

Hon. Jacques Flynn: Are you raising a point of order?

Senator Olson: Yes, I am. I am raising a point of order, a question of privilege or whichever you like. This affects the privileges of every member of this chamber.

Senator Flynn: Go ahead.

Senator Frith: Senator Flynn has given his permission to proceed.

Senator Olson: I want to say to Senator Flynn and to Senator Roblin that, notwithstanding these interventions of Senator Flynn, at least he tried, when he was Leader of the Government in this chamber in 1979, to answer some of the questions that were put to him. That, I suggest, is not the case now.

The question we must address when we are talking about the privileges of the members of this house is whether the complaint that has been raised by the Leader of the Opposition is really the fault of the government, the fault of the Leader of the Government in the Senate, or the general attitude of the government towards providing information to this house. It is important that we know the answer to that question. The Leader of the Government has just said that he did not have the information in writing that he could bring into this chamber. Therefore, I suppose that he is relying on what was printed in *Hansard* from the speech of the Minister of National Defence for his reply.

Surely the Leader of the Government and all honourable senators have the right to expect a little more than that. If he did what he said he did—which was that, following Question Period yesterday, he made inquiries of other members of the government, perhaps of the Prime Minister but certainly of the offices of the Secretary of State for External Affairs and the Minister of National Defence—why did they not give him a reply in writing to the very specific questions that were raised yesterday? Those queries were completed before 3.30. I know, and so does Senator Flynn, that when those kinds of requests are made something usually comes back in a timely manner.

Senator Flynn: That is not necessarily true.

Senator Olson: Oh, it is not true—well, if that is the general attitude of the Conservatives towards supplying information, that is worth knowing.

Senator Flynn: You are talking through your hat.

Senator Olson: I am not talking through my hat—in fact, it was even better than that. Every day, people in the office of the Leader of the Government and, indeed, in the departments, would at least try to anticipate what the questions would be. Senator Flynn knows about this.

Senator Flynn: I know about you, too!

Senator Olson: They would provide explanations based on an anticipation of questions. For the Leader of the Government to suggest that it could not be anticipated that there would be some questions asked yesterday about the military strike at Libya is, of course, ludicrous. He knows very well that any people charged with that responsibility would have put that question at the top of the list. Yet there is still no solid information from any of the government offices, except by way of the speech of the Minister of National Defence. The Leader of the Government in the Senate had nothing in writing that he could bring into this chamber to respond to the questions of the Leader of the Opposition. But, honourable senators, it is more serious than simply this one incident, because over the past few months we have been asking the Leader of the Government for information on a number of government policies. Some of them relate to extremely severe economic conditions in certain geographic and economic sectors of the country, and the answer is almost always the same: They have a watching brief. They are sitting back, watching the situation. He then goes on to say that because he is a minister without portfolio, he is unable and therefore not obliged to provide information on those questions. I wish to say to him that that is completely unacceptable and it is not in keeping with the accepted traditions—

• (1405)

Senator Flynn: It is accepted—

Senator Olson: —or the accepted practice of this house.

Hon. Royce Frith (Deputy Leader of the Opposition): On a point of privilege, it is not acceptable to him, and nor is it acceptable to some others, from whom you will hear one at a time.

Senator Flynn: He is making a speech.

Senator Frith: Let us hear from one at a time.

Senator Olson: Senator Flynn is using the same old tactics he has used for the past 20 years—that is, he thinks that he can bulldoze people off the track on the floor of this chamber. Well, let him go ahead, but he is not getting away with it today, because we have a legitimate grievance against the performance and what has been an accepted practice in this chamber, that the Leader of the Government, either provides the information—

Senator Flynn: Or he does not.

Senator Olson: —or he gives an undertaking that he will get it. That has been the tradition—not that he does not. That is unacceptable. What is worse, on many occasions the Leader of the Government has, in fact, given an undertaking that he is going to bring in information that is being sought, and nothing happens for weeks or for months. I say that it is an infringement of the privileges and rights of this house, and that the government should be accountable in this chamber during Question Period. I think the government needs to take that seriously and adopt a different attitude toward its obligations to the traditions that have existed here.

Senator Flynn: Nice lecture.

Senator Frith: Thank you.

Senator Olson: If that is all that it means to Senator Flynn—

Senator Flynn: You are lucky that it at least means that.

Senator Olson: In the last few hours we have had an outstanding example of what I am trying to persuade the Leader of the Government has been happening for a number of months. It is a very significant change in the practice of this house, and it is unacceptable; and it does, in fact, affect the privileges of the members of this house, because if we cannot

ask him for information that the government has available to it, and have it delivered to the floor of this chamber in response to those questions, then I believe it does affect the privileges of the members of this house, and he should give us an undertaking that it is going to be changed.

Senator Roblin: Honourable senators, if I were guilty of the charges levelled by my honourable friend, I would indeed be embarrassed. But the fact is that it is not the case. I should start out, by way of reply, by telling him that I have never said in this house that because I am a minister without portfolio I will not produce the answers. I have never said that.

Senator Olson: You said it yesterday.

Senator Roblin: I did not. I said that I could not answer on the spot, because it was not a matter within my knowledge. But I have never refused to obtain information for which members have asked. Yesterday I gave the same undertaking, that I would obtain that information; and, if it makes my honourable friend feel any better, I can tell him that I have been on the telephone with some of my colleagues. I have not left it entirely to the ordinary processes by which these matters are dealt with. I have been on the telephone with some of my colleagues and I have told them of the desire of the Senate for this information, and have asked them to produce it for me as expeditiously as possible. That certainly will be done, and I will follow it through, as I have always done.

My honourable friend says that I come into this chamber without any preparation, that we do not try to anticipate questions. Well, now, how ridiculous can we get? I spend hours every day dealing with questions that might be raised. I come in, as I have this afternoon, armed with about 10 or 12 leading topics on which I expect that senators may wish to have some information. I do my best to see that I am armed with that information so that they can have it as soon as possible. Anybody who knows me knows that I would not be so contemptuous of the rights of senators or the dignity of this house to indulge in the kind of performance that my honourable friend has spoken about.

• (1410)

My honourable friend says that I say that we will hold a watching brief and then I do not produce the answers. That simply is a statement to the effect that the policy on the matter is not at the present time clarified. If the policy is not clarified, I cannot tell him anything. When the policy is clarified, I will tell him what I can. I say to my honourable friend that I—perhaps I should not use the word "resent" because I know the source from which the objection comes, and I guess I do not resent that—however, I can say to my honourable friend that his charges are without foundation, that, within the limits of my natural capacity, I do my best to answer questions in this house and that when I do not have the answers, I do my best to get them. When I know that the matter is of some urgency, as was the point raised by the Leader of the Opposition today, I do not just sit behind my desk. I get on the telephone to see what I can do to hurry things along. That is certainly the course I intend to follow. So it seems to me that the point of privilege that has been raised is not supported by the facts.

Senator Frith: Honourable senators, I rise to, I hope, clarify the concerns that we have. Senator Roblin said in the intervention he just made that he is doing his best. I think that that is what is worrying us, the fact that it is his best. I do not believe that it is his best. Let us take yesterday as the best of all examples. If, as the leader says, he comes in armed with answers, positions or information on anticipated questions, how could it be that he failed to anticipate any of the questions on the matter raised by the Leader of the Opposition yesterday? I would have thought that anyone would have been able to anticipate those questions. Perhaps he had an off day yesterday. I am sure that even the leader will admit that yesterday is a perfect example—

Senator Flynn: You are having an off day.

Senator Frith: —of obvious questions that would be asked and that anyone could have anticipated. I am sure the leader remembers that often when we were sitting on that side we gave answers that were unsatisfactory, and that there were delays that were unsatisfactory to you as the then opposition, in providing answers. I appreciate all that. I appreciate also the fact that the leader does not have a portfolio.

The leader will remember that we had, as did Senator Flynn when he was Leader of the Government, a big book which was prepared for us every day. That is specifically what Mr. Laurier did. He read the newpapers and listened to the radio in an attempt to get an idea of what questions might come up. Then he would phone the departments in advance for information, and often we had statements. I recall an exchange between Senator Flynn and me on a mutually interesting topic. He knew that the questions were alive, both here and in the other place, and he had information supplied by his officials on the matter.

Senator Flynn: Oh, pooh, pooh!

Senator Frith: Now, there is something. The pooh-pooher to end all pooh-poohers is now pooh-poohing himself. At least for this occasion he used good judgment in his target.

That is our concern. I say to the Honourable the Leader of the Government that I believe that he can do better in his preparations. Of course, he can do better in getting the answers more quickly, as we could have done better. There will always be dissatisfaction over the speed with which questions are answered, particularly with ones that are outdated or obsolete because the answer is not given in the same week. I hope that he will do better. We tried. We did not always succeed. It is understandable that in many cases the reply is, "I don't have that answer. I shall try to get it." However, in those cases it is often that the questions could not be easily anticipated. Yesterday was a prime example of questions that could easily be anticipated.

Senator Roblin: Honourable senators, let us take into account the time sequence with respect to some of the questions asked yesterday. They had to do with a meeting with the

American envoy in Ottawa. If my information is correct, that meeting took place about lunch time yesterday.

Senator Frith: But you knew about it. We asked his name and you could not give us his name.

Senator Roblin: Certainly I knew about it because that information was made available to me. However, what happened at that meeting or the questions that might arise from it were completely beyond my ken.

Senator Frith: Why didn't you say to somebody, "I am going to be asked about it, so tell me about it"?

Senator Roblin: You can say that as much as you like, but when the time sequence does not allow for that sort of consideration to be given, it simply is not possible, so it seems to me that my honourable friend is really being a little bit unfair in saying to me that I do not do my job properly. I am sure I do it just as well as he ever did. I am quite prepared to stand my record up against his and I do not really think that says much for me but, insofar as that is an endorsement, I would certainly claim it.

Senator Flynn: Honourable senators, on this question of privilege, I think there are two trends here. The first trend has to do with the criticism of the behaviour of the Leader of the Government in the Senate. I think he has replied quite adequately, but I would say again that I think the way that Senator Olson and Senator Frith have been treating the Leader of the Government is very unfair in this instance. I think Senator Roblin has replied in a very mild way, but I will say it more brutally that I think he has been doing a much better job than any of his predecessors, including me, have ever done in regard to questions. That is the first point.

The second trend in this so-called question of privilege, which was really a pretence for making a speech and for talking about the situation without saying anything, because you really have nothing to say—

Senator Frith: Listen to the expert.

Senator Flynn: —is that the assumption seems to be that you are entitled to an immediate answer to any question that you put.

Senator Frith: Nobody has every said that.

Senator Flynn: First of all, you are not entitled to any answer.

Senator Frith: No one has suggested that we are entitled to an answer right away. That is ridiculous.

Senator Flynn: You are not entitled to any answer from the Leader of the Government. He has never done this, but he may very well say, if he wants to, "I choose not to answer that question." If he says that, that is his right and that is in conformity with the rules.

The second aspect of this second trend is the fact that we are now dealing with very sensitive questions. I think the opposition, and in particular the Leader of the Opposition, should be much more careful in dealing with the situation at hand. There are elements of fact in this situation that the Leader of the Government, or any member of the cabinet, is not in a position to divulge.

Senator Frith: He can tell us that, but he never took that position.

Senator Flynn: Very well—

Senator Frith: Are you taking that position for him? He never took that position for himself. Can he not handle it himself?

Senator Flynn: I am taking that position, not for him.

Senator Perrault: Senator Flynn is the defence counsel.

Senator Flynn: I like the intervention of Senator Perrault. I have missed engaging in a debate with him for a long time.

Senator Perrault: That will happen, one of these days.

Senator Flynn: We had more fun because he had more humour than the present Leader of the Opposition who very seldom smiles and tries to appear very serious when, in fact, he is not serious at all. As a former Secretary of State for External Affairs, he knows very well, I am sure, what I mean when I speak of sensitive information that cannot be divulged. He knows about that element and he knows that he will not get an answer. However, if his purpose is only to win a little debate or if he merely wants to make a noise, and if that is also the purpose of Senator Olson, that is all very well. In any event, any claim of a question of privilege is invalid on both counts.

Senator Frith: So, no change; no undertaking to do any better.

• (1420)

UNITED STATES AIR STRIKE—GOVERNMENT ATTITUDE

Hon. Allan J. MacEachen (Leader of the Opposition): In light of what has been said, I want to direct a question to the Leader of the Government.

Against the test that has now been applied by Senator Flynn—namely, that one should not ask about sensitive matters—let me now ask about something that is not sensitive.

Will the Leader of the Government tell me what the attitude of the Government of Canada is toward the air strike by the United States against Libya? Is it in support of that air strike, or is it opposed?

Hon. Duff Roblin (Leader of the Government): In his statement in the House of Commons yesterday, in which he outlined the government's position on that matter, the Minister of Defence rehearsed the circumstances that had led up to the American air strike in Libya. He laid before the House the fact that there had been continuous consultation with the United States government and other allies in respect of the matter, and he made the statement that the government had accepted the accuracy of the judgment of the American government that there had been a direct linkage between what the Libyans were doing and some of the terrorist activities of which we had knowledge.

After consideration of all these factors—and while the government deplores the fact that people die in these situations, and without ignoring the fact that a peaceful settlement of these matters is by far the best way to go, if you can possibly do that in the circumstances—the government supports the objectives of the United States.

Senator MacEachen: I thank the Leader of the Government for that information. That was sought yesterday and not given.

We now know that the Government of Canada clearly supports the action taken by the United States, and that is new information. It is now clear that the Government of Canada, along with Britain, supports the United States, and that the action taken is opposed by the other 11 members of the European Community.

I now want to ask another question because in the answer the leader alluded to the fact that the Government of Canada had accepted the word of the United States that it had evidence to establish the linkage. I asked yesterday whether the evidence had been made available to the Deputy Prime Minister in that conversation.

The President, in his statement, said, "Our evidence is direct, it is precise, it is irrefutable." No member of the House of Commons, no member of the Senate, and no member of the public has had access to that evidence. We do not know what it is. I want to ask the leader whether the Americans made that evidence accessible to the Deputy Prime Minister, whether he examined it, and whether, on the basis of that examination, he satisfied himself that the linkage existed.

Senator Roblin: I believe that the answer is yes.

Senator MacEachen: That is another important answer. The Deputy Prime Minister has seen the evidence and, on the basis of its examination, accepted it as establishing a linkage.

That information was not given yesterday, because in the statement of the Prime Minister all that was said was that the Government of Canada accepted the word of the President of the United States. Now we know that the Government of Canada, on its own account, has examined the evidence and has found it convincing. Those are two important statements—that we have examined the evidence, and that we support the action of the United States.

UNITED STATES AIR STRIKE—CONSULTATIONS WITH ALLIES

Hon. Allan J. MacEachen (Leader of the Opposition): When did the consultations with our European allies to which the Leader of the Government referred a moment ago take place?

Hon. Duff Roblin (Leader of the Government): The statement of the government is that the communications with our European allies have been going on for some time, for several weeks. They have been continuous, as far as I am aware, since at least January 10, when we made our statement about economic sanctions with respect to Libya, which was also a matter of discussion between all parties concerned at that time.

Senator MacEachen: Well, I understand that, naturally, there would be ongoing discussions with the European allies and others. The question is: Following the information given to Canada by the United States of its intention to engage in this strike, were there consultations after that event with our European allies to determine what their views were?

Senator Roblin: I think that is the case, but I am going to check to be doubly sure, because I would not like to give my friend any inaccurate information.

Senator MacEachen: Well, I thank the Leader of the Government. I asked that question because almost within that time span the 12 ministers of the European Community were deliberating upon the matter. They had expressed their opposition to the action and I wanted to know whether, before Canada finally made up its mind, it consulted with the Europeans. The Leader of the Government has told me that he will now find out, and I thank him for that.

UNITED STATES AIR STRIKE—LEGALITY UNDER INTERNATIONAL LAW

Hon. Jack Austin: I would like to ask the Leader of the Government whether, in the same matter, when advice was received from the United States emissary and consultations took place, the government sought advice from its law officers on the question of the appropriateness of the action which the United States proposed to take in terms of international law; and, in addition, whether in the submissions of the United States emissary, any questions with respect to the legality under international law of the actions taken with respect to Libya were addressed.

Hon. Duff Roblin (Leader of the Government): I do not think that this question was decided on the basis of international law, it was decided on the basis of policy.

Senator Austin: Well, is the Leader of the Government saying that Canada has made a policy decision to accept an action which it knew was contrary to international law as expressed in United Nations pronouncements and other international law with respect to these measures?

Senator Roblin: I think that issue was debated yesterday in the United Nations. It seems to me that the action of the United States may be looked at as illegal, or it may be looked at as legal, depending on your point of view. I am sure there is no clear-cut definition of international law in this respect.

Senator Austin: But did I understand the Leader of the Government to say that the Government of Canada accepted the actions taken by the United States, although it was aware that it was possibly treating as a policy matter an action that was contrary to international law or in derogation of international law?

Senator Roblin: I have no information at all that this was in derogation of international law.

REPORTED INCIDENTS IN TRIPOLI

Hon. Peter Bosa: Honourable senators, my question is for the Leader of the Government in the Senate. There have been

widespread reports today that there has been some shooting in and around Tripoli. Has the Leader of the Government any information concerning what is happening in that city—whether there is a revolt in progress?

Hon. Duff Roblin (Leader of the Government): No, I have no information about that at the present time. We have representatives in Tripoli, and I expect I will be able to report more when we hear from them.

CANADA-UNITED STATES RELATIONS

BILATERAL TRADE NEGOTIATIONS—GOVERNMENT POSITION ON UNITED STATES UNDERTAKINGS

Hon. George van Roggen: Honourable senators, I have a question for the Leader of the Government in the Senate concerning the free trade negotiations with the United States. The press reports that last Friday a majority of the members of the Finance Committee of the United States Senate made it clear that they would not approve the "fast-track" application, if I can put it that way, of the U.S. Administration for the trade negotiations with Canada.

I have read that the position of the Canadian government was that if the "fast-track" procedure was not approved we would then not proceed with the negotiations. Last night, on television, I saw Mr. Kelleher, the Minister for International Trade, being interviewed and I took his remarks to mean that, even if the Finance Committee of the United States Senate did not authorize the fast track, the Government of Canada would still hold the U.S. Administration to its undertaking to enter into these negotiations and that negotiations would go ahead in any event.

● (1430)

Could the Leader of the Government tell me which of those positions is the position of the government?

Hon. Duff Roblin (Leader of the Government): I do not think my honourable friend has it straight. I do not think the Minister for International Trade said that we were going to proceed with these negotiations if the Senate turned us down, which is what my friend is talking about. I think the position of the government is that we are awaiting the decision of the United States Senate and it would be unwise at this moment to presume that they are not going to approve it. It may be tomorrow that they make their decision and it may not; it may be some other time. However, it is clearly the part of wisdom to wait until the decision is made.

If my honourable friend asks me whether we want to proceed with trade negotiations if we do not get the fast-track system, I would have to say that I think we will have to reconsider our position very carefully if that system is denied to us. Our view is that it would be very difficult to proceed under those circumstances.

Senator van Roggen: I might just say that I agree with the statement of the Leader of the Government much more than I agreed with the statement of the Minister for International Trade last night, as I understood it when I heard it on television.

[Senator Bosa.]

FINANCIAL INSTITUTIONS

TAKEOVERS BY INDUSTRIAL CONGLOMERATES—GOVERNMENT POLICY

Hon. Ian Sinclair: Honourable senators, my question arises from leading topics; therefore, in view of what has been said by the Leader of the Government, I am sure he is armed with information.

My question has to do with the widely expressed concern regarding takeovers of financial institutions by industrial conglomerates. Can the leader enlighten us as to government policy in that regard?

Hon. Duff Roblin (Leader of the Government): As you know, I do come armed with some information. I thought my honourable friend was going to ask me about interest rates being offered on Canadian bonds.

Senator Sinclair: I will do that after you answer the question I asked.

Senator Frith: Tell us what the answers are and we will give you the questions.

Senator Roblin: I will give you the answer concerning the bonds right now; after all, I have the information and I want to share it.

Long-term bonds were priced at 8.89 per cent. That refers to 20-year bonds, which is pretty good. I am sure my honourable friend wants to congratulate me on that because he has been raising Cain with me because he thinks interest rates are too high and are not going down. There is some good news, and I want to spread it.

In connection with the point he raised in the first instance, which has to do with, I suppose, the Imasco proposition, the senator is, I am sure, very well aware, that the government has introduced legislation which gives it the power to regulate certain aspects of transactions of the kind to which he refers. I think it has been made clear by previous government statements that that is retroactive to a certain date.

Under those circumstances, the government thinks it wise to examine the Imasco proposition to see whether it is on all fours with government policy. That examination is proceeding and we are in touch, I am told by my colleague, with the private interests concerned in order to find out exactly what they have in mind. That will be compared with government policy views in this matter, and a decision will be reached.

Senator Sinclair: Honourable senators, I am most interested, as I am sure a lot of people would be, in that remark.

However, my question was: What is the policy of the government? I understand that discussions are under way, but I should like to know what is the policy of the government in regard to control by industrial conglomerates of financial institutions.

Senator Roblin: I am going to be very candid with my friend. That is a problem that has arisen at the same time as this particular issue. After all, there have been three or four takeovers of a similar nature in which non-financial institutions have taken over trust companies. This is not anything new, but it seems to have come to a climax with the development of this particular issue.

The government has to present its bill and it has to be approved by Parliament. When that is done, we will be able to give consideration to the matter of policy. I do not think it would be appropriate to try to deal with a question of policy until the bill becomes part of the law of the land.

Senator Sinclair: Honourable senators, I take it that the bill the Leader of the Government has referred to is Bill C-103. As I read that bill, it does not delineate policy; am I wrong about that?

Senator Roblin: The bill provides the basis on which policy is to be decided and, until the bill is passed, it is not part of the law of the country.

THE ECONOMY

INTEREST RATES

Hon. Ian Sinclair: Honourable senators, I now want to go back to the question of interest rates. I congratulate the Leader of the Government—if he wants this kind of congratulation—in that he has propped up interest rates on the backs of western Canadian farmers and the oil producers, and has driven them practically to distraction. Then he gets up and asks me to congratulate him for taking that kind of action and allowing farmers to go broke and allowing producers to go under.

Hon. Duff Roblin (Leader of the Government): If my honourable friend were aware of the trends in farm interest rates as laid down by the federal Farm Credit Corporation, he would be aware that since this government came into office the rates have been reduced three times and they are now over three percentage points lower than they were when his friends were in office.

Some Hon. Senators: Hear, hear.

Senator Sinclair: Of course, the problem with these kinds of answers is that real interest rates, which reflect the impact of interest, have never in the history of this country been as high as they are now.

Senator Roblin: The plain fact of the matter is that a reduction of three points in the interest rates over this period of time saves the farmers of the country tens of millions of dollars. Real or unreal, they are real dollars, so far as they are concerned, in their pockets. My honourable friend can make his point if he wants to, but the fact is that interest costs for western farmers have been going down.

Senator Sinclair: The only way you can pay interest rates is to have income, and income reflects prices. Prices come down and the whole of the economy comes down, and real interest rates go up, so the impact is greater, not less.

Some Hon. Senators: Hear, hear.

Senator Roblin: What is my honourable friend trying to say? Is it that we organize the price of oil and that we organize the price of wheat? Of course, we do not; we struggle with them, but they are not products of our policy.

Senator Sinclair: The government did have something to say about the price of wheat and it did have something to say about the price of oil, but perhaps I am wrong about that.

FINANCIAL INSTITUTIONS

CONCENTRATION OF ECONOMIC POWER—GOVERNMENT POLICY

Hon. Stanley Haidasz: Honourable senators, on the same line of questioning, I should like to ask the Leader of the Government in the Senate whether he would clearly and unambivalently inform this chamber whether the federal government is against any body, any corporation, owning more than ten per cent of any trust company, loan company or other financial institution in Canada to prevent this so-called "concentration of economic power" falling into a few hands.

Senator Argue: Only if it is a Canadian company.

Hon. Duff Roblin (Leader of the Government): I have to tell my honourable friend that that very subject is under examination by the Standing Senate Committee on Banking, Trade and Commerce. If he attends that committee's meeting at 3.30 this afternoon, which is not a long time from now, he will find out what they think about ownership of Canadian trust companies. I am inclined to think that he will find their answers reassuring, because I certainly like them.

Senator Haidasz: I asked what was the federal government's policy regarding this matter of allowing more than ten per cent ownership in trust companies and loan companies.

Senator Roblin: I know my honourable friend said that, but he should be aware of the fact that there has been a green paper from the Minister of State in this matter; there has been a report from the House of Commons Finance and Economic Affairs Committee in respect of this matter; there is the expected report from the Senate committee in respect of this matter; and when all those have received due consideration, the policy of the government will be made clear, but it is not appropriate that we should rush into this when the subject is under investigation. We are going to have to take into account what legislators in this country think about it.

AGRICULTURE

WESTERN CANADA—DROUGHT CONDITIONS—GOVERNMENT ASSISTANCE

Hon. H. A. Olson: Honourable senators, I should like to ask the Leader of the Government if the government is aware that the drought conditions in much of southern Alberta and,

indeed, in part of southern Saskatchewan are more severe this year than they have been in the two previous disaster years. This makes the third year in succession that such conditions have prevailed.

If so, has the government set in motion any machinery in the form of committees or whatever to assess that situation and, in co-operation with the provinces, to deal with it?

I ask that because, in the next few days, a large part of the livestock, which depends on the grass grown in the spring—which is not happening this year—is going to be faced with those circumstances.

• (1440)

Hon. Duff Roblin (Leader of the Government): I think my honourable friend is a little pessimistic. There may be a drought in western Canada this year. I certainly hope not, but, as far as grain growers are concerned, it is a little too early to rush to that conclusion. We know perfectly well that seeding has not begun in most places, if any. In fact, we sometimes look for rains until the end of June to save our crops. Such situations have arisen on more than one occasion. I am not going to be that pessimistic.

There may be a problem with livestock. I will certainly bring this matter to the attention of the Minister of Agriculture and ask him whether there is anything under consideration at the present time. I do know that last year when we ran into these problems the government could be relied upon to provide some assistance to those who needed it.

Senator Olson: Honourable senators, I have a supplementary question. I agree with the reply of the minister in the first instance, that a grain crop cannot be lost before it is seeded; I understand that. But normally the moisture conditions in the soil indicate how much potential grass growth there is likely to be in the first two months or so of the season. That is usually what carries the livestock for the rest of the summer. The current indications are that that moisture is almost non-existent; furthermore, that there will be a very small hay crop because of this situation. I would like to know whether the government will try to make some plans now so as to deal with that problem, because with respect to that aspect of the livestock activity, it is fairly certain that we will be faced with a disastrous situation.

Senator Roblin: I am not prepared to accept that as a fact at the present time. I can assure my honourable friend, however, that if his dismal forecast comes to pass, the government will not sit inactive.

ANSWERS TO UNASKED QUESTIONS

Hon. B. Alasdair Graham: Honourable senators, I have a question for the Leader of the Government in the Senate. He said earlier that he was prepared, after doing his homework assiduously, to deal with 10 or 12 topics of major importance during Question Period. He has already dealt with the interest on bonds and the Imasco proposition, as he called it. Without wanting to detract from the high drama and the sense of great suspense that we enjoy during Question Period each day, I wonder whether he could identify the other eight or ten topics he is prepared to deal with so that it could help us and, most assuredly, help him.

Senator Doody: He wants the answers before he asks the questions!

Hon. Duff Roblin (Leader of the Government): Honourable senators, I obviously made a great mistake in answering Senator Sinclair's question when he had not yet asked it. I will not make that mistake again.

CORRECTIONAL SERVICE

COMMISSIONER'S OFFICE—INCREASED COST OF ADMINISTRATION

Hon. Earl A. Hastings: Honourable senators, I doubt that my question will fall within the realm of the eight or ten that the government leader is prepared to answer, and I appreciate that he will take it as notice. It pertains to the administration of the Correctional Service of Canada and the government's stated policy of deficit reduction through restraint by curtailing expenditures. While we may disagree as to the programs and procedures of the government in that respect, I do not think we can disagree that, whatever measures are taken, they should be fair and equitable.

In that context, I ask the government leader why the Solicitor General authorized a 200 per cent increase in expenditures in the administration of the commissioner's office, which amount to $499,000 for the current fiscal year. While all sectors of the Canadian Correctional Service are curtailing and cutting expenditures, it is passing strange that the commissioner's office, the headquarters, should have that rather objectionable increase of 200 per cent of roughly half a million dollars.

Hon. Duff Roblin (Leader of the Government): Is my honourable friend correct in saying that the increase is 200 per cent for the head office of that organization? Perhaps he would be kind enough to send me the document and I will have a look at it. It comes as news to me. On the face of it, it requires an explanation.

Senator Hastings: By way of a supplementary question, for the year 1985-86, it was $256,000 with two people; in the year 1986-87, it will be $755,000 with three people.

Senator Roblin: I infer from that that those people are being paid approximately $150,000 per year apiece. I do find that strange.

Senator Sinclair: That is where Senator Flynn is going!

Senator Roblin: Senator Flynn? I thought it was Senator Hastings—he is the big man on prisons.

Senator Flynn: I don't know what I am doing in that picture.

IMMIGRATION

REFUGEE DETERMINATION—GOVERNMENT POLICY

Hon. Stanley Haidasz: Honourable senators, two weeks ago in Toronto there took place, in front of City Hall, a loud demonstration organized by the advocacy groups supporting refugees and relatives of refugees. They were protesting the government's delay in implementing Rabbi Gunther Plaut's recommendations on refugee determination, which were contained in a report he submitted to the government one year ago.

I should like to ask the Leader of the Government in the Senate when we can expect an overhaul of the Immigration Act and the government's response to Rabbi Plaut's report.

Hon. Duff Roblin (Leader of the Government): Honourable senators, the government is looking at this report very seriously, but that statement applies not only to the report. There are other problems in the entire field of immigration, particularly those having to do with refugees, which must be considered as part of the mix. These other questions are being assimilated to Rabbi Plaut's report in order to produce a reform of the situation which meets the obvious difficulties that we have run into. These difficulties are not of recent origin. They have been germinating and growing for many years and the situation is, in my view, quite unsatisfactory.

I think I am correct in saying that the government is at an advanced stage in its consideration of this matter. I know that the minister is anxious to get this matter before Parliament as soon as possible. It is not absolutely ready at the present time, but it is at an advanced stage of preparation.

MULTICULTURALISM

GOVERNMENT POLICY—DELAYED ANSWER

Hon. Duff Roblin (Leader of the Government): I also want to say to Senator Haidasz, while I am on my feet, that I am able to provide an answer to the question he asked yesterday about the multicultural situation. While I cannot really claim that I have been able to provide this answer within the 24-hour period that some senators would like to allow me with respect to these matters, I can say that the new business orientation about which the minister spoke is intended to complement and not to replace the programs we now have. What that means in terms of dollars is not entirely clear at the present time, but the intention is to add something and not to take something away. Further than that, the minister intends to have consultation with all major sectors which depend on funding from Multiculturalism Canada before these measures are put into effect. I presume that that will be an adequate form of consultation with those people who are directly concerned.

AGRICULTURE

GRAIN—PLIGHT OF PRODUCERS—DEFICIENCY PAYMENTS AND TWO-PRICE SYSTEM FOR WHEAT—GOVERNMENT POLICY

Hon. Sidney L. Buckwold: Honourable senators, my question is directed to the Leader of the Government in the Senate and is one that I am sure he has on his list of possible questions. He, along with all honourable senators, is well aware of the crisis in agriculture and the situation that faces farmers and producers of grain across the country.

My question involves the recent announcement of a 19 per cent decrease in initial payments for grain. In light of market problems facing grain producers, would the Leader of the Government in the Senate indicate what is being done to alleviate the situation? I am well aware of the $580 million payment recently announced from the Western Grain Stabilization Fund. I believe that Senator Argue raised that matter yesterday. This payment will be of great benefit to many farmers, but I would like to know if the government has any plans for deficiency payments so that farmers will be able to at least attempt to recover their cost of production, which is not possible at the present time.

Secondly, I should like to know if serious consideration has been given to improving the two-price system for wheat. This is of great assistance to farmers who produce that product. The president of the Canadian Consumers Association has recently announced that she favours an increase in the two-price system; that is, the payment for grain sold in Canada, which, although it would raise the price of bread in Canada by some few cents a loaf, would be a great help to those farmers who otherwise face a grim future. I would ask the government leader to indicate to us what the plans might be and to give an up-date on what the government really intends to do to help alleviate this grim situation.

• (1450)

Hon. Duff Roblin (Leader of the Government): Honourable senators, I agree entirely with my friend's analysis of the situation. It is a very difficult one, and it is going to cause serious problems probably for longer than we would like to think. But when one considers that the price of wheat is caught between the European Economic Community, on the one side, which is pouring some 18 million tonnes of grains into the world system these days, when formerly they were importers, and at highly subsidized prices—I suppose they are selling it at $3 and paying their farmers $10, something of that order—and when one considers that in the United States they have allocated $50 billion over the next three years to support the price of wheat for their farmers—they will probably get $3 for it and pay their farmers $6, something of that order—

Senator Argue: In our money!

Senator Roblin: Yes, in our money. When one considers the success that some of the nations have had—on the one hand it is a blessing, and on the other it is a difficulty—in producing grain themselves, one can see that this problem will be very difficult to resolve. When we compare it to the straitened circumstances of the federal government, in terms of its financial resources, the difficulty of the situation is compounded.

It has not prevented us, however, from doing some things. For example, well over $1 billion, almost $1.1 billion, has been provided for western farmers within the past six months from the Western Grain Stabilization Fund. Last year there were

multimillion-dollar payments with respect to drought and cattle. There are multimillion-dollar contributions toward crop insurance. We know also that subsidies are being provided to farmers through the Crow Rate Make-up Fund and matters of that sort. So very large sums of government money are being made available entirely properly and appropriately for the agricultural interests in this country; and that kind of support will continue.

I would like to think that that is going to solve all of our problems, but I do not think it is. We are still going to have serious problems of income and cash flow in western Canada, even with that help. We must consider seriously the suggestions that are made to do more.

One that I believe is likely to come to pass has to do with the two-price system for wheat—one price for export wheat and one price for wheat for domestic consumption. A committee of the other place, I believe, is now on its way to western Canada and elsewhere, including the cities, to discuss this matter with the people of Canada, in the expectation that there will be approval—as my honourable friend hinted there might be—from the Consumers Association for an increase in the domestic price of wheat—which might add, who knows, perhaps as much as 30 cents, 40 cents or 50 cents per bushel for those sales. That is entirely unknown at the moment.

The great secret, of course, will be to make sure that the pricing mechanism which transfers these domestic wheat prices to the price of bread is so structured that we do not ask the consumers to pay a mark-up on that increase in the price of wheat—and it will take some doing to achieve that goal. But it seems to me that a two-price policy is an important one, and there is good reason to think that the people of Canada will be willing to pay more; but they will also want some assurance that the extra price they pay will go to the farmer, and to the farmer only—and, as I say, that is going to be part of the problem.

So, as I say, there is a committee of parliamentarians that is now moving across the country, or will be very shortly, to deal with that very problem, and we will be able to report progress as it takes place.

Deficiency payments are probably a very important consideration, and probably one of the better ways of helping people in the farming community, and this is a policy which is going to have to be looked at by the government. I regret that I cannot say more about that at the present time, but I know that as the situation develops, and as the details of our problem become clearer, we will have to come up with solutions which so far have not been adopted or, indeed, advised to the public.

LIBYA

UNITED STATES AIR STRIKE—IDENTIFICATION OF SPECIAL ENVOY

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, just to complete the questioning on the earlier subject, and possibly leading to a further question tomorrow, can the Leader of the Government now identify the name of the special envoy who came to Ottawa yesterday, and his position?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I will ask my colleagues whether that information is available, but I do not guarantee that it will be.

Senator MacEachen: May I bring it to the mind of the Leader of the Government that the identity of the special envoy who was sent to Europe has been made known. In fact, he has held press conferences all over the place saying what happened, after his meetings. He is the chief delegate of the United States to the United Nations. I hope that a veil of secrecy will not be drawn over the Canadian discussions when they have been made public elsewhere.

Senator Roblin: That is a reasonable observation.

AGRICULTURE

TWO-PRICE SYSTEM FOR WHEAT—POSSIBLE INFLUX OF SUBSIDIZED AMERICAN BAKERY PRODUCTS

Hon. Ian Sinclair: Honourable senators, I have a question arising from the statement concerning the two-tier price of wheat and the concern expressed by the Leader of the Government about passing on mark-ups. I trust that while he is addressing that question, he will also address the question of making certain that American bakeries would not attack Canadian bakeries with their subsidized products.

Hon. Duff Roblin (Leader of the Government): That is one of the topics that will be reviewed by the committee of the other place.

COMMUNICATIONS

CAIRO CONFERENCE—PARTICIPATION OF PARLIAMENTARIANS

Question No. 7 on the Order Paper—**By Hon. Eymard Corbin:**

12th February (1985)—1. Did parliamentarians, Members of the House of Commons or of the Senate, accompany the Minister of Communications, the Honourable Marcel Masse, to Cairo, Egypt, for the Conference on Communications sponsored by the Cultural and Technical Co-operation Agency and, if so, *(a)* what is the list of their names; *(b)* what was the cost for each participant, including the Minister?

2. *(a)* Which Canadian public servants and members of the staff of the Minister's office accompanied the Minister; *(b)* For what reason in each case; *(c)* What was the cost for each person?

3. Which Canadian participants to the Conference attended each of the four committees on *(a)* communications; *(b)* training and research; *(c)* production and distribution; *(d)* new technologies?

4. Will minutes of the Conference be published and, if so, *(a)* will they be made public in Canada; *(b)* on what date?

Reply by the Minister of Communications:

1. (a) No parliamentarians, Members of the House of Commons or Members of the Senate, accompanied Mr. Masse.

(b) The cost for Mr. Masse was $1,000.

The policy of the ACCT is to cover travel and hotel expenses of the head of delegation to the Ministers' Conference and of the senior expert. The Minister of Communications benefited from this policy for the duration of the conference.

2. (a) The Conference of Ministers of Communications of the ACCT which took place in Cairo, Egypt, was divided into 2 portions: a) meeting of experts (3 to 6 February), b) meeting of the Ministers of Communications of the member states of the Agence de Coopération culturelle et technique (ACCT), 7-8 February.

The list of Canadian delegation to the experts meeting, which submitted its recommendations to the Minister, is as follows:

Minister's Staff

Jacques Bélanger, Special Assistant, Media Relations

Geoff Whaling, Executive Assistant

DOC Officials

Raymond Marchand, Senior Policy Adviser, International Relations

Paul Racine, Director General, Information Services

Jacques Lyrette, Director, Canadian Workplace Research Automation Centre

Suzanne Mauviel, Director, Human Resources, Policy and Planning and Official Languages

Louise Terrillon Mackay, Policy Adviser, International Cultural Liaison

External Affairs Representatives

André Potvin, Director, Francophone Relations

Michel Archambault, First Secretary, Canadian Embassy, Cairo

CBC

Jacques Landry, Director of Corporate Affairs and Vice-President, French TV-network

The Minister was present only at the Ministers' meeting. He was accompanied by Alain Gourd, then Senior Assistant Deputy Minister, as his senior policy adviser and Lynn M. MacDonald as senior policy adviser on cultural exchanges and museums.

2. (b) The reason in each case was:

Mr. A. Gourd: As senior DOC representative responsible forpolicy, to advise the Minister;

Ms. L. MacDonald: As Senior policy adviser on cultural exchanges and museums, and to carry out consultations with Egyptian authorities concerning cultural exchanges, notably with respect to the Ramses II exhibition currently in Montreal;

Mr. Paul Racine: Was responsible for media relations and for drafting Mr. Masse's speech in light of development at the Conference. He also participated in "communications and information" committee of the experts meeting;

Mr. Marchand: As the senior DOC official at the experts meeting which preceded the Conference, and "rapporteur" for the committee on new technologies;

Mr. Potvin: The External Affairs representative, was political counselor for the delegation;

Mr. Lyrette: Participated in the committee on training and research, for which he was "rapporteur";

Mr. Whaling: Was responsible for the Minister's agenda and visit logistics and protocol;

Mr. Bélanger: Worked with Mr. Racine on media relations and the Minister's speech;

Ms. Mauviel: Was responsible for the "University French Telematic Network", a project to each ACCT member countries;

Ms. Terrillon Mackay: Was principal DOC coordinator of the Conference and participated in the "communications" and "production and broadcast" committees of the experts meeting. She also acted as adviser to the Minister on cultural matters;

Mr. Landry: Provided expertise from the viewpoint of French broadcasting, and participated in the committee on Production and Broadcasting of the experts meeting.

2. (c) External Affairs was responsible for expenses of members of the Canadian delegation attending the Conference.

Costs were as follows:

i)	$3,479.46	A. Gourd
ii)	9.00*	L. MacDonald
iii)	3,821.72	P. Racine
iv)	2,694.33	Mr. Marchand
v)	3,936.00	Mr. Potvin
vi)	1,534.90**	Mr. Lyrette
vii)	4,176.50	Mr. Whaling
viii)	4,743.00	Mr. Bélanger
ix)	3,849.00	Ms. Mauviel
x)	3,734.00	Ms. Terrillon Mackay
xi)	1,603.32**	Mr. Landry

*The Agence de coopération culturelle et technique (ACCT) took care of the expenses incurred by Mrs. L. M. MacDonald, General Director, Arts and Culture, except for incidental expenses amounting to $9.00.

**Messrs Landry and Lyrette were already in Paris for another conference—trip from Paris to Cairo only and return.

3. (a) The name of the Committee was: "Communications and Information":

—Mr. Paul Racine
—Ms. Louise Terrillon Mackay
—Mr. Jacques Bélanger
(b)—Mr. Jacques Lyrette (Rapporteur)
—Ms. Suzanne Mauviel
—Mr. André Fortier
(c)—Mr. Paul Racine
—Mr. Jacques Lyrette
—Ms. Louise Terrillon Mackay
(d)—Mr. R. Marchand (Rapporteur)
—Ms. Suzanne Mauviel
—Mr. Jacques Lyrette

4. (a) (b) The Report of the conference has been published by the ACCT and is currently available to the public at the Department of Communications.

ORDER OF CANADA

APPOINTMENT OF FORMER MEMBERS OF FEDERAL CABINET AND FORMER PROVINCIAL PREMIERS

Question No. 19 on the Order Paper—**By Hon. Heath Macquarrie:**

18th February—In relation to the Order of Canada

1. what former (a) members of the federal cabinet and (b) provincial premiers have been appointed?

2. What were the dates of their appointments?

Reply by the Offices of the Prime Minister and the Privy Council:

(A) Former members of the Federal Cabinet who have been apppointed to the Order of Canada include:

NAME	DATE OF APPOINTMENT
CADIEUX, The Honourable Léo, P.C., O.C.	74/12/18
CAMPAGNOLO, The Honourable Iona V., P.C., C.M.	73/06/19
CHEVRIER, The Honourable Lionel, P.C., C.C.	67/12/22
CRERAR, The Honourable Thomas A., P.C., C.C.	73/12/17
DRURY, The Honourable Charles Mills, P.C., O.C.	80/12/15
FAIRCLOUGH, The Honourable Ellen Louks, P.C., O.C.	79/12/17
GARSON, The Honourable Stuart S., P.C., C.C.	71/06/25
GORDON, The Honourable Walter L., P.C., C.C.	76/06/23
HAMILTON, The Honourable William M., P.C., O.C.	78/07/04
HARKNESS, Lt.-Col. The Honourable Douglas Scott, P.C., O.C.,	78/07/04
JUNEAU, The Honourable Pierre, P.C., O.C.	75/06/25
LAPOINTE, Col. The Honourable Hugues, P.C., O.C.	79/12/17
LaMARSH, The Honourable Judy, P.C., O.C.	80/06/23
LESAGE, The Honourable Jean, P.C., C.C.	70/12/18
MARTIN, The Honourable Paul, P.C., C.C.	76/01/14
MACDONNELL, The Honourable James M., P.C., C.C.	67/12/22
PEARSON, The Right Honourable Lester B., P.C., C.C.	68/06/28
PEARKES, M.Gen. The Honourable George R., V.C., P.C., C.C.	67/07/06
PELLETIER, The Honourable Gérard, P.C., C.C.	78/12/18
PEPIN, The Honourable Jean-Luc, P.C., C.C.	77/07/11
PICKERSGILL, The Honourable J.W., P.C., C.C.	70/12/18
RINFRET, The Honourable Edouard, P.C., O.C.	82/12/20
ROBICHAUD, The Honourable Hédard, P.C., O.C.	85/06/24
*SAUVE, Her Excellency the Right Honourable Jeanne, P.C., C.C.	84/05/14
**SAUVE, His Excellency The Honourable Maurice, P.C., C.C.	84/05/14
SHARP, The Honourable Mitchell, P.C., O.C.	83/12/19
ST-LAURENT, The Right Honourable Louis S., P.C., C.C.	67/07/06
TRUDEAU, The Right Honourable Pierre Elliott, P.C., C.C.	85/06/24

*ex-officio member as Governor General

**ex-officio member as spouse of the Governor General

(B) Former provincial premiers who have been appointed to the Order of Canada include:

NAME	DATE OF APPOINTMENT
BENNETT, The Honourable William, P.C., O.C.	76/01/14
CAMPBELL, The Honourable Douglas Lloyd, O.C.	72/12/22
DAVIS, The Honourable William G., P.C., C.C.	85/12/23
DOUGLAS, The Honourable T. C., P.C., C.C.	81/06/22
DREW, The Honourable George A., P.C., C.C.	67/12/22
FROST, The Honourable Leslie M., C.C.	69/06/27
GARSON, The Honourable Stuart S., P.C., C.C.	71/06/25
HICKS, The Honourable Henry D., C.C.	70/06/26
LESAGE, The Honourable Jean, P.C., C.C.	70/12/18
MANNING, The Honourable Ernest C., P.C., C.C.	69/12/19
ROBARTS, The Honourable John P., P.C., C.C.	72/06/23
ROBICHAUD, The Honourable Louis J., P.C., C.C.	71/06/25
ROBLIN, The Honourable Dufferin, P.C., C.C.	70/06/26
*SCHREYER, The Right Honourable Edward, P.C., C.C.	79/01/22
SHAW, The Honourable Walter R., O.C.	71/12/17

*ex-officio member as Governor General

(See p. 2449 for revised reply)

MARRIAGE (PROHIBITED DEGREES) BILL

THIRD READING—MOTION IN AMENDMENT—ORDER STANDS

On the Order:

Resuming the debate on the motion of the Honourable Senator Stanbury, seconded by the Honourable Senator Petten, for the third reading of the Bill S-2, intituled: "An Act to amend and consolidate the laws prohibiting marriage between related persons",

And on the motion in amendment thereto of the Honourable Senator Flynn, P.C., seconded by the Honourable Senator Bélisle, that the Bill be not now read the third time but that it be amended as follows:

1. Strike out paragraphs (a), (b) and (c) of subclause 2(2) and substitute the following:

"(a) lineally by consanguinity or adoption, or

(b) as brother and sister by consanguinity, whether by the whole blood or by the half-blood."

2. Strike out subclauses 3(2) and (3) and substitute the following:

"(2) A marriage between persons who are related in the manner described in paragraphs 2(2)(a) or (b) is void."—(*Honourable Senator Neiman*).

Hon. Jacques Flynn: Honourable senators, I have not personally spoken to Senator Neiman, but I understand that both Senator Stanbury and Senator Nurgitz did so prior to the Easter recess. She has said that she has no objection to my amendments to Bill S-2 as reported by the committee. My understanding is that there is general agreement on the amendments I have proposed. There is some reluctance—even I was reluctant—with regard to adding the prohibition of marriage between adopted fathers and mothers and adopted sons and daughters. But I thought it was a reasonable compromise to the recommendation made by the committee.

If the question were put and carried, the bill could receive third reading now and be sent to the other place. Senator Neiman was wondering as to the position of the government. So far as I can ascertain, there is no objection to the bill as it would stand with the amendments. I do not know whether the bill would be adopted by the government as its policy or whether it would be sponsored by a private member on the other side. That has to be decided by the other House. So far as we are concerned, since this matter has now been studied very thoroughly by the committee for about two years, I believe we are in a position to make a decision and let the other place decide whether or not they want the bill. If it does, and if the bill passes the other place that would resolve the problem of those private bills that have been coming to us. Many people are waiting to see what we are going to do about that. If the bill passes, we will not need to consider any private bills; otherwise, there are several people waiting to present petitions in connection with private bills dealing with problems covered by this bill regarding prohibition of marriage between related persons.

If my assumptions are not contested, I would suggest that the amendment could be put. If it is carried, perhaps we could have third reading and terminate the matter as far as we are concerned.

• (1500)

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I agree with most of what Senator Flynn has said. Certainly, we ought to let this bill get back on track and get moving, because it is designed to relieve the very undesirable situation described by Senator Flynn, and that has persisted for many years. I understand that some senators have reservations about the amendment, although I do not believe that any of them are on the committee. In any event, I have heard from some of them. There were some who did not seem to understand that the amendment would mean, for example—if I am correct, and I am sure that Senator Flynn will tell me if I am wrong—that an adopted son and an adopted daughter of the same family, who are not genetically related, could marry. I understand that some honourable senators have said that they wondered about that point.

We have to deal with the matter. My suggestion is a slight modification of what Senator Flynn is suggesting. It is that we let the order stand for a day, or, at most, until next week and that we do not wait for the three or four weeks that it might otherwise take to get the bill passed. As long as honourable senators know exactly what it is that they are voting on—and I found that some did not, but that does not mean that those to whom I explained the situation were oppposed to it—we should deal with it either tomorrow or next Tuesday.

Senator Flynn: I have no objection to that course of action. I know, for example, that Senator Hicks was not happy with the amendment with regard to the prohibition of marriage between an adopted child and an adoptive parent. However, as far as adopted brothers and sisters are concerned there is presently no prohibition. I doubt that anybody would be worried about that point. I realize that the report of the committee suggested that we add this prohibition. The amendment would remove that prohibition and retain the other provision by way of a compromise, if you will, because the case will be very rare indeed where the adoptive father or mother would want to marry an adopted child.

Senator Frith: Honourable senators, I agree. I think that the more we say about the matter, the better, so that people who read *Hansard* will understand what it is they are voting on. It is, of course, possible that the question may be raised in the House of Commons when the bill gets there, as Senator Flynn has implied. Subject to allowing an extra couple of days to make sure that everyone understands what it is we are doing, I agree that we should proceed to deal with the bill.

Order stands.

BORROWING AUTHORITY BILL, 1986-87

SECOND READING—DEBATE ADJOURNED

Hon. C. William Doody (Deputy Leader of the Government), moved the second reading of Bill C-99, to provide borrowing authority.

He said: Honourable senators, Bill C-99 contains the standard authority to borrow. It is not, as Senator Frith has often explained at length, actually a commitment to borrow, although I used to always tell him that chances are that the government will probably take advantage of its authority.

Senator Frith: It has frequently worked out that way.

Senator Doody: That has been the historic precedent, yes.

Honourable senators are aware that the government can only permanently increase its outstanding debt by obtaining statutory borrowing authority from Parliament. Part IV, section 36 of the Financial Administration Act states that, "no money shall be borrowed or security issued by or on behalf of Her Majesty without the authority of Parliament." This clause refers only to the raising of new funds since the refinancing of existing debt is authorized by section 38 of the act.

In the recent budget presented by the Minister of Finance, the government's budget deficit for 1986-87 is estimated at $29.5 billion. Taking into account non-budgetary receipts of $6.9 billion, the government's financial requirements for 1986-87 are $22.6 billion. Therefore, clause 2 of this bill seeks $22.6 billion of borrowing authority for the present fiscal year, an amount exactly equal to the forecast financial requirements for the fiscal year. The government is not requesting any additional borrowing authority for fiscal 1986-87.

A new borrowing authority bill would normally include an amount equivalent to the financial requirements and a specified amount for contingencies such as possible foreign exchange requirements. This year, however, the government has recourse to $2 billion of unused, non-lapsing authority which was provided by Borrowing Authority Act, 1984-85 (No.2). Thus no contingency amount is required.

To remain consistent from one year to the next, clause 3 of the bill states that any unused borrowing authority granted by this bill or by Borrowing Authority Act, 1984-85 (No. 2), to the extent that the unused authority exceeds $2 billion, will be cancelled on March 31, 1987. Thus, similar to previous years, this clause preserves a $2 billion non-lapsing reserve, if it is available, to be carried forward into the 1987-88 fiscal year but does not permit any of the $2 billion reserve granted by Borrowing Authority Act, 1984-85, (No. 2) to be carried beyond the current fiscal year.

This cancellation of old borrowing authority is in keeping with the desire of senators expressed earlier during the examination of previous borrowing authority bills. At that time some honourable senators suggested that any unused, non-lapsing reserve authority be periodically cancelled. The government would therefore be required to return to Parliament from time to time to obtain new reserve authority. The government recognizes this concern and that is why clause 3 provides for the cancellation of the $2 billion reserve granted by Borrowing Authority Act, 1984-85, (No. 2) at the end of this fiscal year.

As you know, in May 1985, the Minister of Finance tabled a paper proposing improvements to the Canadian budgetary process. One of the suggestions in that paper was to seek Parliamentary approval of borrowing authority for the upcoming fiscal year at the same time as the budget was presented. The logic behind this proposal was that the budget presentation in February would set out all the financial information for the new fiscal year for Parliament to study. This is the course of action the government is following now, and I hope that debate on the budget and the fiscal stance presented by the government will be helpful in the examination of the Borrowing Authority Bill.

For the information of honourable senators, I would now like to outline how the government utilized the borrowing authority granted by Parliament for the 1985-86 fiscal year. The total amount of authority provided was $32.2 billion and it consisted of $12 billion provided by the Borrowing Authority Act, 1985-86; $18.2 billion provided by the Borrowing Authority Act, 1985-86, (No. 2), and a $2 billion reserve carried forward from the Borrowing Authority Act, 1984-85, (No. 2).

[Senator Doody.]

During the 1985-86 fiscal year domestic borrowing operations used $24.3 billion of borrowing authority—$9.9 billion through the issue of Treasury Bills, $11.5 billion through the sale of marketable bonds and $2.9 billion through the net sale of Canada Savings Bonds.

There was in addition foreign borrowing that added $5.8 billion to the use of borrowing authority. The foreign borrowing represented a $900 million U.S. public issue in the U.S. market in July, a $500 million bond issue in the Eurodollar market in November 1985, an 80 billion yen bank loan in November 1985, an 80 billion yen public bond issue in the Euro-yen market in February 1986 and a U.S. $1 billion bond issue in the Eurodollar market in February 1986. In addition, net standby drawings during the 1985-86 fiscal year used about $2.2 billion of borrowing authority. There was also a redemption of a U.S. $250 million public issue in October which reduced the total use of borrowing authority. The borrowing authority calculations reflect as well the repayment of portions of Canadair Financial Corporation debt that was assumed by the government in the 1985-86 fiscal year. In total, about $30.2 billion of borrowing authority was used during the 1985-86 fiscal year and $2.0 billion was carried forward into this fiscal year.

• (1510)

In conclusion, I ask for your support of this bill on second reading. Financial requirements are always seasonally heavy at the beginning of every fiscal year and the limited amount of borrowing authority carried forward into this fiscal year will be used up very quickly and the government will soon have to resort to running down its cash balances.

I understand that the Standing Senate Committee on National Finance is prepared to meet on Monday evening to consider this bill should it receive second reading in this chamber.

Hon. John B. Stewart: Honourable senators, would the Deputy Leader of the Government in the Senate deal with a question?

Senator Doody: I can certainly try, Senator Stewart, but it is very dry going.

Senator Stewart: It is not a very difficult question.

Senator Doody: In that case, I can probably handle it.

Senator Stewart: As the honourable gentleman has said, clause 3 provides that $2 billion of the borrowing authority would be non-lapsing. I understood him to say that the amount of borrowing authority sought by the bill is the same as the amount that the Minister of Finance calculated as the requirement of the government for the current fiscal year. My problem is this: If the bill provides only for what the Minister of Finance believes will be required in the current fiscal year, where is the $2 billion in the non-lapsing provision to come from, or is that provision put in there just in case some money is left over?

Senator Doody: My understanding is that there is an automatic $2 billion included, but I can check that for the honour-

able senator. Perhaps I can get the information to him on Monday night, or perhaps I could verify it for him on third reading, whichever he prefers.

Senator Stewart: Honourable senators will forgive me but I have to be away on Monday night; that is why I am asking this question. Do we take it, then, that it is the policy of this government that the borrowing authority bill for a financial year should contain a provision that part of the authority will not lapse, so as to permit the government to carry on its borrowing program at the beginning of the next fiscal year in an orderly way?

Senator Doody: That was my understanding, but I think perhaps I had better check it to make sure I am not misleading the senator.

Hon. Fernand-E. Leblanc (Saurel): I suppose that on Monday evening we could have that question posed to the minister, Mrs. McDougall, and then have the answer forwarded to Senator Stewart.

Senator Doody: Very well.

On motion of Senator MacEachen, debate adjourned.

[*Translation*]

NATIONAL FILM BOARD

CONSIDERATION OF REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON FILM ENTITLED: "THE KID WHO COULDN'T MISS"—DEBATE ADJOURNED

The Senate proceeded to the consideration of the Eighth Report of the Standing Senate Committee on Social Affairs, Science and Technology, entitled: Production and Distribution of the National Film Board Production "The Kid Who Couldn't Miss', tabled in the Senate on 15th April, 1986.—(*Honourable Senator Tremblay*).

Hon. Arthur Tremblay: Honourable senators, at the request of Senator Marshall and in his name, I was going to suggest that the debate on the eighth report of the committee be adjourned until tomorrow.

However, since Senator Everett has expressed the desire to speak to this report today, I am pleased to yield to him. Once he has completed his remarks, on behalf of Senator Marshall I will move that the debate be adjourned, as I first wanted to do.

[*English*]

Hon. Douglas D. Everett: Honourable senators, I thank Senator Tremblay for his kindness. I called Senator Marshall today in Charlottetown, where he is attending a presentation. It had been his intention to take part in the debate on the report today, but unfortunately he has to delay it until tomorrow. I asked him if, perhaps, I could intervene today. This is an unusual course because as chairman of the subcommittee he would normally speak to the matter in the first instance. However, he very kindly agreed, and, as I say, Senator Tremblay has also agreed to go along with that.

I should say that in entering into the debate on the report I do have some differences with it and, in fact, have a fairly serious difference with the final recommendation. However, beyond that, I think it is an extremely well balanced report and, even if brief, is one that makes very interesting reading.

The report covers, first of all, the chronology of events that led up to the making of the film "The Kid Who Couldn't Miss." The producer, as honourable senators likely know, is Mr. Paul Cowan and, in the first instance, he made a submission to the National Film Board on the type of film that he would like to make about Bishop's life. At that stage, it is my understanding, he was suggesting a documentary on Bishop's life with some sort of dramatization of the events. At any rate, he received the approval of the National Film Board for this undertaking. However, he states that when he started to research the matter, he found that certain facts came forth that threw into doubt the veracity of Bishop's claims in respect of the number of aircraft that he had shot down, and most especially about the early dawn raid on Estourmel, for which Bishop received the Victoria Cross.

Mr. Cowan says that at that point he had three choices: He could have dropped the whole undertaking; he could have told what he considered now to be the legend of Bishop's heroism—which, he stated, in his mind would have been false—or he could, in fact, reflect the doubts that he himself had about the veracity of Bishop's claims.

The report does deal with the personal integrity of Mr. Cowan, and I read from page 2 of that report:

> . . . Mr. Cowan denies that his object became to destroy a legend; rather it was to question 'the reasons why heroes, especially war heroes, are created and why countries feel they are necessary.'
>
> Your Committee is convinced that in the conception and execution of the film Mr. Cowan acted with personal and professional integrity; he sought to make the film reflect his personal convictions and to express these convictions in his own way.

It seems to me there is a certain contradiction in terms there. On the one hand, the committee says that they are convinced that, "in the conception and execution of the film Mr. Cowan acted with personal and professional integrity." However, it goes on to say that "he sought to make the film reflect his personal convictions and to express these convictions in his own way."

That, honourable senators, is the basis for my disagreement with the committee's report. I think it was a personal conviction of Mr. Cowan that was reflected in this production. I think Mr. Cowan set out to make an anti-war film and he used the sequences of events that took place and he manipulated them in order to prove his own personal thesis.

In fairness to the report, while it does not criticize Mr. Cowan, it does criticize the National Film Board because it says that when Mr. Cowan decided to go the other way and to debunk the Bishop legend, the National Film Board should have re-assessed the situation and should have guaranteed historical accuracy. That was not done by Mr. Cowan. He did not use any technical experts in getting to the bottom of the facts of the case. In fact, Mr. Cowan did the bulk of the

research himself. In the film he does not use interviews with the people who allege these facts, and his research was confined to certain narrow areas.

● (1520)

The report states:

> The original objective of the film was not controversial; the revised concept was bound to cause intense controversy. In these circumstances, common prudence, in the opinion of your Committee, should have raised serious questions about whether making such a film was in the public interest, and if so, what precautions should be taken to ensure historical accuracy, particularly since the film would be released as a documentary.

It goes on to state:

> —we were surprised to discover that no technical experts or professional historians were retained to assist in the production of the film. Mr. Cowan may have had an understandable urge to exercise the fullest possible creative control, but at least when the film took a "revisionist" slant, there was an obligation on the part of the National Film Board to ensure absolute historical accuracy and probability as much about details as about major themes.

As I have said, honourable senators, the doubts largely centre around the Estourmel raid. This was the raid that took place, as honourable senators will know, when Billy Bishop left early one morning on a solo mission. When he returned his plane was shot up. He claimed to have attacked an airfield behind the German lines, and to have destroyed a number of German planes. For this escapade he was awarded the Victoria Cross.

Mr. Cowan, in reviewing and researching the matter, came to the conclusion that there was no corroboration of what Bishop had done. He did it in the early morning; nobody saw him to it.

German records at the end of the war were largely destroyed, so it was difficult to find evidence as to which field had been destroyed, and what, in fact, Bishop had done.

When he returned from the flight, his Lewis gun was no longer on the plane. It had been removed. I believe Bishop claimed he had removed it in order to lighten the weight to enable him to save gas to get back. There were holes in the plane, it was badly shot up, and it was suggested, again by Mr. Cowan, that the plane was not that badly shot up, that there was no evidence of its being repaired and that it was flown again that very same day.

Based on those points, Mr. Cowan concludes that there is some considerable doubt as to whether or not Bishop ever made that particular raid. In the film he uses an actor—the same actor who played the lead in "Billy Bishop Goes to War"—to play the part of a man named Bourne, who was Bishop's mechanic.

The process is set up so that Bourne appears to be actually making certain statements that accord with what Cowan wanted to get across. Bourne states that the plane came back without its Lewis gun, and he could not understand how anybody could get the Lewis gun off the plane. He states that the holes in the plane "were just about seven tiny holes in the tail section of the plane." He implies that Bishop landed the plane, took the Lewis gun off, and shot into the elevator, which would be very difficult to do. He leaves the very strong impression throughout the film that Bishop was a liar and a fraud, and the raid for which he received the Victoria Cross did not, in fact, occur.

The National Film Board released this film as a documentary. In the press release it was stated that the film was a documentary. They entered the film in the Chicago Film Festival, again under the category of a documentary, and they won a prize for the best documentary.

What is a documentary? We had evidence from Mr. Macerola, the Government Film Commissioner, that it is the creative treatment of actuality. He went on to say that anybody in a documentary who claims objectivity is stating that his choices deserve acceptance. In short, what he was saying was that there is an interpretative role in documentaries.

According to the dictionary, there are certain definitions of "documentary". One is:

> Having or claiming an objective quality.

A more modern one is:

> Aiming at presentation of reality, a motion picture presenting an activity or occupation of real life without fictional colouring or professional actors.

But no matter what side we come down on, we are faced with the fact that there was no in-depth research done by Mr. Cowan of whether or not Bishop's claims were correct.

We are, then, presented with conflicting claims, and that is largely ignored in the film. It seems to me that we should have been given the claims as Mr. Cowan saw them, and we should have then been given the claims as so many other people saw them and while there might have been interpretation on Mr. Cowan's part, nonetheless that would have given the viewer the right to determine which interpretation was correct.

But that was not done. What was done was to present, in a very persuasive way, especially through the mouth of the actor who played Bourne the mechanic, that Bishop was a fraud. There was nothing that people could look at and say: Yes, I can understand Mr. Cowan's point of view. Perhaps Bishop did land the plane and take the Lewis gun off; perhaps somehow he got under the elevator and managed to blast seven holes in the tail; perhaps he flew back and made a claim that was false. On the other hand, perhaps the other interpretation that is given by so many people who knew Bishop, who flew with Bishop, and who understood what was going on in that war was correct and that Bishop, in fact, did leave alone, did undertake the raid; did, in trying to scurry back to safety after a successful raid, jettison his Lewis gun; did land with his plane badly shot up, and did take off again later in that day to fly the plane elsewhere. There is too much evidence that Bishop's history is one that can be trusted. There are too many people who were there and who were on the scene. There are too many people who have done in-depth research, not the minimal research that Mr. Cowan did, who make the case that

Bishop was in fact an air ace; he was, indeed, a person who shot down a great number of planes—and does it matter whether it was 72, or 62, or 52? He was nevertheless a great war ace. He had intended, after talking to the great English war ace, Albert Ball, to make the raid on Estourmel, or to make a dawn raid, and, in fact, he did it.

• (1530)

What I ask myself is: Why didn't Mr. Cowan give us the opportunity to make that choice? He says for himself that he was looking for the truth. In one part of his evidence he says, "Whatever we call it, I still believe what the film says is true."

Well, I think everybody is looking for the truth. But the personal truth, as seen by Mr. Cowan in a movie that is called a documentary, that is issued by the official film organization of the Government of Canada, that is issued around the world as a documentary and is entered in a film festival as a documentary—surely that kind of film should be balanced and both sides of the case should be given. If Mr. Cowan wants to make an interpretation, then, perhaps, he is free to do it even within the confines of a documentary. But he has an obligation, and the National Film Board has an obligation, to give both sides of the picture.

When we interviewed Mr. Macerola, he said that he would agree to call it a "docu-drama," as though that solved the problem. Well, I have not been able to find any definition anywhere of what a "docu-drama" really is. Perhaps a "docu-drama" is that which dramatizes the event in a more meaningful way and uses professional actors for the process. If that is what it is, then the film did just that. But, I can find nowhere anything that gives the producer of the film, or the director of the film, the right not to make a balanced assessment of the situation. He may, indeed, dramatize the situation; he may, indeed, use actors, but he still, surely, has the obligation to say that there are two sides to the question and not to do what Mr. Cowan did, which was to say that there is only one side.

In the summary of the report we read the following:

> "The Kid Who Couldn't Miss" is a highly dramatized and one-sided account of Billy Bishop's life and his exploits. . . . Research for this film overlooked a wealth of Canadian sources, veterans, and expertise on this subject, and concentrated instead on a few British sources. Through the technique of "interviewing" from time to time an actor in the role of Bishop's mechanic, the film gives a false and misleading authority to what is, in the view of most historians, rumour and unpublished speculation. While Mr. Cowan and the National Film Board have every right to express reservations about Bishop's record, your Committee questions whether the public interest is served, as required by the Act establishing the NFB, by representing these rumours, which seem to have arisen some time after the events described, as based on first-hand, eyewitness evidence.

Then the report goes on to the final recommendations and it says:

> The Committee has unanimously adopted the following recommendation:
>
> That after the titles of the film, the following disclaimer be added:
>
> This film is a docu-drama and combines elements of both reality and fiction. It does not pretend to be an even-handed or chronological biography of Billy Bishop.
>
> Although a Walter Bourne did serve as Bishop's mechanic, the film director has used this character to express his own doubts and reservations about Bishop's exploits. There is no evidence that these were shared by the real Walter Bourne.

It goes on to state:

> Some members feel that this recommendation does not go far enough.

I happen to be one of those people who feel that the recommendation does not go far enough. I think this film purported to be a documentary. As I say, it was released as a documentary; it was entered in the festival as a documentary; and it was never made clear, in any way, that it was not.

Those of you who have seen the film will realize that every trick of the trade is used to create the feeling of authenticity about the claims that Mr. Cowan makes. He used the process of a recreation of events in order to establish the idea that they actually took place. It is not a case of interviewing somebody named Bourne, who was, say, 90 years old, and with faulty memory is trying to recall what the plane looked like when Bishop came back from the raid; it is a case of using an actor, who looks exactly like Bourne would look in black and white, creating the impression that he is right there at the time the plane landed, that he is making his assessment at that particular point in time.

There is no additional evidence that Bourne ever said the things that he is supposed to have said. As a matter of fact, there is a good deal of circumstantial evidence that Bourne said no such thing and that these words were put in his mouth by Mr. Cowan.

I think that any reasonable person viewing that movie would come to the conclusion that Bishop's claims in respect of the number of kills that he had, and in respect, most especially, of that raid, were false; that he did not deserve the Victoria Cross, and that he was a fraud. I do not think that is good enough for the National Film Board of Canada.

Senator Hicks: Hear, hear.

Senator Everett: Now, I know there are claims that we should not act as censors; but surely there is an obligation on the other side that in the presentation of the case to the public—even accepting the interpretation of the producer that he prefers one side to the other—the public should be given the right to choose. The public, in a situation like this, should be given the right to choose.

• (1540)

I am certainly not satisfied that it is called a "docu-drama" because, whether it is a docu-drama or a documentary, the obligation to show both sides still exists. The committee is recommending that they say at the beginning of the film that there are fictional aspects to it. I understand that has been rejected by the National Film Board, but, even if it were accepted, I do not think that is satisfactory either. In particular, I think those parts of the film which involve the actor who played Bourne should be removed.

I believe a much more balanced account should be given, and, if Mr. Cowan then wants to add his interpretation to it, he is free to do so; he has that right. In my opinion, to leave this film in the state it is in, to denigrate the name of a war hero, is unsatisfactory. Whether you like war heroes or not is immaterial. I do not suppose war heroes are always very nice people, but there is nothing in this film that indicates that the people who go to war go because they believe they are defending some sort of concept. The whole film is based on the fact that in its early stages World War I—and, by implication, World War II—was fought to preserve an arrogant, almost feudal way of life and that the reason there are wars is because generals train armies and, therefore, they want wars; the reason there are heroes is because generals require them, so they make them out of whole cloth.

This is the basis of Mr. Cowan's philosophy about war. There is nothing at all in the film about the fact that the majority of people who went to war in World War II went because they thought they were protecting their way of life and their society against tyranny. Mr. Cowan does not deal with that.

What he does, in order to prove how horrible and how unnecessary war is, is to denigrate somebody who, so far as we know and so far as the record can tell, was an authentic war hero and somebody whom perhaps we should more likely venerate.

Honourable senators, I think the report is well-balanced; well-written; and, happily, brief, but I think the final recommendation begs the question. I do not think that we should allow either Mr. Cowan or the National Film Board to get away with it.

Hon. Senators: Hear, hear.

On motion of Senator Tremblay, for Senator Marshall, debate adjourned.

YOUTH

CONSIDERATION OF REPORT OF SPECIAL SENATE COMMITTEE—DEBATE CONTINUED

On the Order:

> Resuming the debate on the consideration of the Report of the Special Committee of the Senate on Youth, entitled: "Youth: A Plan of Action", tabled in the Senate on 19th February, 1986.—(*Honourable Senator Fairbairn*).

[Senator Everett.]

Hon. Joyce Fairbairn: Honourable senators, I welcome this second opportunity to redirect our focus to the problems of youth in our society, problems which were at the centre of the nation's attention when Parliament adjourned prior to Easter. You may recall that I was just getting into a travelogue on the work of our committee when we were interrupted so that Royal Assent might be given to legislation from the House of Commons. At that time, all of us were gripped by concern for our colleague, Senator Jacques Hébert, as his hunger strike for youth stretched on through days and then weeks. I think all of us share a very sincere sense of relief that developments, in the form of a committee of private citizens who pledged to raise funds to carry forth the concept of Katimavik, persuaded Senator Hébert to end his three-week fast.

However, I re-enter the discussion on the report of the Special Senate Committee on Youth with a sense of apprehension that that very feeling of relief at the end of the hunger strike may once again remove the reality of youth problems from a priority position on our national agenda. Promises of immediate new programs and initiatives for youth, which had been offered by the Prime Minister in the House of Commons last month, remain unfulfilled. We are told that perhaps there will be something next month or in June, and I sincerely hope, trust and, indeed, look forward to seeing those programs. Even in the space of two weeks, this difficult issue may have receded from the front of our consciousness back into the columns of dry statistics and hollow rhetoric.

When I began my speech on March 26, I was trying to indicate the depth of reality behind those statistics; a human dimension which is not readily appreciated, perhaps, by a number of Canadians nor solved by simply more money or new names for old programs. I was trying to share with this house involvement in the personal experience our committee members shared with those who appeared at our public hearings across the country to discuss what has been called "a young generation at risk." I had outlined testimony of the grim reality of the jobless future heard in Regina and in St. John's, Newfoundland, and the shock of illiteracy encountered in a youth survey in New Brunswick.

Today I should like to continue that journey, moving to Toronto where the hard facts of the illiteracy problem came to us from Frontier College which operates programs across Canada to fight this frightening deficiency, the inability to read, write or understand.

From Frontier College, we heard from an instructor who, himself, had not begun reading until he was 33 years old. He was involved in a program called "Beat the Street" where he literally took to the streets to bring in young people who had fled the school system because they were illiterate and unable to cope. He told us there were 3,000 being served in Metropolitan Toronto out of some 450,000 illiterates in that city. There are an estimated 4 million illiterates in Canada. "It is large and terrifying," he told our committee.

In Halifax, we heard a tough and compelling brief about the young people whose skills are lost to our community for a lifetime because of the invisible handicap of learning disabili-

ty. As many as 20 per cent of the young people in Canada are affected by some aspect of that problem. Our witness talked about the fine line between suicide and murder as these young people grow up to become adults in despair, caught by a frustration so great that they cannot decide whether to do themselves in or to destroy somebody else, in a system that does not understand them.

• (1550)

In Ottawa we learned from two determined and courageous young people involved in the Royal Ottawa Hospital adolescents program about the everyday problems of transportation, accessibility, attendant care and social attitudes which prevent independent-minded handicapped youth from pursuing the constructive life that they are trying to achieve.

Everywhere across the country, honourable senators, alcohol and drug abuse rank near the top of the chronic problems of young people, cutting across age groups and economic classes. They are by-products of dropping out, of frustrations with an education system that does not help teach one how to live, of unemployment, of lack of skills, of family breakdown, of abuse—they are the results of a universal need to dull reality. In Charlottetown, in beautiful Prince Edward Island, we heard the toughest testimony from a young man who told us that he was a drug addict and an alcoholic from the age of 13. "I should be dead," he said, estimating that, in 13 years of addiction, he cost society half a million dollars due to the costs incurred in keeping him in hospital, jails, mental institutions and detoxification wards. There is no facility for treating young people in Prince Edward Island. They are either mixed in with adults in adult institutions or they are sent outside the province to the United States for treatment which does not stick. We were shaken to learn the extent of the street problems of young people in that small island.

In Edmonton, we had been on the road for only about two days and some committee members were expressing concern that we were not hearing from some of those groups with the greatest need—the dropouts who are seeking work without skills, who are literally on the street just to stay alive. Naturally, this group would neither know of, nor would they be particularly attracted by appearing before, a Senate committee—or, indeed anybody else—to discuss those problems. However, we did have a chance to talk to some young people who had been pulled into the system through an inter-city youth program run by the McMan Youth Service Association in Edmonton. These young people were nervous and uncomfortable, while we were awkward and rushed by an overcrowded schedule. For them, this encounter was an enormous experience. And we, without meaning to, alienated them by appearing not to listen to the explanations of a program that is designed for young people so severely disadvantaged that they do not have the skills to become employed, even if there were a buoyant economy and plenty of jobs.

"This is really important stuff," a young girl said to us, struggling to keep her composure. She did not think we were paying attention. "Maybe we don't fit in here. . .but we are people, too," she exploded and fled from the room in tears of frustration and anger. I will never forget her and I doubt whether my colleagues on the committee will, either.

In Vancouver, we were challenged by a dynamic student from the National Black Coalition of Canada, who wanted to know what we, the senators, were going to be doing six months after the report. Would we drop it and run? What would happen at the end of the International Year of Youth? Would the Minister of Youth be around to help or would all of the serious concerns that young people were urged and encouraged to discuss simply be dropped or shunted aside? In other words, were we up to keeping our side of the bargain or was it just a lot of talk? Senator Gigantès told her that what we were hearing from her was a scream of frustration. "We will scream along with you until somebody listens," he said. Senator Bielish said it all, really, when she assured this intense and sceptical young woman by saying, "If you had a hammer and a row of nails, then you have not missed any of them," in putting forward her views.

In Montreal we encountered, as we did everywhere, the issue of dropouts from an education system which produces young people who are ill prepared to find a job "in the labour market jungle", as one young witness put it. The education system is judged to be totally unable to develop the independence, creativity, initiative and responsibility in students to guide them and their interests towards training for a career. We were told by a 15-year old that most teens drop out because they have no challenges and no dreams. They drop out because they are bored. "We are your future doctors and lawyers," she said. "I think society would be shocked to know what is happening. I am not talking about teens who are poor and unemployed, but all teens everywhere."

In several centres we heard from adults about teen-age sexuality and teen-age pregnancies. There has been a revolution in attitudes in Newfoundland over the last 10 years on this issue. A decade ago, 90 per cent of teen-age mothers gave up their children compared with 90 per cent today who choose to keep their babies.

In Toronto, teen-age mothers came to our committee—children carrying their children. There was a 16-year old with her baby daughter who was having trouble getting adequate housing because you have to be 18 years old to sign a lease. Another young mother was staying in a shelter until she and her child could get the money to change the locks on her apartment, because she was waiting for the police to pick up her partner, who broke in and beat her. The shelter system in Toronto is bursting. The teen mothers need job training and there is no place where they can afford to leave their babies. The YMCA and other organizations are doing their best, but again, it is shocking to deal with these living statistics.

Finally, there is the chapter of our report dealing with native people. Every aspect of youth concern is underlined and magnified in the context of the young people of our first nations. This is an area of federal responsibility and, as such, in our view warrants a separate discussion.

Honourable senators, "intolerable" is the only word to describe the outlook for a native youth or a native child in 1986. In spite of the beacons of progress, such as the Saskatchewan Federated Indian College in Regina and the Round Lake drug and alcohol abuse centre in the interior of British Columbia, to name only two, the underlying desperation in first nation communities and groups across the country and in the north remains very real.

At the centre is the question of self-esteem, and, if one takes that back to its beginnings, we are talking about the basic need for progress on issues of settling land claims and self-government, which overhang any discussion of native problems for the young or the old.

Meanwhile, however, we heard of the constant fight of young people to survive and prove their own self-worth in the white society. "When you fight all your life, it is hard to learn. You tend to reject everything," we were told by a young native boy in Edmonton. In discussing the staggering drop-out rate of native youth, we were told bluntly by another young person, "It is hard to expect kids who do not have enough food to spend many hours in school." There was the cry from Vancouver: "Honourable senators, our people are dying from alcohol and drug abuse," which was followed by testimony about a 16-year old who shot himself because, while he did not drink, he felt intimidated by his family members who did.

In the north there is the remoteness, the made-in-downtown-Toronto education curricula, which are irrelevant in many native communities; and the almost total absence of work and hope. All of these problems were compounded by alcohol and drugs—and often by solvents, because they were available and cheap. This was a shocking commentary for members of our committee to listen to, and perhaps even more so when only a few weeks ago we could see the reality in a small Métis community in northern Alberta, where, I believe, six young people died because of drinking methyl hydrate.

● (1600)

One of the spokespeople of the Alberta Native Women's Association, in commenting on this tragedy in Peerless Lake, Alberta, said, "It's not like they have jobs or an education, or any kind of a future at stake. They haven't got a lot to lose. Our children have lost hope, and when the children of natives lose hope, then it's genocide."

For me the most shocking and moving moment of the whole Youth Committee experience came at the end of a long day in Halifax, when a very animated young native spokesperson opened his presentation by saying, "I do not have a written brief prepared. In fact, one was being prepared, but the chap who was preparing it committed suicide three weeks ago. He was 21." Honourable senators, our committee, including myself, sat there in silence, because there was nothing to say.

These are just a few vignettes which stand out in my mind from our travels. Other senators will have different recollections of the highs and lows of those public hearings. What matters is that our committee—and I believe it is fair to say that the individuals on that committee became closer as the days went by—merely scratched the surface of the enormous problem facing a most vital segment of our society. Indeed, it is the segment which will determine the face of Canadian society in the future.

[Senator Fairbairn.]

In addition to the difficulties, there was also much that was positive in what we heard; and from that we have fashioned some 26 recommendations, which were detailed in the excellent speech of our deputy chairman, Senator Yuzyk. Some of those recommendations go to the heart of our education system, as described so eloquently by our colleague, Senator Marsden. Other specific areas of those recommendations will, I am sure, be featured in speeches by other colleagues who served on that committee.

This is really not a report written by a dozen senators. It is really written by those who took the time, and, in many cases, showed the courage, to come to talk to us. It is a report inspired by the thoughts and words of those who are living their lives as statistics, by those who cannot move on to the next city or province as we can. It is also a report written by Canadians who are trying to use their knowledge and experience to help young people.

As I have said, Senator Yuzyk detailed the recommendations in this report, and I will not attempt to go into as much detail as he did. In our recommendations we focused to an extent on the problem of education, which led us to recommend a national task force on the co-ordination of educational qualifications, which basically would be conducted by ministers of education from the provinces and territories, with a federal representative, to try to co-ordinate qualifications and goals of education across this country.

It became clear, in view of the enormity of mileage across this country, how difficult it is for young people even to plot a career when what they may be studying in one area does not fit in with the goals and requirements in another. I know that I myself, when I moved from the University of Alberta to Carleton University back in 1960, discovered on arrival that the B.A. from Alberta was not sufficient to qualify me to undertake graduate studies at Carleton. As a result, I had to take extra courses in order to meet those qualifications—which is fair ball, except that was in 1960, a long time ago; and it would appear that little has changed.

We have certainly endorsed the recommendation that was put before our committee by a number of people for a national campaign on illiteracy. We heard with great interest and hope from several witnesses about the success which co-operative education has had in bringing together schools, private industry and others in the professions during the learning years, particularly here in Ontario. In our report we have talked about the possibility of federal and provincial governments looking at the idea of young people being able to use unemployment and social welfare assistance as part payment in connection with apprenticeship and training positions with business or industry. We talk about the overall problem of restraint measures introduced by governments, federal or provincial, and the need for governments to take a look at how this will affect young people, and take corrective action before this kind of cut-back and restriction causes even more deprivation to that segment of our society.

We have urged that pilot projects be launched by the government to test the feasibility of work sharing and job sharing, which has been discussed as a possible solution not just for young people but also for others in our society who are faced with unemployment.

In our report we talk about the establishment of a young Canadians' community service program, which, in a sense, would pick up on some of the ideas of the now defunct Katimavik concept, and would provide a bridge which some young Canadians desperately need between their schooling—which in many cases is unsatisfactory—and when their search for a new career or job begins.

We have talked about and, indeed, supported the concept of a special youth television channel in this country, given that it is a medium that has such a profound effect and influence on young people. I believe that this proposal still rests before the CRTC.

• (1610)

In our chapter on native concerns, one of our recommendations is that a standing committee of this house on native issues be struck and that it have on it *ex officio* members from the native community. This committee would not be specifically designed to handle problems of youth, although one of the first items of business for consideration, as we see it, would be to deal with the overwhelming and urgent problems faced by young native people. Clearly, the entire issue facing the first nation peoples in our country is not one that will be solved next week or next year. It is the feeling of the members of the committee that this issue goes to the core of our national conscience to such a degree that the Senate should have a standing committee on native affairs. There were a number of recommendations dealing with native Canadians in our committee report. The central point of them is that one of the difficulties for native people in this country is that we—the government or white society—are always deciding what is good for them. In the entire consideration of native problems and native youth problems, it is absolutely essential that ways, funding and structures be put together that will permit the native Canadians themselves to become involved in developing, for example, their own education programs and their own social programs.

These recommendations are wide-ranging, and often they are based on simple challenges—to the government, to the private sector, to educators—to all of us to use our common sense, rather than hiding behind convenient jurisdictional barriers or relying on somebody else to pick up the ball.

Regardless of the political philosophy about the role of government in our society, it seems to me that Canadians at all institutional levels and in every region must face the fact that if ever there was a case for intervention, the future of our young people is that case. They are faced with barricades of every description—economic, social, emotional, physical and racial, and they simply cannot move those barricades by themselves. They need our help and they need it now.

The federal government has a responsibility to unite this effort across our country. Surely a problem of this nature and dimension goes to the very heart of the role of a national government. It is much more than dollars and cents, although we all know and accept the necessity of federal generosity in that respect. Nor is it a question of usurping someone else's constitutional powers. It is a question of the federal government acting as a facilitator and a persuader to ensure to the utmost that all the institutional powers in this country are focused on this problem and not working at cross purposes.

Let us not pretend, honourable senators, that old systems are working when the evidence is overwhelming that they are not. No one, neither governments nor individuals, wishes to be reminded of his or her own mortality. Let us face it; we only pass this way once. There is no second chance to come to grips with the enormous problems facing our youth. For many, it may already be too late to profit in any meaningful way from changes. Society may adapt to change too slowly for this current generation. I suggest to this house that it would be a tragedy not to give it our best shot, give it our best effort, at the very least, in preparation for the young people who are just entering the learning process.

Whatever the controversy surrounding Senator Hébert's extraordinary protest, one fact is clear. In a peaceful, non-violent way he focused the attention of Canadians through the media on our young people more directly than any other action in the last 20 years.

Like it or not, we are conscious of the task before us. It remains for us to prove now, as parliamentarians, as government, that our national conscience has been similarly touched to act for youth.

In a sense, our report is a guidebook to the volumes of testimony from our hearings which I hope some members of the government will read in its entirety. Meanwhile we in this chamber can take one step forward by formally endorsing the conclusions of the youth committee. Therefore, I move, seconded by Senator Frith, the adoption by this house of "A Plan of Action", the report of the Special Senate Committee on Youth.

In conclusion, I would like to make it clear that by moving this motion, it is not my intention in any way to curtail debate on this issue but, rather, to focus it and direct it more specifically by moving the adoption of this report.

On motion of Senator Doody, for Senator Murray, debate adjourned.

THE BUDGET

PROPOSALS—DEBATE CONTINUED

On the Order:

Resuming the debate on the inquiry of the Honourable Senator Olson, P.C., calling the attention of the Senate to the proposals contained in the Budget Speech made by the Minister of Finance in the other place on 26th February, 1986.—(*Honourable Senator Bosa*).

Hon. Peter Bosa: Honourable senators, it is my intention to make a few brief remarks on the subject of universality in response to the speech that was made by my honourable colleague, Senator Everett, whose comments may be found in the *Debates of the Senate* of Wednesday, March 12, 1986 at page 2145.

● (1620)

Honourable senators, in recent discussions of how best to reduce the deficit and government expenditures, the principle of universality of social programs has been attacked. It has been argued that universality in programs such as the family allowance and old age security is too expensive, and valuable money could be saved by giving benefits only to the needy. The issue of universality has also been raised with respect to the controversy over extra-billing in Ontario.

Canada's first federal social security programs—the Old Age Pension, 1927 and War Veterans' Allowances, 1930—were selective, providing assistance only to those with an identifiable need. However, the experience during the 1930s depression publicized the stigma associated with having to ask for public money and led to discussions of a basic minimum standard of living provided by the federal government. Widespread unemployment and poverty was clearly a national and international issue rather than a municipal or personal one.

In 1944, the Family Allowance Act provided the first universal benefits in Canada for all children under 16, regardless of their family income. By 1951, Old Age Security became a universal benefit. The previous means test was discarded because it was considered embarrassing and a disincentive for people to save for their old age. If benefits were given only to those with little income, people would lose their benefits if they increased their earnings or would not be entitled at all if they had been thrifty.

In arguing against selective programs, it was suggested that restricting social benefits to the poor creates a division between those who receive government benefits and those who pay for them. Consequently, some needy people refuse to apply for benefits because they do not want to admit that they need them. By attempting to preserve their dignity, they increase their poverty.

When medicare was created in 1966, universality was one of the basic principles of this program, along with comprehensive coverage, portability and non-profit administration. But because doctors have been primarily private practitioners in Canada, remuneration was based on fee-for-service from the beginning of medicare. Several provinces, such as Alberta and Ontario, allowed doctors to bill their patients more than the fees established by the provincial health insurance commission. Some provinces even allowed doctors to opt out of the provincial plan and bill patients directly.

Despite provincial variations in billing practices, many people have argued that extra-billing should never have been allowed in the first place because it violates the essential principle that medical care should be accessible to everyone, regardless of their ability to pay. A 1982 study for the Canadian Centre for Policy Alternatives found that up to 93 per cent of some medical specialists in Alberta extra-bill, and that they sometimes do so for all patients, including those on welfare. The National Anti-Poverty Organization released a report in 1984 providing case histories of low-income people who have been adversely affected by extra-billing, user fees and health care premiums. The report suggested that poor people often avoid necessary medical treatment if they know or think that their doctor extra-bills. Findings such as these led to the Canada Health Act in 1984, by which federal grants were withheld from provinces continuing to allow extra-billing and user fees on the premise that these practices violated the principle of universal accessibility.

Doctors have used the issue of extra-billing to try to maintain their professional autonomy. While this motivation is understandable, we cannot accept the claim by some doctors that extra-billing allows the more skillful and experienced physicians a chance to earn more. In fact, extra-billing is not based on skill or experience but merely on the decision of an individual doctor. Considering that extra-billing prevents some people from obtaining health care, it cannot be tolerated within a public health insurance system which espouses universal accessibility.

In our attempts to reduce the deficit and cut government expenditures, there are many areas where true "fat" can be cut. But universal programs are not expendable. In making certain government programs selective, we need to spend more money to sort out those who really need assistance from those who do not. With universal programs, it is not necessary to spend money to decide and to monitor who gets the benefit. Furthermore, money is taxed back from those with adequate resources. Universal programs reach the needy without stigmatizing them.

In attacking the deficit, we cannot assume that women do not need the family allowance if their husbands have adequate incomes. Nor can we assume that doctors will not extra-bill the poor. We cannot afford to remove the "safety net" or to regress to an era when we distinguished between the "deserving poor" and the "undeserving."

Universality remains a sound principle in social programs and should not be seen as frivolous. Let us look for reduction of the deficit elsewhere.

On motion of Senator Frith for Senator Olson, debate adjourned.

The Senate adjourned until tomorrow at 2 p.m.

APPENDIX

(*See p. 2277*)

REGULATIONS AND OTHER STATUTORY INSTRUMENTS

SIXTH REPORT OF STANDING JOINT COMMITTEE

Tuesday, April 15, 1986

The Standing Joint Committee on Regulations and other Statutory Instruments has the honour to present its

SIXTH REPORT

(*Statutory Instruments No. 33*)

1. In accordance with its permanent reference, section 26 of the *Statutory Instruments Act*, S.C. 1970-71-72, c. 38, and the Order of Reference approved by the Senate and the House of Commons on December 13, 1984, the Joint Committee wishes to draw the attention of both Houses to SOR/85-85, *Canadian Home Insulation Regulations*, amendment, and SOR/85-86, *Canadian Home Insulation Regulations (N.S. and P.E.I.)*, amendment. The principal Regulations, made pursuant to the *Canadian Home Insulation Act*, S.C. 1980-81-82-83, c. 57, and the *Oil Substitution and Conservation Act*, S.C. 1980-81-82-83, c. 59, provided for the making of payments in respect of the cost of insulating against heat loss and specified the terms and conditions under which and subject to which such payments were to be made.

2. Until January 18, 1985, applicants under the Canadian Home Insulation Program (CHIP) were entitled to a payment representing 60 per cent of the material and service costs incurred by them to insulate a family housing unit or residential building. The Canadian Home Insulation Program was originally scheduled to end in December 1987 but in the Fall of 1984, the Government announced that the Program would be terminated on March 31, 1986.

In a press release issued by her Department on November 16, 1984, the Minister of Energy, Mines and Resources also announced the Government's intention to reduce the contribution payable to applicants from 60 per cent to 33 1/3 per cent of eligible insulation costs effective January 1, 1985. In order to maintain their entitlement to the higher rate of contribution, applicants were expected to register a commitment to purchase eligible conservation materials and services by December 31, 1984, and to complete the related insulation work by March 31, 1985. These changes to the Program were announced in November of 1984, but the regulatory amendments implementing them were only adopted on January 17, 1985.

The amendments registered as SOR/85-85 and SOR/85-86 required applicants to have registered a purchase commitment by the close of business on December 31, 1984 to obtain the higher rate of contribution. Insofar as the amendments were adopted 17 days after December 31, 1984, and published in the *Canada Gazette* 37 days after that date, those relying on the Regulations could not possibly preserve their entitlement to the higher rate of contribution. To put it somewhat differently, applicants who, until January 17, 1985 —the date of coming into force of the amendments under report—had a right to a payment representing 60 per cent of their eligible insulating costs, were denied that right on the ground that they had not done something (i.e. register a purchase commitment) they were under no legal obligation to do at the relevant time. These applicants were effectively penalized for omitting to act in accordance with the Minister's announcement, not for any failure to abide by legally prescribed requirements.

3. When this situation was brought to the attention of the Department of Energy, Mines and Resources, your Committee was informed that: "the 83,950 signed commitments which were registered with CHIP by December 31, 1984 are evidence that the Minister's announcement was effectively communicated to the public". The Deputy Minister explained that the Minister's decision: "was widely publicized, both by EMR and the media. Teleposts were sent to all [Canadian General Standards Board] listed contractors, industry associations and building supply stores. As well, the Heatline Office and CHIP Regional Offices informed all telephone callers of this announcement".

However, when your Committee sought to know how many applications for a 60 per cent contribution filed after December 31, 1984, were rejected on the ground that a purchase commitment ought to have been registered before that date, it was informed that: "Unfortunately, statistics were not kept on the number of registrations that were rejected".

4. Your Committee is not satisfied with these explanations. We are unimpressed by the argument that a large number of applicants were aware before December 31, 1984, that they should register a purchase commitment in order to preserve their entitlement to a higher rate of contribution. That many applicants knew of the Minister's intention to modify the law will not mask the failure in fairness to those who did not. Citizens have a right to rely exclusively on the laws adopted by Parliament and its delegates and should not be made to govern their conduct and affairs in accordance with press releases and other public announcements. The right of all to the equal protection and benefit of the law must always come ahead of

administrative convenience or expediency and in no circumstances should citizens be expected or compelled to obey anything but the published laws of Canada.

If rules affecting a citizen's entitlement to a benefit are to be changed, this should be done well before the date on which the changes are to take effect, and never should those changes have a retroactive application. The amendments under report could have and should have been drafted, enacted and published well before December 31, 1984. If regulation-making is to be based on the principles of openness, fairness, efficiency and accountability, as called for in the *Citizen's Code of Regulatory Fairness*, it is essential that regulatory initiatives which impose new burdens on citizens or, as in the present case, which detrimentally affect their rights, be announced and enacted as part of the law a reasonable time before they are to come into effect.

5. Insofar as the amendments under report deprived persons of a benefit conferred by law on the basis of a retroactive requirement, your Committee is of the view they were not authorized by the enabling legislation, amounted to an unusual use of the powers granted by Parliament, and infringed the rule of law and the principles of fairness and natural justice.

Respectfully submitted,

NATHAN NURGITZ
Joint Chairman

THE SENATE

Thursday, April 17, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

OFFICIAL LANGUAGES

REPORT OF COMMISSIONER—MESSAGE FROM COMMONS

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons to acquaint the Senate that the Report of the Commissioner of Official Languages for the calendar year 1985 had been referred to the Standing Joint Committee on Official Languages.

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

TWENTY-SIXTH AND TWENTY-SEVENTH REPORTS OF COMMITTEE PRESENTED

The Hon. the Speaker, Chairman of the Standing Committee on Internal Economy, Budgets and Administration, presented the committee's twenty-sixth and twenty-seventh reports, approving supplementary budgets of the Standing Senate Committee on National Finance.

(*For text of reports see today's* Minutes of the Proceedings of the Senate.)

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, under our new procedure of having the Senate adopt the reports of the Standing Committee on Internal Economy, Budgets and Administration, I propose to move the adoption of these reports. However, I suggest that my motion not be adopted today but that the text of these reports appear in the *Minutes of the Proceedings of the Senate* so that honourable senators may have the opportunity to read them. Then, next week we can deal with the motion for their adoption.

These reports do not raise a question of the Senate's having to have a report before it deals with a motion for authority. The authority to spend funds with respect to both these matters concerning this committee is already there. However, we felt that it would be a good idea for the Senate to actually adopt these reports rather than simply table them.

So, honourable senators, the motion can stand until next week.

Reports placed on the Orders of the Day for consideration at the next sitting of the Senate.

COMPETITION TRIBUNAL

BANKING, TRADE AND COMMERCE COMMITTEE AUTHORIZED TO STUDY SUBJECT MATTER OF BILL C-91

Hon. Lowell Murray: Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(e), I move:

> That the Standing Senate Committee on Banking, Trade and Commerce be authorized to examine the subject-matter of the Bill C-91, intituled: "An Act to establish the Competition Tribunal and to amend the Combines Investigation Act and the Bank Act and other Acts in consequence thereof", in advance of the said Bill coming before the Senate or any matter relating thereto.

Honourable senators, if leave is granted I will express my apologies for not having consulted directly with the leadership on the other side. However, I can say that this motion represents a consensus of the committee after the committee looked long and hard at the work ahead of it over the next month or two.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Senator Murray: Honourable senators, the committee has a very busy schedule during the next few months. The committee still has the green paper before it; there are at least three pieces of legislation arising from the budget; there is the Competition Bill, to which I have just referred, and other legislation. We do want to get a head start on this business.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, the motion does not come as a complete surprise, because I had been told that the committee considered a pre-study of Bill C-91 and Bill C-103. While we have some reservations about agreeing to a pre-study of Bill C-103 at this time—not the subject of pre-study in general—we support the motion for a pre-study of Bill C-91.

Motion agreed to.

BUSINESS OF THE SENATE

ADJOURNMENT

Hon. C. William Doody (Deputy Leader of the Government), with leave of the Senate and notwithstanding rule 45(1)(g), moved:

> That when the Senate adjourns today, it do stand adjourned until Tuesday next, 22nd April, 1986, at two o'clock in the afternoon.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I wonder if the Deputy Leader of the Government could tell us what bills he expects to be before the Senate next week. We will exhaust the order paper, at least with respect to legislation, today, except for the borrowing authority bill. I wonder what legislation we can expect from the other place next week.

Senator Doody: We do have the borrowing authority bill for third reading and we hope it will receive Royal Assent next week. We also have reason to believe that we will receive the Canadian Arsenals bill, Bill C-87. We have been told that the probability is that that will be before the Senate next week. We also have reason to believe that the Employment Equity Bill, Bill C-62, will be before the Senate next week.

So, we will have that legislation, plus whatever remains on the order paper after today. That should keep honourable senators busy in the Senate, at least reasonably busy, and the committees will be working all out next week.

Motion agreed to.

QUESTION PERIOD

[*English*]

CANADA-UNITED STATES RELATIONS

BILATERAL TRADE NEGOTIATIONS—POSITION OF UNITED STATES

Hon. H. A. Olson: Honourable senators, I should like to ask the Leader of the Government in the Senate to try to clear up what, at least on the surface, seem to be very confusing and, indeed, conflicting statements if the ordinary definition of words that we use is to be applied.

For example, yesterday the United States Senate Finance Committee decided to postpone a vote on whether or not it would give the Administration the authority to enter into the "fast-track" negotiations. Along with doing that, the chairman of that committee sent a letter signed by 12 of the 20 senators saying that, "the majority of the committee will not support the Administration's request for the talks to begin." Yet it is reported today in several newspapers that the Prime Minister has said that this postponement is a hopeful sign. What in the name of common sense does that mean, when you have the postponement along with a letter saying that the majority of the members of that committee do not intend to support the Administration's request?

● (1405)

Hon. Duff Roblin (Leader of the Government): Well, I think it would be unwise for us to jump to any conclusions as to what that committee will do. It is perfectly true that they have issued such a letter to the President. It is also true that it is a letter that outlines certain interests that they have which they think should be addressed by the President. It remains to be seen exactly what happens. I think the hopeful part is that it does provide a breathing space during which people can reconsider their positions and see whether there is any change in the apparent deadlock that will lead to a decision that would be acceptable to us Canadians. But it seems to me that we simply have to be optimistic and hopeful, because this is a matter which is between the President of the United States and the Congress of the United States. The President has given us his assurances in this matter and we are inclined to rely on those until we find out that the situation has altered.

Senator Olson: Well, I suppose the situation could be altered somewhat by the letter that is signed by a majority of the senators on that committee, including the chairman. What I am really asking is whether the government is really levelling with us, or whether they are just whistling in the dark.

There is another question that I would like to have cleared up, if it is possible. The Prime Minister is also reported to have said that he has no plans to become involved in trying to persuade the senators to support the request for free trade. Yet the Minister for International Trade, James Kelleher, said in Toronto on Tuesday that Canada has launched an intensive lobbying effort of its own. What kind of sense are we to take from those two statements?

Senator Roblin: Well, I would like to reply to the first question, as to whether we are levelling with the Canadian people or whistling in the dark. We are doing our best to be realistic, but that does not prevent us from looking on the bright side. What is the point of assuming that something will happen when it hasn't happened? When it does happen, if it happens that the 12 senators stick to their guns and they do not allow this motion to go forward, then we are going to have to reconsider our position seriously, as I stated in this house yesterday, and I will repeat that.

With respect to the statement of the two ministers, the Prime Minister was talking about his personal intervention in this difference of opinion between certain members of the committee and the President of the United States. No one would expect him to interfere in that. But, over the long haul, in the many activities that are going on in connection with trade between Canada and the United States, of course other ministers are taking a very active part; and so, indeed, is our embassy.

Senator Olson: Then it is true that the Government of Canada has launched an intensive lobbying campaign in Washington. I accept that he has said that the Prime Minister is not going to be personally involved in contacting the senators. I understand that. But when the Prime Minister says that he has no plans to become involved, he is referring to himself personally, not the activities of the government.

Senator Roblin: I think the Prime Minister's statement speaks for itself, as does the statement of the minister.

Senator Olson: No, honourable senators, with great respect it does not. The statements are contradictory. The minister,

Mr. Kelleher, says that they have launched, or were about to launch, an intensified lobbying campaign. And the Prime Minister says—and he does not single himself out as speaking personally—that he has no plans to lobby the senators. That is a contradiction, however you want to cut it.

Senator Roblin: Well, I do not see it that way.

• (1410)

BILATERAL TRADE NEGOTIATIONS—CANADIAN USE OF LOBBYIST

Hon. Keith Davey: Honourable senators, I have several related questions for the Leader of the Government. Why did the Government of Canada retain Michael K. Deaver, the former White House Deputy Chief of Staff, to lobby in Washington on behalf of the Government of Canada? When did this contract begin? Is it still in effect? And how much money did or does the Government of Canada pay for this service?

Hon. Duff Roblin (Leader of the Government): I will take that as an order for return.

Senator Davey: I also have a supplementary question which the leader may also look into for me. Why is the United States Office of Government Ethics investigating Mr. Deaver's lobbying on behalf of Canada?

Senator Roblin: I think my honourable friend will have to ask the American authorities that question, not me.

Senator Olson: We are paying for it.

LIBYA

EVACUATION OF CANADIAN NATIONALS

Hon. Joyce Fairbairn: Honourable senators, my question is for the Leader of the Government in the Senate. Earlier this week, I asked him about contingency plans to remove or airlift Canadians from Libya should they wish to leave. We learned today from our representative in Libya, Mr. Michel Tessier, that, having contacted Canadians, about one-quarter of them want to leave.

I wonder whether the Leader of the Government in the Senate can give us any clear indication of how that would be brought about, whether or not our own National Defence aircraft or Hercules aircraft have permission to effect such an airlift, or exactly what plans this government has.

Hon. Duff Roblin (Leader of the Government): I wonder if I read the same article as my friend did, because it did not seem to me that it said 25 per cent of Canadians in Libya, namely 25 per cent of 1,300, were desirous of leaving; I thought it said 25. If I am mistaken on that, my friend can correct me.

The latest information we have from our representative in Tripoli is that there are a few Canadians who have given some signs of wanting to leave and, as the Tripoli airport is now open and flights are expected to resume, there seems to be no difficulty in accommodating them.

[Senator Olson.]

As to the main question regarding contingency plans for the removal of Canadians from Libya should they wish to leave and should it become necessary, the answer is: Yes, there are contingency plans in place, but I do not think I should say any more about it at this time except to give that assurance.

PRINCE EDWARD ISLAND

THE ECONOMY—GOVERNMENT ASSISTANCE

Hon. M. Lorne Bonnell: Honourable senators, I want to thank the Leader of the Government in the Senate for the $6 million which was paid to the potato growers of Prince Edward Island.

Hon. Senators: Hear, hear.

Senator Bonnell: I told all the people of Prince Edward Island how we in the Senate, through my efforts and those of our leader, were able to get this for them on the eve of an election.

Senator Perrault: Call more elections!

Senator Bonnell: They know now that it was through the efforts of the opposition in the Senate, working with the Leader of the Government in the Senate, that that $6 million came to them.

Senator Argue: There is a lot of truth in that.

Senator Doody: Now for the good news.

Senator Frith: With the Litton contract stuffed in one hand.

Senator Bonnell: With regard to the comment someone made about Litton, can the Leader of the Government in the Senate assure me that yesterday—four days before the election in Prince Edward Island—an agreement was signed with Litton involving Prince Edward Island or are we continuing in negotiations which have been going on for some months? Did the government yesterday agree to sign the agreement with Litton so that all these jobs in Prince Edward Island would be available by Monday next?

Hon. Duff Roblin (Leader of the Government): I am sure there will be a few jobs, perhaps 42, which will be available for distribution on Monday next in Prince Edward Island, but I do not think any of the people will be working for Litton.

I might tell my honourable friend that if he does not like the timing of the government's announcement on potatoes he should be careful when he asks his questions because you never can tell when you are going to get what you ask for, and that is precisely what happened to him.

As far as the balance of his question is concerned, I will be happy to send him the statement of the government with respect to Litton Industries, and he will then be entitled to draw his own conclusions.

Senator Argue: It cannot be signed yet.

Senator Bonnell: Honourable senators, I do not regret the timing at all—I think it was wonderful timing and I want to thank whoever is responsible for it. The people of Prince

Edward Island will realize how I was able to keep prodding the government to get that money for them.

Hon. Senators: Hear, hear!

Senator Bonnell: I do not want the government leader, necessarily, to send me a copy of the statement. I know that he is a very astute member of the government; I know that he is well informed about the government—

Senator Frith: Can we make it $10 million? Do we hear $11 million?

Senator Bonnell: —and I know that he knows what agreements the government signed. Did it or did it not sign an agreement yesterday to have the Litton company come to Prince Edward Island?

Senator Roblin: I just hope that my honourable friend is as fulsome in his praise when he gets home, in telling the people of Prince Edward Island before voting day how considerate of their interests the Leader of the Government in the Senate was. It is all very well to offer these fulsome compliments here, but I would like to have them offered in a place where they really count. They do not count in here—everybody knows he is just talking. But if we heard them in Prince Edward Island, it might be more effective.

I have to admit that I am a member of the government and I have learned this much: It is usually the best policy to give information such as that which my honourable friend seeks in the words of the minister who issued the press release with respect to this matter, and that is what I will do. I will not go beyond that.

Senator Bonnell: Honourable senators, I can see now that there seems to be some doubt whether the agreement was ever signed. Otherwise, my good friend would say that yes, the government signed that agreement and that there will definitely be jobs created as a result of that. I can see now that the matter is still up in the air. I can see now that tomorrow's newspapers in Prince Edward Island will tell how Senator Lorne Bonnell and Senator Duff Roblin got the money for the potato people but that Senator Lorne Bonnell was unable to get a definite answer on this Litton plant from the Leader of the Government in the Senate.

Senator Perrault: Shame!

Senator Bonnell: I wonder if, tomorrow morning, we could read in the local papers in Prince Edward Island about how the Leader of the Government in the Senate was able to protect those eight jobs on the CNR in Charlottetown and the 225 jobs on the CNR in Moncton, so that we do not lose those jobs permanently in Atlantic Canada.

Senator Roblin: I appreciate the instinct that compels my honourable friend to conduct the Prince Edward Island election on the floor of this chamber. He would do better if he did so back in his own province, because I cannot vote in Prince Edward Island—he can, and I think his vote is pretty well known.

Senator Argue: That is not fair.

An Hon. Senator: He is undecided now.

Senator Doody: Six million certainly made a lot of difference!

Senator Roblin: I suppose I am not taking my friend's statements about me as being the absolute gospel or the last word. Perhaps he will have some reservations when he gets into the polling booth, and I will freely allow him to do that. But I think that when he does get home to Prince Edward Island, he can tell the people there that the Government of Canada is paying very close attention to their interests and they will find that as time develops they will be very satisfied with the announcement on Litton industries that was made yesterday by the Associate Minister of National Defence.

TRANSPORT

POSSIBLE SALE OF CN ROUTE—GOVERNMENT ACTION

Hon. Edward M. Lawson: Honourable senators, flowing from Senator Bonnell's reference to the CNR, it is reported that the CN Route—

Senator Frith: Speaking of elections!

Senator Lawson: The election does not happen until next month. Wait for the results of that!

Flowing from Senator Bonnell's question respecting CNR, it is reported that CN Route, which is the trucking division of Canadian National Railways, has been sold, either in whole or in part. My question to the government leader is: Has the government or the minister responsible taken any steps to protect the jobs of the workers affected by the sale, in whole or in part, of CN Route? Second, if any jobs are to be lost, has the minister responsible taken any steps in the areas of severance pay, retraining or relocation for those workers affected?

Hon. Duff Roblin (Leader of the Government): I shall ask the Minister of Transport to communicate with the officials of Canadian National Railways to see whether the rumour referred to is correct, and, if so, what the implications of it are.

LIBYA

SAFETY OF CANADIAN NATIONALS—GOVERNMENT POSITION

Hon. Philippe Deane Gigantès: Honourable senators, some time ago the United States government instructed its citizens to leave Libya. The Canadian government has quite properly said that it cannot instruct our citizens to leave Libya. But when the Americans instructed their citizens to leave that country, someone in the government—and I am sure that this was done in External Affairs—must have wondered whether the Americans were acting in anticipation of trouble for their citizens. It is not very easy to tell an American from a Canadian in circumstances where bombs are falling and the mob is becoming enraged. Why did our government not take a much stronger position in advising Canadians not to go to Libya, or to leave Libya, after the Americans took that attitude with their citizens?

● (1420)

Hon. Duff Roblin (Leader of the Government): Honourable senators, I believe that starting on January 10 last the Prime Minister and other government people have been advising Canadians who are in Libya, in strong terms, to consider their position, to consider their safety, and to assess the advisability of their remaining in that country during these difficult times. That warning was issued not once; it was issued on a number of occasions, and one has to respect the right of the citizens of Canada who are in Libya to listen to the warnings and to make their own decisions. After all, if I am informed correctly, despite the fact that the United States government ordered its citizens out of Libya, they did not all leave. Most of the people concerned are still there, and they are still there because they must feel that their safety is not threatened. So, under those circumstances, I think the policy followed by the Canadian government is rational.

Senator Gigantès: Advising someone may not always be enough. If a friend of mine, despite all my advice against walking in front of a truck, tries to do so, then I consider it my duty to try to pull him by his coat and to be a little more emphatic.

There is another point which was raised yesterday by the Leader of the Opposition. If we say—as the Prime Minister says, and as the Deputy Prime Minister said—that we agree with "the objectives" of the Reagan administration, why, then, do we not take a much stronger line than we have taken in advising Canadian citizens, who, by staying in Libya, are helping the Libyan oil industry function and thereby fill the coffers of Mr. Khadafy, who is the paymaster and organizer of the terrorism against which the Americans have acted—an objective with which we say we agree? It sounds to me to be a contradictory position.

Senator Roblin: Well, I do not really have much hope of convincing my honourable friend that it is not a contradictory position, but I will do what I can to try. He should remember that the Government of Canada, perhaps the leader among the friends and allies of the United States, introduced measures of economic boycott with respect to oil, oil drilling and oil associated products moving to that country, so that we would not be helping them to produce their oil. But it is an entirely different matter to say that Canadian citizens should be forbidden by their government, under those circumstances, to do certain things. We asked them not to do it, and some, I suppose, have listened to that appeal. Others have exercised their rights as citizens to ignore the government. We are not a nanny. We can tell people what we think, to the best of our ability. In dire circumstances we will act; but when we have a situation where we have already entreated the citizens of the country not to go to Libya, where we have imposed economic sanctions with respect to oil production in Libya, and where up to the present time we have the assurance of the Libyan government that Canadians are safe, it seems to me that our policy is thoroughly consistent.

I should add the question my honourable friend did not ask, which is: Why is the United States allowing its oil companies

to continue to move there? Ours is a consistent situation, so far as we are concerned.

Senator Gigantès: How come we embargo or prohibit the export of some equipment, but we do not make even stronger efforts to discourage the export to Libya of the most sophisticated of all equipment in the oil industry—which is, of course, a skilled Canadian technician—and which is much more useful than any piece of machinery?

Senator Roblin: Well, that is so; but if my honourable friend expects the Government of Canada to issue orders like that to our people under the present circumstances, he utterly misjudges our democracy.

Senator Gigantès: I am not expecting the government to issue orders, but I do expect the government to be unequivocal and clear, and really tell people, "You are in danger and we cannot be responsible. You have duties to your families and we will not be able to rescue you if anything goes wrong. So don't stay there." If we are going to be consistent in supporting the United States in its objectives, then we should tell our people to get out of there.

Senator Roblin: We have already done all the things my honourable friend has mentioned. We have entreated people not to go to Libya. But to tell me now that we should tell Canadians in Libya that they are on their own, that we will never help them, that we cannot help them if things turn worse—which they have not done so far—seems to me to be curious advice indeed to offer.

The Hon. the Speaker: Senator Flynn.

Hon. Jacques Flynn: I hate to interrupt—

Senator Gigantès: Excuse me.

Senator Flynn: —the honourable senator's speech—

Senator Gigantès: I have a further question.

Senator Flynn: The Speaker has recognized me.

Senator Gigantès: Your Honour, I have not finished.

Senator Frith: Is it a point of order?

Senator Flynn: Yes, on a point of order, I thought the Speaker had recognized me.

The Hon. the Speaker: It is true that I recognized Senator Flynn, but that was before Senator Gigantès rose with a further supplementary question.

An Hon. Senator: He has been at it for an hour or two!

An. Hon. Senator: Order!

Senator Gigantès: Thank you.

It is the practice of the Government of Canada to stamp Canadian passports with notices such as, "Not valid for travel to Taiwan or to North Korea." Why did we not do that with Libya when it was obvious that hostilities might begin and put the lives of Canadians in danger?

Hon. Daniel A. Lang: Your Honour, would you please impose order around here and enforce your own rulings as to the persons whom you recognize?

Senator Roblin: Honourable senators, I do not intend to indulge in any further comments with respect to my honourable friend. He has exhausted the topic, and he has exhausted the patience of some of us.

DISTINGUISHED VISITOR IN GALLERY

PRESIDENT OF CANADIAN BAR ASSOCIATION

Hon. Jacques Flynn: Honourable senators, I am not sorry to interrupt the speeches of Senator Gigantès, but at this time I would like to draw to the attention of honourable senators the presence in the gallery of the President of the Canadian Bar Association, Mr. Robert Wells, Q.C., of St. John's, Newfoundland.

Hon. Senators: Hear, hear!

Senator Flynn: Mr. Wells is well known to many of my colleagues. He has led the Legislation and Law Reform Committee of the Canadian Bar Association and has made presentations to our committees to respond to our requests on laws and proposed legislation. Last fall the CBA presented a brief on computer crime amendments to the Senate Standing Committee on Legal and Constitutional Affairs. There have been many other occasions when the association has helped us to deal with legislation.

Honourable senators, it gives me great pleasure to mention that today, April 17, 1986, is Law Day in Canada. It is also the fourth anniversary of the proclamation of the Charter of Rights and Freedoms in Canada. I want to point out to honourable senators that I mentioned the proclamation of the Charter, not of the Constitution, because to me it does not mean the same thing exactly.

To acknowledge the work of the Canadian Bar Association in promoting public legal education and information across Canada, I point out that the CBA, which represents lawyers and notaries across Canada, has joined with the Department of Justice, the Department of the Solicitor General and provincial law makers and agencies across Canada to help educate the public about our legal system and our legal institutions.

[*Translation*]

Canadian lawyers and notaries who are members of the Canadian Bar Association, as well as federal and provincial legislators and other institutions involved in the Canadian judicial system celebrate today the fourth anniversary of the Canadian Charter of Rights and Freedoms by launching some projects which will enable Canadians to become more familiar with their judicial system.

The Canadian Bar Association is trying to make our judicial system more readily accessible to Canadians by making speakers available to various groups, organizing the services of consulting lawyers, and offering telephone information programs.

• (1430)

[*English*]

As we all realize, an increased awareness of how our legal system works can make us all more free.

Honourable senators, would you please join with me in acknowledging the work of the Canadian Bar Association on this National Law Day, 1986?

Hon. Senators: Hear, hear.

INDUSTRY

POSSIBLE CLOSING OF ST. THOMAS, ONTARIO, FOUNDRY

Hon. Charles Turner: Honourable senators, I have a question for the Leader of the Government in the Senate on behalf of the United Steel Workers of America concerning the purchase of a plant at St. Thomas, Ontario. This plant belonged to the Canron Inc. Foundry Division and was purchased about three months ago by Ivasco Canada Limited. At that plant, Canron manufactured, by casting, railroad car wheels and brakeshoes. The Abex Corporation of Baltimore, Maryland, U.S.A., employs 50 people and holds the patent rights for the casting of brakeshoes.

Canron at St. Thomas has been notified by the Abex Corporation that, effective September 30, 1986, no more brakeshoes will be cast in their plant in Canada. If this company cannot find replacement work for their 70 employees, there is a very strong possibility that this plant in St. Thomas will shut down.

To my knowledge, there is no other plant in Canada that manufactures railway car wheels and brakeshoes. The question is: Is the action of this American corporation to be the first result of the free trade arrangements with the United States of America?

Hon. Duff Roblin (Leader of the Government): The answer is, I hope not.

Senator Turner: I have a supplementary question. The closing down of the St. Thomas plant, and the resulting transfer of the work to the Abex Corporation in Baltimore, Maryland, will force all of our Canadian railroad companies, including CN and CP, to purchase foreign made brakeshoes. If this happens, how will a free trade arrangement protect Canadian jobs, especially considering the large difference in the U.S. and Canadian dollar values?

Senator Roblin: I think it should be the other way around. If the Canadian-U.S. dollar values remain the way they are, it gives a decided advantage to manufacturers in Canada as opposed to importing from the United States as far as foreign exchange is concerned.

I am sure my honourable friend would not expect me to comment on a commercial decision of which I have no knowledge.

Senator Turner: I have a further supplementary. Is the Leader of the Government suggesting that we close this plant down and put 70 more people on the street?

Senator Roblin: I do not want to put anyone on the street. I want more jobs in Canada, and I can tell my honourable friend that, since this government came into office, very nearly half a million new jobs have been added to the Canadian register.

Senator Turner: Part-time jobs, though.

Senator Roblin: No, not all of them part-time. Most of them full-time and the increase in employment among women and youth has been particularly noticeable.

HOUSE OF COMMONS

DISPARAGING REMARKS BY CONSERVATIVE M.P.

Hon. Peter Bosa: Honourable senators, my question is for the Leader of the Government in the Senate and relates to a question of privilege which was raised in the other place by the Honourable Carlo Rossi, the member for Bourassa, in connection with a slur being levelled at him by a government supporter by the name of Gilles Bernier, the member for Beauce.

This is the second time that such an incident has happened in the other place. A few weeks ago I asked the Leader of the Government in the Senate whether he would make a statement disassociating himself from the members of his party who make such statements, or whether he would ask the Prime Minister to do so, in order to reassure Canadians who are members of minority groups that the leadership of the Conservative Party does not tolerate such slurs and such prejudice.

Hon. Duff Roblin (Leader of the Government): I do not think there is any question about the attitude of the leadership of the Conservative Party with respect to racism or prejudicial remarks about people of another origin. It is perfectly clear that we value highly the contribution made to the country and to our Parliament by people who have ethnic backgrounds of the kind to which my friend refers. There is no question about that.

The question is one of discipline in the House of Commons, over which I, myself, have no control whatsoever. If it makes my honourable friend feel any better, and I hope it will, I will undertake to convey his views to the Speaker of the House of Commons, who really is the one responsible for discipline in that chamber.

Senator Bosa: Honourable senators, it is not within the purview of the Speaker of the House of Commons to instil this kind of discipline. Rather, it is the psychology that prevails among some members on the back benches of government, and it is to there that the honourable gentleman should address his recommendation.

Senator Roblin: If I had to be responsible for the psychological inclinations of all of the members of the House of Commons, or of the Senate, I would find myself in a pretty busy spot.

Senator Flynn: Our admiration for Italians goes back to John Caboto.

Senator Roblin: My admiration goes back to Chaesari Alberti, who was one of my ancestors. I may say to my honourable friend that I, too, am concerned in this issue, but I think my honourable friend is approaching it from the wrong angle.

[Senator Roblin.]

Senator Bosa: I made no reference to the honourable gentleman because I know he would not engage in such defamation. However, it would be helpful if some member of this house or some member of the other place made some intervention on behalf of minority groups.

ALBERTA

THE ECONOMY—GOVERNMENT ASSISTANCE

Hon. Earl A. Hastings: Honourable senators, my question is addressed to the Leader of the Government in the Senate. I notice that it was his intention to take great credit for those part-time jobs that have been created by his government. I wonder if he would care to comment on the 300,000 jobs that were promised to the people of Alberta in return for the election of this government with its engine of growth, and draw his attention to the fact that, on May 8, we are going to have a provincial election in Alberta.

Perhaps, as Senator Bonnell did, I should try my luck and ask him whether the government is giving consideration to relaxing the PGRT, a proposal supported by the members of the provincial Conservative Party in Alberta?

Hon. Duff Roblin (Leader of the Government): I think our big mistake—if indeed it was a mistake—in referring to the 300,000 jobs is that we relied on the estimates that had been provided over the years by some of our old friends opposite as to what was going to happen to the price of oil.

Senator Frith: That is a real trick shot.

Senator Argue: But not one of your better efforts.

Senator Frith: As an effort, it was a good one.

Senator Roblin: That is called putting a little English on the ball. However that may be, my honourable friend asked a question about the PGRT. I can tell him only this: the Government of Canada has been conducting a series of consultations with all of the energy ministers in Canada, and with the industry itself, to examine this situation in order to see whether there are any constructive measures we feel we can take under the present circumstances to help in this situation because we want to be helpful. However, I must confess that we have not as yet arrived at a policy determination.

Hon. H. A. Olson: I have a supplementary question. Is it not true that the Honourable Leader of the Government in the Senate and many members of his party had a complete program of all the great things they intended to do for Alberta if certain action was taken? I wonder whether they have lost the book, or were they unconvinced when they wrote it that there was any truth in it?

Senator Frith: They have gone back to our book.

Senator Roblin: I think we are going to have to get out some of the mega-project promises of my honourable friend and compare them with ours.

BORROWING AUTHORITY BILL, 1986-87

SECOND READING

On the Order:

Resuming the debate on the motion of the Honourable Senator Doody, seconded by the Honourable Senator Flynn, P.C., for the second reading of the Bill C-99, intituled: "An Act to provide borrowing authority".—(*Honourable Senator MacEachen, P.C.*).

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, we are grateful to the Deputy Leader of the Government in the Senate for providing us with information on the bill and the surrounding financial implications. I do not intend to repeat all of the information which he gave, except to say that the bill does indeed seek authority to borrow for the fiscal year 1986-87 a total of $22.6 billion. That is the first bite for this fiscal year. One never knows whether there will be a second bite. That is dependent upon a number of factors, including the revenue impact of a decrease in the price of oil and including possible tax changes that might be undertaken, for example, as a result of the representations which were made a moment ago by Senator Olson.

• (1440)

For the fiscal year 1985-86, we approved two borrowing authority bills, the first in the amount of $12 billion and the second in the amount of $18.2 billion, which, with the non-lapsing reserve carried from the Borrowing Authority Act for 1984-85, provides a total authority for 1985-86 in the amount of $32.6 billion.

It is not unusual to have more than one borrowing authority bill introduced in a single fiscal year, or related to a single fiscal year. That has happened in the past, including the fiscal year 1985-86. We know that these bills are at least annual submissions to Parliament, and that sometimes they come before Parliament more than once in a single year.

I have taken a look at a number of borrowing bills which I introduced when I was Minister of Finance. I wished to recall to mind the trend in borrowing—particularly as a result of the world recession which affected every industrialized country, a recession which had a very deep impact on the Canadian economy. For the fiscal year 1980-81, the Minister of Finance sought borrowing authority in the amount of $12 billion. That was before the recession, before the decline in revenues and before the additional burden that was imposed upon the country as a result of that recession.

During the following fiscal year, 1981-82, borrowing authority was sought in the amount of $14 billion, including a non-lapsing contingent amount of $3 billion. So, for those two fiscal years, the amounts were $12 billion and $14 billion.

In the subsequent fiscal year, we saw more clearly the impact of the recession upon the financial requirements; the first borrowing bill sought borrowing authority for $6.6 billion, and the second secured borrowing authority in the amount of $7 billion.

It so happened that before completion of the fiscal year 1982-83 my successor, Mr. Lalonde, introduced two additional borrowing authority bills, the first seeking authority for $4 billion, the second seeking authority for $5 billion.

It is a fact—and maybe it has no particular comparative value—that the total amount of borrowing authority secured from Parliament for the fiscal year 1982-83 is identical to the amount which is being sought in this borrowing authority bill, namely, $22.6 billion. When one asks what accounted for the explosion in the amount of borrowing authority sought from 1980-81 to 1982-83, an increase from $12 billion to $22.6 billion, of course the explanation is not an explosion in expenditures; it is the impact of the recession upon the Canadian economy, upon the revenues and upon the expenditure picture.

It is obviously worth drawing attention to the fact that we are in the midst of a recovery which is taking place not only in Canada, but which is taking place in all of the industrialized economies of the world; a recovery driven by the spectacular growth, relative to previous years, that has been maintained in the United States. Without the growth in the United States, the most dynamic economy in the world, the economy with the greatest impact, of course the picture would be different, not only in Europe, but in Japan and Canada.

It is entirely the case that various industrialized countries are able to deal more effectively with the problem of fiscal deficits, because of improved growth and increased revenue.

In a speech which I made some months ago in the Senate I attempted to excite some debate on what I considered to be—at least if one examines conventional wisdom—the anomaly of substantial growth taking place in the United States alongside the continued existence of very high fiscal deficits. The deficit for this fiscal year is enormous. If the Gramm-Rudman formula is applied, it will be reduced. Nevertheless, one always asks whether the view which many of us have expressed—namely, that fiscal deficits impact adversely on economic growth—still applies. One has to at least ask that question.

I think I put on the record statistics for Canadian performance that indicate, despite increases in the deficit—for example, in the years 1983 and 1984—that Canada did, itself, experience significant growth. In other words, the momentum of the growth was so strong that the existence of deficits did not seem to thwart it in any sense. I am not arguing that it is not important to deal with deficits. There are very strong administrative reasons why it is important that maximum flexibility be maintained within the expenditure program of any government. Flexibility, of course, can be assisted by lessening the total outlays which are dedicated to both principal and interest payments on the debt.

So, I just make these comments by way of attempting to relate the existence of deficits to economic growth and administrative flexibility.

• (1450)

We will presumably be borrowing $22.6 billion—maybe more—from the capital markets of the country and maybe some abroad, but not an awful lot in terms of the requirements.

I was struck last month by a comment which the Prime Minister made in reply to a question in the House of Commons when he was asked whether new youth programs were to be introduced. The question was asked by Mr. Riis, who said:

> Mr. Speaker, in the quote I read the Prime Minister said that new programs, specifically, would be announced by the end of the fiscal year. It is the new programs I am asking about.

and so on.

The Prime Minister makes some preliminary comments and then says:

> I know that unless you are throwing borrowed money at a problem, it does not constitute an initiative or anything of value to the Liberals and NDP. That is not our way of—

Presumably of doing business. Well, I believe if the Prime Minister did reflect upon the implications of his own statement, he would have realized that this would put the government in a total straitjacket because no expenditure change, no tax change, can be undertaken without an impact upon the deficit and upon the financial requirements.

The fact of the matter is that a number of initiatives undertaken by the present government will be financed by "borrowed money," in the sense in which the Prime Minister spoke about it. We know that one of the major items in the government's plan was the measure announced in the 1985 budget, the $500,000 capital gain exemption. The budget papers show that for 1986-87 this measure will cost the government $600 million. This is a reduction in revenue, obviously, which has an impact upon the total revenue picture, upon the financial requirements, and upon the borrowing of the country. This is quite apart from what I find to be the unacceptability of this particular measure on its merit. It does, of course, fly in the face of the Prime Minister's statement that that is not the way that he would do business.

Another example is the changes in corporate taxes. The budget paper entitled "The Fiscal Plan," tells us the changes in the corporate taxation measures will cost the government, in the fiscal year 1986-87, about $540 million. Well, that is a reduction in revenue. That is an increase—other things remaining the same—in the financial requirements, and an increase in borrowed money. So, I think that one has to be rather careful in commenting about borrowing in relation to the present government and the former government. I would think that had the Prime Minister been in a more reflective frame of mind than he was during the Question Period, it is likely that he would not have made that comment.

Honourable senators, when I spoke on the borrowing bill of 1985-86 it was quite a different kind of speech from the one I am making now. The reason, of course, was that those of us on this side took exception to the fact that we were being asked to approve a borrowing authority in the absence of the tabling of the spending estimates of the government.

In this case the situation is totally different. We have the budget, we have the spending estimates, and there are no difficulties, in principle, certainly, in approving this bill very quickly. So, I will not repeat the arguments made on that occasion, except to say that the bill did go to the Standing Senate Committee on National Finance and that the committee concluded that the Senate should remain reluctant to approve a borrowing bill for a fiscal year for which the spending estimates had not been provided. I believe that was a sound position to take and I believe that the government deserves credit that it is not asking Parliament to approve a borrowing bill in the circumstances we faced last year.

But in that speech, honourable senators, I did refer to the increased burden of taxation on the Canadian people. I made the following comment in June of 1985:

> ... the government did not receive from the Canadian people a mandate to increase massively the tax burden. Not only did the government not have any such mandate from the public but it also concealed very carefully from the public its intention in this direction.

That is the end of my statement of June of 1985.

We have heard a great deal from the government about the specifics of its mandate and that it had put before the people of Canada certain proposals, it had won the election, and therefore it had a mandate to implement that approved electoral program. But, certainly among the miscellany of programs put before the Canadian people, there was not a proposal to increase massively the tax burden on the public.

It is a fact that although the government is attempting to argue that its deficit reduction comes from expenditure reduction, the fact of the matter is that a massive tax grab does exist. In the 1986 budget paper, "The Fiscal Plan," there was shown the following: a 3 per cent across the board surtax that will raise $560 million in 1986-87; a 1 per cent increase in the federal sales tax rates, $815 million; increases in alcohol and tobacco taxes of $150 million. These taxes will leave no Canadian untouched. They will lift from the pockets of the Canadian taxpayer $1.5 billion in 1986-87. And, in the subsequent year, these tax increases will remove from the pockets of the Canadian taxpayer $2.25 billion. That is a very large tax increase. It is masked and does not include the additional taxes which were imposed in the 1985 budget.

● (1500)

It also is a fact that the tax burden is not distributed fairly. It strikes hardest at the poor and the middle class while offering generous tax benefits to the well-off. One cannot make that utterance without repeating again that the capital gains tax exemption, which still remains, is now one of the scars of the Canadian tax system.

Honourable senators, we all recall the 1986 budget, since it is not that far away in our memories. We recall that it was intended to restore the confidence of overseas investors in Canada, confidence that had been eroded and that had been recognized as such by the Minister of Finance and by the Governor of the Bank of Canada.

One asks whether the budget did have its intended effect of increasing confidence abroad in the performance of the

Canadian economy, and whether it has increased the confidence of the market in the government's management of the Canadian economy.

Before dealing with this more fully, I should like to quote a statement made by the present Minister of Finance in June 1984, a statement which had to do with the value of the Canadian currency; the adverse impact, in his mind, of the decrease in the value of the Canadian currency; and what steps the government of the day ought to take to reverse the decrease in the value of the Canadian currency. In *Hansard* of June 26, 1984, Mr. Wilson is reported as having said:

> Canadians are seeing the cost of the low dollar in their food, vacations, cars which they buy from abroad, clothing, television sets, gasoline, and virtually everything. The cost of financing the Government's borrowing overseas has increased over $1 billion as a result of the recent decline in the dollar. Does the Minister regard the current exchange crisis with a sense of urgency? Is he determined to bring in policies which will attack the situation, or are we going to see a long drift through this summer in which nothing will happen and the dollar will go as low as 70 cents or 75 cents?

What was the value of the Canadian dollar when this cry of urgency was made by the present Minister of Finance? The dollar was worth 76.15 cents U.S., a level not even in the wildest dreams of the present government; a level not even contemplated by the present Minister of Finance. At that time, however, he found it an urgent question for the incumbent government. Furthermore, far from falling further and contrary to the expectations of Mr. Wilson, the dollar stabilized through the summer and actually closed at almost 77 cents U.S. on September 4, 1984, election day.

We are constantly reminded, particularly by the Minister of State for Finance in the House of Commons, of the legacy of the former government. I am thankful to the deputy leader that he excised that part of the speech made in the House of Commons by the Minister of Finance which referred to this legacy. However, while the legacy in some cases was good and in other cases probably could have been better, particularly in terms of economic growth which was, as I said, affected by the world recession, nevertheless, at least one legacy was pretty good in relative terms, and that was a Canadian dollar worth about 77 cents U.S.

Senator Frith: Part of the bare cupboard.

Senator MacEachen: What has occurred since then? And have the policies of Mr. Wilson and this government improved the situation? We know that on November 7, 1984, the day before Mr. Wilson's economic statement, the dollar closed at 76.22 cents U.S., down over two thirds of a cent since the election. We then had the economic statement and we asked how the financial community viewed it. Within the week, the dollar fell one-quarter of a cent to close at 75.98 cents U.S. on November 14, 1984.

During the next six months, the policies brought in to attack the problem had a dramatic effect on the exchange rate. The dollar fell over three cents to close at 72.85 cents U.S. on the day of the government's first budget.

These policies which the current Minister of Finance urged when he was in opposition and just on the threshold of office, and which he introduced in a little over eight months, had effected a decline in the value of the Canadian currency of four cents U.S.

We all remember the events before the budget of February 26. We know of the brutal treatment the Canadian currency was receiving on the international markets. We know of the crisis statement made by the Governor of the Bank of Canada in committee about the situation and about the lack of confidence which the international community has in the Canadian economy. These are not my words; these words were used by the Governor of the Bank of Canada in explaining why the Canadian dollar was being battered and savaged on the international markets.

On February 4, 1986, the dollar closed at 69.24 cents U.S. When in opposition, Mr. Wilson was concerned that the dollar might fall below 75 cents U.S. We know that under his stewardship and under his tender care, the dollar fell to under 70 cents. In February, there was concern that it might go below 65 cents.

We know how that was averted. Massive borrowings were undertaken by the banking authorities; there was intervention in the market; and all the weight possible was put to shore up the value of the Canadian dollar by market intervention, not by brilliant new policies. On budget day, the dollar closed at 71.68 cents U.S., and on April 15 it closed at 71.90. In the intervening time, it again fell below the 70-cent level.

I suppose that one can make two comments: How easy it is to prescribe when in the opposition; and how difficult it is to perform when in government. The value of the currency which Mr. Wilson found so unacceptable in 1984 has decreased even further, hovering at about 71 or 72 cents, with no assurance that it will have a stable future. I can only repeat the questions which the present Minister of Finance so pointedly asked in 1984. Since the date of the general election, the Canadian dollar has fallen 4.32 cents. I wonder whether the minister has made any calculations as to the resulting cost to Canadians in the form of higher prices for food, vacations, foreign cars, clothing, television sets and so on. Have any studies been made by the present Minister of Finance of the impact of the decline in the value of the Canadian currency? How much has the decline in the value of the dollar cost the Canadian government in financing its borrowings abroad?

• (1510)

We recall that he told us in 1984 that the cost of financing the government's borrowing overseas had increased over $1 billion as a result of the recent decline in the dollar. I wonder whether he can provide figures for the cost in the period of his stewardship as the Minister of Finance? These were points raised by the minister and it may be that when the bill goes to committee, or later, we will have an opportunity to secure this information.

Having made those points, honourable senators, we are quite prepared, as I said earlier, to give the bill second reading and have it go to committee so that any questions which I or others may have can be asked and the bill can be returned for third reading at an early date.

Hon. Duff Roblin (Leader of the Government): Honourable senators, as one might expect, I intend to put a considerably more optimistic gloss on the finances of the Canadian nation than that indicated by the comments made by my honourable friend, which seem to me to be weighted in the direction of pessimism and of complaint. Well, there is always plenty to complain about in financial management, so I do not fault him for that. But I think there are a number of points that lead us to a much more optimistic conclusion as to the state of our nation than does the information he has given us this afternoon.

I am naturally pleased to know that he proposes to support second reading, but I am a little bit gun-shy. He supported second reading of Bill C-11 some time ago, but when it got to committee I found out that supporting second reading of a bill was a good deal different from passing it. I just hope that this expression of co-operation—which I welcome—carries forward to the committee stage as well. While I have no objection to a close examination of this legislation—indeed, it is the duty of senators to examine these bills in as much detail as they choose—I think it is also our duty to pass them, because they are public bills, financial bills and government bills, and a body that is not elected, that represents nobody and is responsible to nobody should be very careful about standing in the way of the financial operations of the Government of Canada. That said, all the good advice, warnings and observations that senators wish to offer, they are entirely free to offer. I welcome such observations and will do my best to deal with those that require some comment from the members on the government side.

My honourable friend rather surprised me by starting off with a reference to his own experience as a "budgeteer." There were episodes in that record to which he alluded this afternoon, but he did not get into it very deeply. He discussed the question of deficits and the estimates that were his responsibility in connection with the public finances. What is remarkable about them is that, whatever the reason was, he excused himself by referring to the state of the economy at the time. The same observations apply to any minister of finance. Whether in a boom or a depression, the state of the economy has to be taken into account when informing Parliament of financial affairs.

I notice that in 1982-83, the deficit projected was $9,260,000,000, but, when all the chips were in, it was $25,250,000,000. That is quite a change. That is quite an underestimate, in the first instance.

Senator MacEachen: That was all revealed in my speech.

Senator Roblin: Good for you.

Senator MacEachen: Everyone listened and understood; it was made very clear. Why repeat what has been stated?

[Senator MacEachen.]

Senator Roblin: The projection for 1983-84 was similarly about $9 billion, but it turned out to be over $31 billion.

Senator Perrault: You are living in the past.

Senator Roblin: Well, I am going to get to the present if you will just give me time. My honourable friend referred to these figures. I had no intention of speaking about them because—

Senator MacEachen: Well, I don't mind.

Senator Roblin: —some of these things are best forgotten.

Senator MacEachen: I don't forget.

Senator Roblin: But I simply cannot let him refer to it without bringing the attention of the house to the record.

The next year, the last year of the former Liberal administation, the deficit was supposed to be nearly $10 billion and it turned out to be almost $30 billion. So one can see that, when it comes to estimating deficits, the previous government left something to be desired.

Senator MacEachen: Just like your estimate on the price of oil. It is just about as far out.

Senator Roblin: Time will tell.

Senator MacEachen: Time has told.

Senator Roblin: Time is not over yet. We haven't finished yet.

Senator MacEachen: Time has damn well told—Mr. Getty knows about it.

Senator Roblin: There is a lot of oil to go down the pipeline before my honourable friend can talk, but I am sorry if I have touched a nerve. If he had not raised the subject, I was quite prepared to ignore it.

Senator MacEachen: Go ahead; I will be quiet.

Senator Roblin: After all, I have been a minister of finance and I know that these things are not easy. But I really felt that my honourable friend, who raised the matter, should have been more frank with us and should have given us the actual results that followed.

Senator MacEachen: Well, I did.

Senator Roblin: But what about it? What does it mean? It simply means that the biggest single problem the present administration has had to face is the control of that deficit which we inherited—and I know that members opposite do not like being reminded about it—the control of the debt to which it gave rise and, even more important, the control of the servicing costs of that debt. Those are the big issues which any minister of finance will have to take into consideration. Therefore, it is worth while to place on the record, I think, the progress that has been made.

We were faced with a situation which was without precedent in the national history of the Government of Canada. We had to do something about it. And we have. What we have done is this: We have reduced the rates of growth in these categories of expenditures so that they are now headed in the right direction.

Budgetary expenditures went up in 1984-85 by 12 per cent, in 1985-86 by 5.4 per cent and, in 1986-87, they will be 4.5 per cent. That represents getting control over some of these costs. I want to come back to that because I think the opposition has been derelict in its responsibility in dealing with this question of budget reduction and taxation increases. Here we have a situation in which we have our budgetary expenditures under control and they are coming down. As a percentage increase they are coming down and as a percentage of the gross national product they have been coming down. They have come down to 22.8 per cent, which is better than they have been for a long, long while.

Those matters, which are reflected in this borrowing request we have before us now, really represent progress. Budgetary deficits as a percentage of the gross national product have been coming down, and substantially so. They now represent 6.8 per cent of the gross national product, which is getting almost within reason. That represents the record of this administration, which is reflected in the borrowing requirements that we have before us.

These borrowing requirements, as my honourable friend who sits beside me told us the other day, represent a substantial reduction of the demand that the Canadian government is going to make on the Canadian economy—a very substantial reduction over what we experienced in the last six or seven years, the lowest point in a long time.

Senator MacEachen: Well, it is not the lowest point in a long time.

Senator Roblin: It is so; it is the lowest point in five or six years, anyway. You came up with the biggest increases ever; that is your record.

Senator MacEachen: No, that is quite untrue.

Senator Roblin: We can examine the facts.

Senator MacEachen: Well, please do.

Senator Roblin: The point is that the budgetary deficits, as a percentage of the gross national product, are coming down. That, I think, reflects some credit, but no thanks to my honourable friend. When he was in office, one of his contributions—I do not know whether he did it himself or whether it was done by another minister of finance, but anyway, he was around—had to do with the scientific research tax credit, certainly one of the most unfortunate initiatives taken by the Government of Canada. I thought I had it in front of me. Perhaps, if I scurry around a little, I will find it. It is a program which was estimated to cost $100 million. That I do recall. I think my friend will tell me that I am right on that. It was estimated to cost about $100 million. But when we got through with it, we found that the cost ran into billions of dollars—I think it is $3 billion—and if we had not had to swallow that, perhaps there would be a little more money left over for the farmers and the oil industry that my friend, Senator Olson, is concerned about. But we had to swallow that, and that was part of the reason why the finances of this country were in disarray—because we had to take care of expenditures of that kind. That money had to be borrowed. Make no mistake about it. That money, that expenditure on research and development that turned sour, that went belly-up, we had to borrow to finance it—and that is part of our problem here; and that is something that I do not think should be overlooked at the present time.

● (1520)

Senator MacEachen: What of the borrowings to finance the capital gains tax exemptions?

Senator Roblin: Well, that may be so; but that capital gains tax exemption will produce economic benefits—a lot more than that R&D thing is going to produce—a lot more economic benefits.

Senator MacEachen: It will produce nothing.

Senator Roblin: My honourable friend can say that, but a lot of people in this country are quite satisfied with it. He doesn't like it; but I am satisfied that that policy will turn out to be a satisfactory one. Look at the total picture. This government has been trying to reduce the deficit in what way? First, by reducing public expenditures. I have given the house figures that indicate that the ratio of government expenditures to the gross national product has been declining, and the rate of increase in government expenditures has been drastically altered. It is under much tighter control than it has been before.

Some taxes have been raised. I do not ignore that fact. I wish they had not been raised. They are high, and I do not want them to get much higher. But here is the interesting thing: When we produce a recommendation for spending less money, what is the reaction of the opposition? It is, "Don't do it". I cannot think of many, if any, proposals for the reduction of expenditures that they have supported. They have always told us, "Don't do it". Whatever it is, "Don't do it. Keep on spending;" and when we have asked for increases in taxation—which is the other side of the coin—what is the response to that? It is, "Don't do it. Don't worry about it." I do not know what the rationale is.

The leader of the party, during the election, told us that the costs to government would be reduced by billions of dollars if he had his way. But on no occasion that I can recall has the government received any support from the opposition for reducing expenditures or increasing taxation. So we are entitled to conclude that if they were in office today, the record of expenditures that they establish would be pretty much the same as it has been up to now.

So our claim that we are reducing expenditures to a very large degree, compared to what they would have done, I think is one that we can fairly make. If they had come along and said "Look, we support you on these reductions," or "We support you on this tax increase," or "We support your general thrust to relieve the weight of taxes on the people of Canada by bringing our affairs into proper form," then, perhaps, there might be some hope in the situation. But they have not done any of those things. So one has to conclude that if that is their policy—and obviously it is—to keep the spending going, to

keep the taxes down, we then wind up with even larger deficits and larger spending than we have now—by far.

So the claim of the present administration to have reduced expenditures more than they have increased taxation is one that I believe can be justified by people who are willing to look at the matter in a constructive way.

As to financial requirements, the total of the financial requirements listed in the amount here represents, as I have already said, a considerable decline on the demands that were previously made. They are going in the right direction. They are not satisfactory, but they are going in the right direction—and I think that point should be recognized. It is not just percentagewise, or compared to the GNP, that they are going in the right direction, although that is true. They are going in the right direction in terms of actual dollars. The dollars are down. They are down substantially. The burden on the Canadian economy is being reduced, and the capital requirements of other sectors of the economy have a little more breathing space than they might otherwise have because of this measure. So those are all good.

But the proof of the pudding is in the eating. My honourable friend tells me that he does not like what has happened to the dollar. Perhaps he is right. We have a sort of fixation on the dollar, I guess. It seems to me to be one of the indications of economic activity to which we pay a lot of attention. Well, everybody does. We have had to support the dollar; and, as my honourable friend was good enough to say, we supported the dollar in exactly the same way he did when his government ran into troubles with foreign exchange. The Bank of Canada acted to protect the dollar, to keep interest rates up, and borrowed from other people in order to carry out their policies. That is nothing new. I do not claim any credit for that. That is the way it has been done.

Senator MacEachen: It certainly is new.

Senator Roblin: Well, when you had dollar problems, you followed exactly the same policies in trying to deal with them. Then he says to me, "What is the result of this? As a result of this dollar, what has happened to the economy?"; and he asked me what has happened about our borrowings abroad—and I think he asked me what had happened about imports. Well, he should have asked another question: What has happened to exports? That is affected by the dollar—and I have good news for my honourable friend. I can tell him that exports from this country are substantially up over what they had been in recent years. They are up over last year; they are up over the time when we came into office, by substantial amounts.

Senator MacEachen: How much?

Senator Roblin: I think I will let my honourable friend know. I have the information here somewhere, if I can find it. Let me tell him what is happening to the economy.

Senator MacEachen: What about the trade surplus? It is worsening, is it not?

Senator Roblin: I cannot deal with these *sotto voce* questions. I will just continue with my remarks and try to put my case before my honourable friend, in the full confidence that he will find there is some reason in it.

Senator MacEachen: You can leave me out of it.

Senator Roblin: Well, I will talk to the rest of the house. If my honourable friend has had enough, I will leave him out of it. I will not even mention him again. I will simply talk to the intelligent members of the opposition—in which I include my honourable friend—who are open to persuasion. Perhaps I cannot include him in that remark; but I will talk to the ones who I think are open to persuasion.

An Hon. Senator: They are all behind you.

Senator Roblin: Let us take, for example, the report made by the Governor of the Bank of Canada just the other day. With all of our problems in recent years with the dollar, with interest rates, and all that kind of thing, to which reference has been made, what does he say? He says that we are doing all right. He says, "The underlying economic climate improved in 1985 as consumers and businesses registered much more confidence in Canadian prospects." Is that not what we want to do? When we get through with all this talk about dollars, interest rates, and what not—things that are of importance and have to be discussed—what are we aiming for in the end? We hope that all of these factors, good and bad—because there is both—will come together to represent growth and progress; and that is what we are seeing. That is what we are seeing, and the Bank of Canada reports this in its statement concerning 1985.

I want to give some other figures; and I may get around to imports and exports—certainly exports—with respect to what has been going on since the last election.

In the 18 months since the election, there have been 574,000 new jobs developed in Canada, and unemployment has reached its lowest level in four years. That cannot be all bad. It is not all good; we are not happy with it; we want more. Of course, all of us want more. We want more jobs, and we are going to get them. But that can't be bad.

Senator Perrault: What about the west?

Senator Roblin: In the west, in the province of British Columbia—my honourable friend has my full sympathy; and if those American senators, whom we spoke of the other day, get their way, it is going to be even tougher for him, and we are going to have to fight like Billy-be-damned to protect his interests—and we are going to do our best to do so. In the oil industry we have the same kind of problem. There are thousands of jobs at risk in Alberta. We do not ignore that. But when we look at the country as a whole—and that is all I can do in an off-the-cuff extemporaneous contribution of this kind—I have to say that there have been 574,000 new jobs since we came in.

Inflation has been steady for almost two years. It is the most stable price environment since 1971. Consumer confidence is at near record levels. Retail sales have increased 14 per cent since the election. That confirms what the governor of the bank has been saying.

Senator MacEachen: They are always increasing.

Senator Roblin: New manufacturing orders are up 15.3 per cent since September, 1984. Canada's gross national product has been improving—4.5 per cent for last year, and it is going to be a substantially better year for us now, perhaps 3 per cent or 3.5 per cent, but certainly it is encouraging.

Building permits were up 26 per cent in 1985, representing an additional $4 billion in construction activity. The Bank of Canada rate has fallen by two and a quarter percentage points since the election. That is what the Bank of Canada rate has done, and it has fallen by almost two percentage points, when I take today's figures into account, since the budget. That isn't bad. Those are signs of progress.

Now exports—here we are. Exports for the first two months of 1986 were up by 8 per cent, compared to the same period in 1985, and by 22 per cent compared with the same period in 1984.

I could go on and burden the chamber with other statistics that represent signs of progress. I am not going to do it. I have found the information about the scientific research tax credit. The costs amounted to $3.4 billion, and it was supposed to cost $100 million, but we have covered that.

● (1530)

Senator Perrault: Did you speak against it?

Senator Roblin: I believed the figures given by the government. I thought $100 million was right. It turned out that it was not right.

What is the point of all this? I do not think it is to dwell—although perhaps I am guilty of it—on recriminations. Things have happened, and there are explanations. I may not like the explanations. I simply wanted to record some of the facts, and I hope that I have been reasonably accurate in doing so. I do not claim perfection. I may have made some mistakes, but I do not think I have made too many. I am not really too anxious to blow the government's horn, although I have been doing that, too. What I am really concerned about in this chamber in particular is, is the nation moving ahead? Are we able to learn from our mistakes? Are we able to do things a little better, not that this administration has any monopoly on brains, intelligence or initiatives, because it has not. However, it learns from its mistakes and it is trying to do better. That I think is what the country is doing. We are trying to do better. We have had difficulties. Other men have had to struggle with some of those difficulties that I have not had to struggle with, and I respect their efforts. I am not trying to belittle anybody on that account. I acknowledge that things were not easy, that they were very difficult.

I would like to see the same recognition extended to what we are doing. We are not going to do everything right. There are going to be problems, and we are not going to be able to solve all of them as we would wish. But we as senators, as Canadians, as people with no political affiliation can say that we are digging ourselves out of a hole we have gotten into ourselves, that we are making some progress. Things are moving ahead. In this bill before us today, there is some crystalization of that progress because we are asking for less money for our deficit, and we are asking for less money from the people of Canada to support this government and to support our public affairs. We are doing so on the basis that we are making some progress and that we think that the economy will continue to move ahead in a constructive way.

I would like to close on a conciliatory note. I do not really want to—

Senator MacEachen: You want the bill, I guess.

Senator Roblin: I want the bill all right.

Senator MacEachen: That is why we are getting the conciliatory comments.

Senator Roblin: If I do not offer a few kind words I may not get the bill, so I have to be a little careful here.

What I want to say is that in spite of differences that separate us, and they do, perhaps on policy and perhaps sometimes on fact, and in spite of the fact that none of us is perfect and we all make mistakes—and there are more to come, I am sure of that, life being what it is—we can take some satisfaction in the fact that we are moving ahead. That is the only point I want to make. On that basis, this request for second reading of this bill deserves support.

Hon. H. A. Olson: Honourable senators, I do not wish to make a speech. I would like to ask the Leader of the Government a question, if I may be permitted to do so.

Senator MacEachen: Move an amendment, please. I would like to make another speech.

Senator Perrault: He feels a speech coming on.

Senator Olson: If I thought it would do any good or would serve any useful purpose, I would do so.

I ask the Leader of the Government in the Senate whether or not he feels that this government is responsible for all areas of the country? That question may seem elementary, but near the end of his speech he commented that the government takes a great deal of satisfaction out of the improvements that have been made since they came to office. Would the leader apply that comment to the agricultural industry and the energy industry in Alberta and Saskatchewan? Is that the view of the government with respect to the change in the economy over the last 18 months?

Senator Roblin: Honourable senators, that is a reasonable question and I am glad to answer it, because I think it bears on a very important point. I do not think that any politician should take the credit entirely to himself for improvements in the economy, because anyone with a brain and some common sense knows that that would be an improper thing to do. The economy is much more than the government, thank goodness. The economy consists of the efforts and labour of people all over the place. All the government can do is to try to create an atmosphere in which these people can do their best, to create an atmosphere in which those who fall out of the productive cycle are protected from the difficulties in which they find themselves, usually through no fault of their own. The role of

government is not absolute. The government can be of assistance to the economy. The government is essential, and it has a duty to protect those who cannot protect themselves and a duty to so order its affairs that people in the private sector can say to themselves, "We have confidence that things are going in the right direction, confidence in our economy, confidence in our country and confidence in ourselves." That is what makes jobs and that is what makes progress. My claim is that the government is doing its best to establish the climate of opinion in which all can prosper.

Senator Olson: I expect that the government also believes that it has to view the consequences of whatever happens after it has set down guidelines for the private sector. Is the leader taking satisfaction from what has happened in Alberta and Saskatchewan, in the economic performance of the past 18 months? He has used such terms as, he "takes satisfaction in", he "views with satisfaction", and "digging ourselves out of the difficulty." It would be interesting for people in that part of the country to know whether or not this is the attitude of this government with respect to taking a good hard look at the economic performance of the past 18 months, since this government has been setting the guidelines for the various sectors.

Senator Roblin: Honourable senators, evidently my honourable friend is asking me a question, and I shall try to furnish him with a reply. He is continuing in this discussion with the points that he made—

Senator Olson: We do not think that the record is very good, and that is why I am asking you if you wish to apply it. That is all.

Senator Roblin: I shall do my best to answer my honourable friend, if he will give me a chance. He is continuing to make the entirely valid points that he made in his contribution to the budget debate a little while ago, that the oil industry is in trouble, and that is as plain as the nose on my face.

Senator Olson: And the agricultural industry.

Senator Roblin: He can also add that the agricultural industry, particularly in western Canada, is in trouble. There is no question about it. In spite of those things, I have tried to disclose the overall record. That does not mean that we take any satisfaction or that we will sit on our hands while these other problems develop. However, the government does not control the price of oil, nor do we control the price of wheat. We are not the prime actors in those markets. We have to fall into the role of those who are trying to assist to alleviate the problem as it affects those who are facing it. That is what we are going to do. As I said the other day, we have provided over $1 billion to the western agricultural industry from the stabilization fund, which is one third of their money and two thirds government money, and we have put other funds into agricultural assistance, as I outlined the other day and which I will not repeat now. I have also said—or if I have not said it before, I shall say it now—that we abolished the National Energy Policy. We substantially reduced by billions of dollars taxation to the oil industry, and we were highly criticized at the time for reducing the taxes in the way we did. We are glad that we went ahead and did so, because at the present time, those taxes would be insupportable if they were still in effect and had been raised, because the people in the oil industry who were benefiting from it are not the same people who were paying the tax, which were largely the small Canadian companies in the west, although I admit that others had their part in it. I am not trying to say that all is well. We know that it is not. I am merely trying to say that we have not been sitting back doing nothing, that we recognize the problem and that we have to face the fact that if it continues and gets worse further demands will be made upon the Government of Canada in an effort to be of assistance.

Senator Olson: Honourable senators, about all that can be drawn from the leader's comments is that the govenment is fairly proud of its record of performance and that the people in those industries in the western provinces can expect more of the same from this government.

Senator Roblin: The people out there can expect more jobs. They can expect a continuing increase in the GNP. They can expect a continuing stability in the degree of inflation and a continuing decline in the interest rates in Canada. Then they will all be a lot better off. However, that does not mean that there are not areas of this country which will have a devil of a time in the next couple of years, and we do not overlook that and we do not intend to abandon them.

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators—

The Hon. the Acting Speaker: Honourable senators, may I inform the Senate that if the Honourable Senator Doody speaks now, his speech will have the effect of closing the debate on the motion for second reading of this bill.

Senator Doody: Honourable senators, I do not wish to take up much more of your time. I just want to cash in on this feeling of tranquility, conciliation and peace that prevails in the Senate chamber and try to gather in all of that support for second reading that I detected during the discussions.

• (1540)

First of all, I want to try, if I can, to answer a question raised by Senator Stewart yesterday. I am appreciative of his constant attendance at the Standing Senate Committee on National Finance. I recognize the fact that he will be unable to be with us on Monday evening, so I made an inquiry as to the $2 billion and where it comes from and how it is arrived at. I am told that the $2 billion extra really gives a borrowing capacity to the government of $24.6 billion. This is the total result of $2 billion from the last borrowing authority plus the $22.6 billion that we have in this authority, and it has the effect of carrying forward a $2 billion authority to each successive year as it goes through. Any amount in excess of the $22.6 billion plus the extra $2 billion will lapse, but that $2 billion will always be there as a cushion.

Clause 3 of the bill states that any unused borrowing authority granted by the bill, or by the previous *Borrowing Authority Act, 1984-85 (No. 2)*, to the extent that the unused

authority exceeds $2 billion, will be cancelled on March 31, 1987.

Thus, similar to previous years, this clause preserves a $2 billion non-lapsing reserve, if it is available. That is, if it has not already been spent. In any event, the total will not exceed the $22.6 billion plus the $2 billion, if it is available, to be carried forward into the 1987-88 fiscal year. However, it does not permit any of the $2 billion reserve granted by the borrowing authority last year to be carried beyond this current fiscal year.

Honourable senators, that is the explanation as I received it. Senator Leblanc has undertaken to raise this matter with the officials at the meeting of the committee on Monday evening to get a more comprehensive answer, but I thought I should raise it here today because Senator Stewart had asked for it.

Hon. John B. Stewart (Antigonish-Guysborough): Honourable senators, I appreciate the answer that has been given. There is one point on which I am still uncertain. Senator Doody has told us that there was a $2 billion borrowing authority that was carried forward from the previous fiscal year. That would be over and above the new borrowing authority which is now sought. Am I to understand, then, that without coming back to Parliament for a new borrowing authority, the government, in the current fiscal year, could borrow the amount sought in this bill, plus the $2 billion which is authorized by the carry-over? The result, of course, would be that there would be no carry-over for the next fiscal year, but that the amount borrowed would be $24.6 billion.

Senator Doody: Yes, senator. That coincides with my understanding exactly. The clause preserves that $2 billion non-lapsing reserve.

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 Doody, bill referred to the Standing Senate Committee on National Finance.

NATIONAL FILM BOARD

CONSIDERATION OF REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON FILM ENTITLED: "THE KID WHO COULDN'T MISS"—DEBATE CONTINUED

On the Order:

> Resuming the debate on the consideration of the Eighth Report of the Standing Senate Committee on Social Affairs, Science and Technology, entitled: Production and Distribution of the National Film Board Production "The Kid Who Couldn't Miss", tabled in the Senate on 15th April, 1986.—(*Honourable Senator Marshall*).

Hon. Jack Marshall: Honourable senators, I apologize belatedly for the fact that members must continue to sit. I welcome the opportunity to proceed with some remarks on the report tabled on Tuesday by Senator Tremblay, Chairman of the Standing Senate Committee on Social Affairs, Science and Technology.

I read with interest the remarks made by Senator Everett in the debate. I feel I owe him a word of congratulation on what he had to say and the critique which he offered on the report. My remarks may be repetitive in relation to those of Senator Everett, but I feel it my duty, as Chairman of the Subcommittee on Veterans Affairs, to place them on the record.

As honourable senators are aware, the report dealt with the examination of the activities of the National Film Board with respect to the production and distribution of the film "The Kid Who Couldn't Miss". The examination of the film was delegated to the Subcommittee on Veterans Affairs, which I have the honour to chair.

I feel it appropriate to include in my introduction the fact that the film, which created a high level of controversy, revolves around the question of the "heroism" of World War I ace, Billy Bishop, and more particularly the casting of doubt on his being awarded the Victoria Cross, the highest recognition of bravery awarded to members of the forces.

Although a minority of members supported stronger recommendations, the report tabled on Tuesday recommends that a detailed disclaimer be attached to the National Film Board production, "The Kid Who Couldn't Miss". There are at least four legitimate grounds for criticizing the film. I shall touch upon them briefly, because Senator Everett referred to them yesterday.

1. The historical contentiousness of the suggestion that Billy Bishop's record was substantially fraudulent.

2. The film techniques used to convey and reinforce this suggestion.

3. The existence of many errors of fact and chronology in the film and its transcript.

4. The description of the film in promotional material as a full-length documentary.

Honourable senators, my involvement in the exercise came about not because of Billy Bishop himself or the story of Billy Bishop, but primarily because of my interest in all the veterans of Canada. I have directed a great deal of attention towards protecting their rights over the years to ensure that Canada fulfils its commitment to veterans which was made to each and every one of them by the Prime Minister of the day in 1917, whether they were heroes or not.

My attention to the issue itself arose out of the efforts of our colleague, Senator Molson, a distinguished veteran, a Battle of Britain pilot and a friend of Billy Bishop. Senator Molson, in this particular case, and rightly so, set out to defend the record, the reputation and the rights of a comrade with whom he served in World War II. Coincidently, when the Subcommittee On Veterans Affairs was established and, as a result of the prominence of Senator Molson's interest, I suggested to him that the formation of the subcommittee could afford him the opportunity, if he so desired, to introduce a motion to refer this matter to that committee to examine the subject, and he

did so. I make reference to these facts to emphasize that, although it is my privilege to lead off the debate, which was interrupted yesterday, Senator Molson's initiative deserves the fullest recognition for his conscientious efforts, even though he was not a member of the committee. I commend him for those efforts, for his support, for his advice and his guidance to me as we progressed in our deliberations.

I also wish to thank Senator Tremblay for the freedom that he gave me in dealing with the subject. I also wish to give thanks to Senator Bonnell, Deputy Chairman of the committee, the members of the committee, the staff, Mr. Grant Purves who wrote the report, the two clerks of the committee, Diane Deschamps and Denis Bouffard and to Gordon Lovelace, the director of operations who was very instrumental in generating some publicity on the issue.

● (1550)

Honourable senators, as I indicated, my interest in the exercise was not because of Billy Bishop himself; my interest in the matter was because of what he did as one of the many thousands of veterans who distinguished themselves during times of war.

I want to emphasize my feelings by putting on the record the following extracts from the *Canada Gazette*, 4th Supplement, dated 10 August, 1917, page 910.

While I have indicated that my interest was not particularly in Billy Bishop, as we progressed in our deliberations I became more and more immersed in the Billy Bishop story.

The first citation I want to put on the record relates to Billy Bishop. It states:

> His Majesty the King has been graciously pleased to approve of the award of the Victoria Cross to the undermentioned officer:—
>
> Captain William Avery Bishop, D.S.O., M.C., Canadian Cavalry and Royal Flying Corps. For most conspicuous bravery, determination and skill, Captain Bishop, who had been sent out to work independently, flew first of all to an enemy aerodrome; finding no machine about, he flew on to another aerodrome about three miles south-east, which was at least twelve miles the other side of the line. Seven machines, some with their engines running, were on the ground. He attacked these from about fifty feet, and a mechanic, who was starting one of the engines, was seen to fall. One of the machines got off the ground, but at a height of sixty feet Captain Bishop fired fifteen rounds into it at very close range, and it crashed to the ground.
>
> A second machine got off the ground, into which he fired thirty rounds at 150 yards range, and it fell into a tree.
>
> Two more machines then rose from the aerodrome. One of these he engaged at the height of 1,000 feet, emptying the rest of his drum of ammunition. This machine crashed 300 yards from the aerodrome, after which Captain Bishop emptied a whole drum into the fourth hostile machine, and then flew back to his station.

[Senator Marshall.]

> Four hostile scouts were above him for about a mile of his return journey, but they would not attack.
>
> His machine was very badly shot about by machine gun fire from the ground.

I refer to this citation because it gives an indication of a recommendation made not by Billy Bishop, since he worked independently and was allowed to work independently. His commanding officer must have given the version of what happened.

Keep in mind, honourable senators, that doubt is cast in the film over this particular alleged heroic action itself. We should also remember that Bishop earned for conspicuous bravery, besides the Victoria Cross, two Distinguished Service Orders, the Military Cross, the Distinguished Flying Cross and many other foreign decorations.

It is also recorded that there were other deeds of bravery carried out by Bishop for which he did not get recognition. Did the producer question these?

So, we ask the question: Given that there is doubt of his V.C. exploit, is it fair to blot out some 70 or 60 or less victories and to destroy the authenticity of his other awards and those of thousands of other heroes to satisfy a questionable purpose for producing a film? For what purpose?

I should like to point out also that on the same page of the *Canada Gazette* of 1917 there are 15 other citations on awards for conspicuous gallantry and devotion to duty for servicemen of all ranks, and two of these are worthy of mention. One refers to a Lance Corporal H. Snape, Regimental Number 424448, Infantry. The citation states:

> For conspicuous gallantry and devotion to duty. When all his officers had become casualties, he took command of his company and showed great ability and initiative in controlling them under heavy hostile fire. He afterwards displayed the greatest courage and determination in leading bombing attacks and inflicting heavy loss on the enemy. His example to the men was splendid. He has been twice previously noted for his gallantry and distinguished conduct.

Honourable senators, are we now to cast doubt on whether or not Lance Corporal H. Snape was faking, or that his commanding officer was creating a hero because we needed heroes, as some of these expert journalists say? Are his parents or his family now going to wonder if their pride is ill-founded?

The next citation relates to Private I. F. Wismer, Regimental Number 81982, Infantry, and it states:

> For conspicuous gallantry and devotion to duty. Assisted by "another man"—

Another man!

> —he succeeded in capturing an enemy machine gun which was causing us casualties. Later, he entered a dug-out and took three officers and four other ranks prisoners.

Private Wismer was probably only 17 or 18 years of age. Honourable senators, are we now to wonder if Private Wismer,

or this "other man" whom we have never heard of and perhaps never will, did what we have been told they did! What about their heroism? Is there doubt?

What do we now tell those young Canadians about the horrors of war whom we encouraged to view Bishop and others like him as heroes? Do we tell them now to view them as not being worthy of our respect and admiration, but as cheats and pawns interested solely in their own glory? Were their awards given out by drawing lots, as one of our famous historians of Canada has said? Is this what it was all about? Is this what we were taught to believe in?

Honourable senators, unfortunately the process we follow allows the danger of fall-out, commonly known as leaks in the channels of communication from one level of a committee to another. I refer to the preparation of the report and the dealing with it by two committees.

In this case, a report was produced by the writer, Mr. Grant Purves of the Research Branch of the Library of Parliament. After I presented the report to the subcommittee, some changes were suggested. As well, three recommendations were proposed, of which only one was accepted by the subcommittee. That was the democratic right and the consensus of the committee.

In order to avoid confusion in the public's mind because of the leak which resulted in the printing of the three recommendations in a Toronto newspaper, I feel it my duty to place the three recommendations on the record. They are as follows:

1. that the film be withdrawn from circulation or

2. that the film be re-edited to eliminate its unproven allegations or

3. that a disclaimer be added or attached to its title saying that it is a docu-drama, combining reality and fiction.

I feel it should be recorded also that enthusiastic debate followed, with the consensus in favour of recommendation 3 by the subcommittee, and after similar action, by the main committee, as follows:

RECOMMENDATION

That after the titles of the film, the following disclaimer be added:

"This film is a docu-drama and combines elements of both reality and fiction. It does not pretend to be an even-handed or chronological biography of Billy Bishop.

Although a Walter Bourne did serve as Bishop's mechanic, the film director has used this character to express his own doubts and reservations about Bishop's exploits. There is no evidence that these were shared by the real Walter Bourne".

Some members felt and still feel that this recommendation does not go far enough.

Honourable senators, the other two recommendations, as I outlined earlier, did not gain acceptance by the committees. I mentioned these two because they were a reflection of the vast majority of the veterans across the country, represented by recognized organizations, as well as by many hundreds of individuals closely related to veterans. I mention two of the most prominent organizations. Honourable senators are aware that the Royal Canadian Air Force Association was very prominent because of its admiration of Billy Bishop. This is what they urged the committee to do, just to give you an idea of the feeling across the country:

1. That all prints of the film "The Kid Who Couldn't Miss" be immediately recalled by the NFB, including internegs, outcuts, rough cuts, etcetera.

2. That the above material be destroyed in order to prevent any duplication or distribution of this material, by anyone for any reason.

3. That the NFB be admonished, in the strongest terms possible, regarding the production of any material that changes or alters the records or accomplishments of any Canadian, living or dead.

Just two examples of the feelings of the comrades of Billy Bishop and the veterans across the country.

• (1600)

I would also like to refer to a resolution placed before the Dominion Command of the Royal Canadian Legion at a recent convention. It says this:

Whereas Air Marshal Billy Bishop, V.C. remains one of Canada's great heroes for his service in World War I; and

Whereas Air Marshal Bishop continued his service to Canada in special efforts in recruiting an organization, and took a vital role in the formation of the Air Cadet League and Air Cadet Squadrons in World War II; and

Whereas the National Film Board, subsidized and supported by funds supplied by the Government of Canada, has seen fit to produce a film documentary which portrays Billy Bishop as a liar, a lousy flier and an air force officer renowned for his boozing: and

Whereas the National Film Board has seen fit to give this travesty of history international circulation:

Therefore be it resolved that the Royal Canadian Legion request the Government of Canada to curtail all further provision of funds to the National Film Board until the National Film Board agrees to freeze all future usage of this abhorrent film and to withdraw it forthwith and forever from the National Film Board's library.

Honourable senators, I would like to turn now for a couple of moments to the National Film Board, the subject of our examination—and to refer to part of its mandate.

During the proceedings, the Commissioner, Mr. Macerola had this to say with repeated emphasis on the word "reality," and I quote:

As in the past, the mandate of the NFB will be to focus its programming and production on the bilingual, multicultural, multi-ethnic and regional realities of Canada.

NFB films will not only attempt to present reality . . . they will also strive to reflect on that reality.

> Throughout its history, the films of the NFB have encouraged Canadians to question their destiny and their place in the world as individuals and as a nation, in North America and in the international community.
>
> The NFB will continue to play a key role in the sustained collective effort to enrich and enliven Canadian culture.

Should we not wonder now, honourable senators, with the creation of the film "The Kid Who Couldn't Miss" as to whether it does answer any of those questions as to our destiny and our place in the nation; does it enrich and enliven Canadian culture?

Honourable senators, Mr. Cowan, the producer, makes fantastic remarks when he is interviewed. One of the ones that I have to rebut now, and this gives me the opportunity, is that he said, "The senators have heard from many military historians and veterans who agreed with the senators' view." He indicated that we had many more witnesses than they had.

Now, the reality. This is the reality: We had four witnesses: Group Captain A.J. Bauer, the Chairman of the Billy Bishop Heritage; we had Professor A.R. Kear, President of the Manitoba Branch of the RMC Club of Canada; we had Stewart K. Taylor, an historian, and we had Professor S.F. Wise, a dean of the Faculty of Graduate Studies and Research from Carleton University. I doubt whether any of these gentlemen would ever say anything that was not reality in giving evidence at the committee.

Now the National Film Board had Mr. Cowan, the director of the film; they had Mr. Macerola, the film commissioner, and they had Adam Symansky, the executive producer of the film. So we won by four to three. Isn't that terrible! And nobody ever said that we were going to call four witnesses and they were going to call three. Nobody ever said that—it just developed.

Mr. Cowan said also that they were not allowed to call witnesses. I wrote to Mr. Macerola and I also sent a letter, as a matter of courtesy, to the Acting Minister of Communications at the time. I indicated to him in the letter that they could bring witnesses, or anybody they wanted—the staff—to look on and to be present. In the conversation with Mr. Macerola he said he would like to bring around six or seven witnesses. I said, "You can bring as many as you want, but we cannot handle them all at once. I would appreciate it if we could have Mr. Cowan, or yourself, or Mr. Symansky, at first, because you are so closely related with the film." So, now Mr. Cowan says we would not let them call witnesses. This is not reality.

I might say that the National Film Board would have been wise to talk to the four witnesses that we called before us before they produced the film. They might have learned a lot more about what the facts were and about what "reality" was.

Honourable senators, I want to express another view of Billy Bishop. It is worth while to describe not only his heroism as a fighter pilot, but to put into perspective the danger that existed in his experience, which is difficult to comprehend. The best way in which I can express this experience is to refer to an editorial on Global T.V. news by Peter Trueman, who always ends up his editorial with the words, "This is reality." I put this aside. This is from November 29. It says this:

> At the old Rockcliffe Air Base, now the site of our national air museum, there is a replica of a Nieuport 17 biplane . . . From the spinner on her prop to her tail skid, she is nine feet seven inches long . . . . Her wing span is 26 feet on the upper wing and about half a foot less on the lower . . . . She is powered by a one hundred and ten horsepower Le Rhone engine, a rotary . . . Because the entire engine spins as the tiny aircraft flies, she turns easily to the right, but fights the pilot every inch of the way if he tries to turn her left . . . Her frames are of wood and metal, and the whole fragile contraption is covered by a fabric skin and glue . . . She is armed with a single Lewis gun, calibre 303 . . . Her cruising speed is one hundred and ten kilometres an hour, that is, about 70 mph . . . and flat out she'll do one hundred and sixty five kilometres an hour at sea level . . . She is not armoured, and even in World War One, bullets travelled a lot faster.

He goes on to say:

> The whole kit and caboodle, empty, weighs 825 pounds, soaking wet . . . By now you may have guessed that the Nieuport 17 in the national war museum is a replica of Billy Bishop's . . . I mean William Avery Bishop, VC, who was the top scoring Imperial ace of the First World War, credited with 72 victories . . . This flamboyant flyer was known as a crack shot, but a terrible pilot by his contemporaries . . . Now we are told in a National Film Board docu-drama called "The Kid Who Couldn't Miss," that Billy Bishop was also a liar and a cheat; that he was not the hero we thought he was—

Mr. Trueman goes on to say:

> Although I don't agree entirely with the senators who expressed their outrage to the producer in a recent committee meeting—

That was November 28.

> I have a certain sympathy for them . . . To tell you the truth, I do not really care whether Billy Bishop shot down 72 enemy aircraft or 7 . . . Anyone who got into one of those cranky cockleshells and flew over hostile trenches, is a hero in my book . . . I cannot, as a journalist, condemn someone who has done his level best to tell the truth—whether in the final analysis the producer took us closer to the truth or farther away from it . . . But it seems to me that there are more important subjects for revisionism than Billy Bishop, whose exploits, real or imagined, made a whole generation feel better about themselves as Canadians when the flower of our young manhood was rotting in the trenches . . . May he rest in peace . . .

Honourable senators, I think that comment from the journalist puts into perspective not only the matter concerning the number of planes he shot down but the conditions he had to operate under.

• (1610)

Honourable senators, in closing my remarks, I should like to refer to an editorial in the *Legion* magazine. I believe this article answers some of the questions people were asking which were not mentioned in the press when they reported our committee meetings. The article states:

> The NFB duo appeared before the subcommittee Nov. 28. The central issue was the accuracy of a statement the film attributed to Walter Bourne, Bishop's long-dead mechanic, that the WW I ace shot holes in his own plane to fake the raid that won him the Victoria Cross for downing three German planes.

The article then quotes from the transcript of our subcommittee. The following exchange took place between Senator Everett and Mr. Cowan:

> SENATOR D. D. EVERETT: And you would agree that Bourne never made those statements?
>
> COWAN: Yes.
>
> EVERETT: There were statements that were put into his mouth?
>
> COWAN: Yes.
>
> The media missed this crucial exchange. Reporters centred on the process, making the senators look like old fuddy-duddies out to censor the NFB, which none of them set out to do. Not until the new year was Cowan's tampering with fact and chronology prominently reported by any national media.
>
> Almost lost in the kerfuffle was the premise on which Cowan made the film: War heroes tend to make war seem less horrible than it is. "Heroes have that effect," he told the senators. "That is one of the reasons they were created. They are a simplification and, in general, a glorification of war. I think, when it comes to war heroes, we should look at them with a certain degree of skepticism."

The article then goes on to state:

> Macerola conceded the film contained "some errors" and was labelled a documentary though conceived, shot and produced as a docu-drama. "We at the National Film Board were sure that the public would realize that this film was a docu-drama—even if we issued a press release saying it was a documentary . . ."
>
> Misrepresentation of the film and the NFB's intransigence in redressing it are the nub of this whole affair.
>
> Pioneered and used extensively by the NFB, the docu-drama is, in layman's terms, a form of film-making that is based on truth but can employ such dramatic devices as composite characters, compression of time, altered chronology and creation of unverifiable dialogue.
>
> Macerola's descriptions were less explicit and heavy on bureaucratese:

The following are comments made by Mr. Macerola as stated in this article:

> "The documentary film is the creative interpretation of reality."
>
> "Currently—and I think this is the NFB's role at present—we're inventing new ways of describing reality. In dramas we're trying to describe new ways of defining our collective imagination."

Certainly, honourable senators, they have lots of that.

Mr. Macerola is also quoted in this article as having said:

> "The docu-drama is one of the techniques which finds its place in non-fiction film-making, while pushing the frontiers of both fictional and non-fictional form."

The article goes on to state:

> The upshot of the matter was Macerola's Nov. 28 announcement that "effective today" every print of The Kid Who Couldn't Miss was being withdrawn for insertion of a statement "that it is a docu-drama presenting a perspective on the nature of heroism and the legend of Billy Bishop."
>
> All but overlooked best describes the media reaction: Canadian Press reported the withdrawal in the 13th paragraph of a 15-paragraph story in the Ottawa Citizen; in a long account on Dec. 1, CBC Sunday Morning didn't mention it; neither did CTV in its account as late as Jan. 4, 1986.
>
> Senators also wondered when the decision was taken.

This is in connection with the decision to call it a "docu-drama," and then the article goes on to state:

> A week or two earlier, Macerola said.
>
> Just to please the committee? inquired Senator Jack Marshall.
>
> "Absolutely not," replied the commissioner. He had made a speech a year ago describing the film as a docu-drama.
>
> Why then did it take a whole year to make the change?
>
> Rattled, Macerola wandered off into an incoherent reply—

Then the following exchange appears in this article:

> Senator David Walker: . . . You have made a hell of a mess of it.
>
> Macerola: With one particular film but, nevertheless, we have produced over the last (46) years close to 4,000 films at the NFB and I do not pretend that all these films are balanced, but, within our entire collection, I am quite sure that you will find a real balance between the types of films made and between the ideas carried by these films. I do not think you can question that objectivity of the NFB based on one particular film.
>
> Reacting to Macerola's announcement about relabelling the work, film-maker Cowan interrupted the questioning to comment: "I think it is clear that to most people this is not a straight documentary. Whether we called it something else or not I think is irrelevant . . . By calling it a docu-drama, I personally am not in any way saying that

what the film says is not true. I think what you are trying to do by calling it a docu-drama is that you are somehow trying to make it less true. I do not believe that. Whether we call it a docu-drama or not does not matter to me."

You can be sure it matters to veterans, many of whom have trouble enough stomaching the existence of a film that plays fast and loose with the facts and reputation of a comrade and hero.

Finally, honourable senators, I want to say this: There have always been certain individuals who have put an imprint on their society through a particular brand of courage, an act of dedication or a feat of heroism. In ancient times, those persons became immortalized in bronze and stone statutes which preserved the features of the heroes so that we can still see them today. We may not see a statute of Billy Bishop, but can we do less, as Canadians, than preserve his memory as a hero; to protect his individual rights; and do we need, for whatever reason, to produce a film which, without evidence and using public funds, would effectively destroy a Canadian veteran's proven record?

Honourable senators, I hope my colleagues in the chamber will participate in the debate in the coming days to the end that we, as the upper chamber in the Parliament of Canada, can do justice to a great Canadian.

Hon. Senators: Hear, hear.

On motion of Senator Le Moyne, debate adjourned.

REGULATIONS AND OTHER STATUTORY INSTRUMENTS

FIFTH REPORT OF COMMITTEE—DEBATE CONTINUED

On the Order:

Resuming the debate on the motion of the Honourable Senator Nurgitz, seconded by the Honourable Senator Murray, for the adoption of the Fifth Report of the Standing Joint Committee on Regulations and other Statutory Instruments (Statutory Instruments No. 32), presented in the Senate on 20th March, 1986.—(*Honourable Senator Nurgitz*).

Hon. Nathan Nurgitz: Honourable senators, since I have some concern about next week, I should like to place on the record a few comments in response to the remarks made by the Deputy Leader of the Opposition. I have discussed this with him, and he has asked that I proceed in this matter and conclude by, perhaps, moving the adjournment in my own name. He will then have an opportunity to read my comments and, if necessary, respond next week before adoption of the report.

First, I should like to thank Senator Frith for giving me notice prior to making his comments—which I agree are valid points—on April 15. Senator Frith raised three questions, the first being: Does the joint committee need to travel to Australia to obtain information on the powers, authorities and activities of the Australian Standing Committee on Regulations and Ordinances?

[Senator Marshall.]

• (1620)

The second question he raised is: Why can this information not be obtained simply by a reading of documents? The third question raised the matter of costs and these costs being considered by the Standing Committee on Internal Economy, Budgets and Administration in accord with the spirit of the Seventh Report of the Standing Committee on Standing Rules and Orders.

I should like to mention that joint committees fall outside the purview of the proposed amendments presented by Senator Molgat. In any event, certainly we all agree that we should attempt to abide by the spirit of those rules in any of the committees.

Briefly, with respect to costs, I should like to indicate that the funds required by the committee in this respect have been detailed in the joint committee's budget for the 1986-87 fiscal year. That budget, if it has not yet been presented, is about to be presented to the Standing Committee on Internal Economy, Budgets and Administration in the usual manner, so that senators will have the opportunity to examine what those proposed costs are. I should mention that what is presented is the budget of the entire committee, with the Senate's portion being 30 per cent, which is, as I understand it, the usual case for all joint committees.

Dealing briefly with the first two questions raised by Senator Frith, the necessity of travel and whether the same information could not be obtained otherwise, I should like to clarify the purpose of this trip. Senator Frith, in his remarks, referred to "the committee" travelling to Australia. The committee consists of 20 members of both houses, and that is not the intent. The intent is that three members of the committee would be going. In the meantime, it is proposed that the two joint chairmen, the one deputy chairman—which would mean two members of the House of Commons and one senator—as well as the two legal counsel to the committee will be travelling. I say this to indicate that the committee was mindful and conscious of the need for economy and restraint. We do have to remember, however, that, this being a joint committee of the Senate and the House of Commons, a venture such as the proposed one will necessarily have to involve dual representation.

Senator Frith is also apparently under the impression that this delegation from the joint committee is undertaking this trip in order to obtain information on the powers, authority and activities of the Commonwealth Senate Standing Committee on Regulations and Ordinances. This is not quite the case. Our committee was invited by the chairman of the Committee of Subordinate Legislation of the Legislative Assembly of the State of Queensland to send official observers to the First Conference of Australian Subordinate Legislation Committees, to be held in Brisbane in the first week of June. It is expected that representatives of the eight Australian committees on delegated legislation will attend as delegates, while other Commonwealth jurisdictions, such as the United Kingdom, will also send official observers. The agenda of this conference will, of course, be primarily determined by refer-

ence to the problems which Australian scrutiny committees encounter in the discharge of their mandates. I fully expect, however, that the discussions held at the conference will encompass matters of interest to all committees engaged in the overview of delegated legislation.

The attendance of members of the Canadian committee at the Brisbane conference is part of a process of sustained communications and closer co-operation between the scrutiny committees of Commonwealth countries that was started at the beginning of this decade. The holding of the Second Commonwealth Conference on Delegated Legislation in Ottawa in the spring of 1983, following the First Conference held in Canberra in 1980, was a direct result of the need felt by those engaged in the often thankless task of holding the government accountable for the subordinate laws it makes and for maintaining parliamentary supremacy, to define a common approach to common difficulties. Periodical personal contacts are not only helpful to members but also give us an opportunity to meet and discuss particular problems on which we can seek the advice and counsel of our counterparts in other jurisdictions.

The benefits that accrue from these meetings are somewhat intangible; nevertheless, I suggest they are real. In Brisbane, we are to hear from the Acting Chief H. Justice of that jurisdiction. We will also have occasion to hold discussions with Professor Denis Pearce, who has a worldwide reputation in this field. As well, we will be given an opportunity to meet with the Solicitor General and the chairman of the Law Reform Commission. When all is said and done, what one gets out of such meetings and conferences is what one puts into them. Senators will know that there have recently been important developments in this country in terms of parliamentary control of delegated legislation and regulatory reform in general. We hope to use our presence in Brisbane to discuss these developments with our Commonwealth colleagues. This will assist us in gaining a perspective on the work of the joint committee and the direction it should take. The joint committee has recently decided to prepare a general report on the topic of regulation-making to Parliament, and I believe discussion with close Commonwealth colleagues who have a great deal of experience to offer can only be of benefit to us in terms of ideas and possible solutions.

Honourable senators, with those brief comments, I should like to adjourn the debate in my name for further consideration upon the return to the chamber of Senator Frith.

On motion of Senator Nurgitz, debate adjourned.

LIBYA

UNITED STATES AIR STRIKE—CONSULTATIONS BETWEEN CANADA AND UNITED STATES AND BETWEEN CANADA AND WESTERN ALLIES—DELAYED ANSWER

Leave having been given to revert to Delayed Answers to Questions:

Hon. Duff Roblin (Leader of the Government): Honourable senators, before we adjourn, I would like to give a delayed answer to my honourable friend, the Leader of the Opposition, dealing with some of the points he raised the other day regarding Libya.

The Leader of the Opposition asked a number of questions arising out of recent events in Libya, some of which I have already answered. I would like to sum up, if I may, the thrust of his questions.

My honourable friend asked for the name of the American official who came to Ottawa on Monday to speak to the government. He also asked who received this official; whether President Reagan personally advised the Prime Minister about the United States' intentions; if so, when did the President do so, and whether the Prime Minister spoke to other countries about the issue.

The Leader of the Opposition went on to ask about the nature of the consultations, whether they were "real" or merely a communication; about the nature of the evidence linking the Khadafy regime to terrorist actions, who presented it and to whom it was presented; whether the cabinet "saw" evidence from the American official that convinced us, and what that evidence was. He also asked for details about the nature of our consultations with other allies, when we consulted and so forth, and then asked when did the United States first tell Canada it would strike.

Let me try to deal with some of these questions. First, on a point of detail as to who received the United States' official last Monday, it was the Deputy Prime Minister who said in the other place on Tuesday that he received that official.

Speaking more generally, I would like to repeat what the government has been saying about recent events concerning Libya. The government's primary consideration throughout has been for the safety of the 1,300 Canadians in that country. Our actions, our consultations with the United States, with our allies and in our own councils, have been concentrated on this vital question; but our consultations have not been limited to that subject.

• (1630)

Second, I want to emphasize that our consultations with the United States, and with our other allies, have been close and continuing, as honourable senators would expect. The safety of the Canadian community in Libya has been an important consideration. Broad consultations are continuing today and will go on into the time immediately ahead.

The government has made a deliberate and conscious effort to avoid saying anything which could in any way jeopardize Canadians in Libya. The precise details of our consultations, where, when, with whom, et cetera, are obviously of a highly privileged nature. They include, among other things, sharing information pertinent to the safety of various foreign communities in Libya, and I am, for obvious reasons, not prepared to reveal these discussions. The Leader of the Opposition will know very well that it is not the practice of governments to do so.

I would also caution honourable senators from attaching particular importance to any one official—who he was and

what he said. The American official's visit on Monday was simply one of a large number of contacts. I have given the general nature of our consultations, and I am not prepared to say any more.

I have already answered the questions concerning the evidence of Libyan complicity. In short, the government has already said that it received the evidence and accepted it. The nature of the evidence, how we received it and when, is also of the sort of secret intelligence which, by longstanding practice, is not discussed publicly. I simply record, however, that Chancellor Kohl of the Federal Republic of Germany, is in possession of independent evidence of his own, and is reported to have said that he regards the evidence of Libyan complicity in the Berlin disco attack as conclusive.

Questions have also been asked about what the Prime Minister meant about "the root political problems" giving rise to terrorism. There is no short answer to what is a vastly complex web of issues with political, emotional, religious and psychological bases. One of the elements, as I have said, is the Arab-Israeli dispute, but I emphasize that it is only one element.

I can report, however, that in preparation for the Tokyo Summit, which will take place in a couple of weeks time, the Secretary of State for External Affairs is framing Canada's views on this whole question, and they will be discussed as a very important political and general problem with respect to those matters that give rise to terrorism. This will be discussed with the other six countries at the Tokyo Summit. So we shall have, we hope, some progress in dealing with the general atmosphere in which terrorism breeds.

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I have listened carefully to the answers which the Leader of the Government has given, and while he was very precise in stating the questions, I must say that the answers were not very precise with respect to some of the questions. At least, that is my impression. I would like to read them in the record and come back to the matter at the next sitting. I did ask the question: Who was the person who came from Washington? I do not know why the Leader of the Government will not tell me. I found out myself this morning. His name is Ty Cobb.

Hon. Charles McElman: The Ty Cobb?

Senator MacEachen: He is a staff member of the National Security Council. I just wondered why the Leader of the Government would not tell me that. Is there any reason? Does he not like baseball?

Senator Roblin: That is a difficult question to answer with precision. All I can say is that the policy of the government, as expressed to me, is that that name would not be given by us, although undoubtedly it has been given by others.

Senator MacEachen: The Leader of the Government intrigues me. Why would it not be given by the Canadian government? After all, he was received by the Deputy Prime Minister. Why should we conceal his identity? I am baffled—that's all. I will come back to the subject, because I think it is really odd that an emissary is sent from Washington to Canada and we cannot be told who he is because of reasons of policy, although the emissary has gone all over Europe and it has been all over the press. I cannot understand it. Would the Leader of the Government try to find out if there is any reason why this is so? Is it because we do not want to admit that other countries were visited by a plenipotentiary and we were visited by a staff official of the National Security Council? Is that the reason? I do not know.

That is a separate question: Why, for example, did the United States delegate to the UN go to Europe and a staff official come to Ottawa? But I will not make much of that. I am concerned about the secrecy and whether there is any reason for it. I have never heard a Prime Minister, or a minister, say that you could not tell whom ministers met with from another country. We even tell if we meet with the PLO. That evidence has been put on the record.

Senator Roblin: I am not going to be able to satisfy my honourable friend this afternoon, that's clear.

Senator MacEachen: I want to thank the Leader of the Government for making this effort, and I assure him that I will examine the answers; and if they appear better in print than they do from the voice, then I will not pursue the matter. But I am afraid that I will have to come back to it, because I just cannot understand the secrecy. For example, did the President and the Prime Minister talk about this? If the answer is yes, when did they talk about it? I received no answer to that. That is a reasonable question, I think. We are in an open, democratic society. I have never heard of any difficulty about saying "Yes, the Prime Minister did speak to the President," or "He didn't."

Senator Roblin: I have already answered that one. I said that he hadn't. Look at my previous answer.

Senator MacEachen: But I have asked whether the President and the Prime Minister had spoken following the decision of the United States government to undertake the strike. That is the precise question. I know they have been speaking. I did not need to ask that. I can find that out on television. But, as I say, I will conclude by assuring the Leader of the Government that I want to come back to these questions on Tuesday after I have read the answers; and if I am not mistaken in my instantaneous impression, then I will pursue the matter.

Senator Olson: Is there a new policy of secrecy for no reason?

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, if we have finished for now, I move that the Senate do now adjourn.

The Senate adjourned until Tuesday, April 22, 1986, at 2 p.m.

THE SENATE

Tuesday, April 22, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

COMMONWEALTH OF AUSTRALIA

THE LATE SENATOR ALAN MISSEN—TRIBUTE

Hon. John M. Godfrey: Honourable senators, news of the death on March 29 of a senator of the Commonwealth of Australia, Alan Missen, reached me on Friday. I rise to pay him tribute.

Honourable senators may well ask: What had this Australian senator to do with us? The answer, honourable senators, is that he had much to do with the successful establishment of the review of delegated legislation in this Parliament and throughout the Commonwealth. It is fitting that he be remembered here.

Senator Missen was one of a long line of forceful, independent chairmen of the Australian Senate's Regulations and Ordinances Committee, the counterpart of our Joint Committee on Regulations and other Statutory Instruments. He was a member of the committee from 1974, and chairman in the years 1978 to 1980. The Australian Senate, armed with a statutory power of disallowance over delegated legislation, is the most effective chamber in the Commonwealth in preventing executive abuse of delegated powers. Together, the Australian Senate and its committee are Commonwealth pathfinders in the parliamentary control of executive actions under delegated authority. Senator Missen should be remembered here primarily for his personal contribution to the establishing of effective parliamentary scrutiny of delegated legislation in this Parliament, and for his bringing together of all those involved in this critical, though unsung, task throughout the Commonwealth. It was in his role as a Commonwealth elder statesman that I first met Senator Missen and thereby came to appreciate the signal contribution he had already made to Canada, quietly and generously. I learned much from him and I admired his independence of mind.

A Liberal senator from the State of Victoria, Alan Missen stood on the progressive wing of his party and never hesitated to vote against it when he considered it to be wrong.

In the late 1970s, the idea was floated that the parliamentary committees set up to scrutinize delegated legislation from around the Commonwealth should get together to share their experience, to pool their knowledge, and, just as importantly, to encourage the establishment of parliamentary scrutiny where it did not exist. Senator Missen took this idea up enthusiastically and put on the brilliantly conceived and managed First Commonwealth Conference on Delegated Legislation in Canberra in October 1980. It was an outstanding occasion.

Out of this conference grew the Commonwealth Delegated Legislation Committee, a secretariat, and the Commonwealth Delegated Legislation Bulletin. Senator Missen secured the funds to set up and maintain the secretariat and to publish the bulletin, thus ensuring that the impetus of the Canberra Conference was not lost and that its benefits were not wasted. Today, scrutiny committees in all Commonwealth jurisdictions are kept up to date with the abuses of executive power uncovered throughout the Commonwealth, and with the principles used by scrutiny committees to expose and correct those abuses. Even the failures reported in the bulletin are instructive as revealing the pitfalls to be avoided by others.

The energy flowing from the First Commonwealth Conference was channelled by Senator Missen as Chairman of the Commonwealth Delegated Legislation Committee and led to a second conference being held in this chamber in April 1983. Representatives of more jurisdictions attended and the event was a signal success. Again, Senator Missen played a leading role.

• (1400)

A further contribution of this outstanding man should be noted, honourable senators. He was very much involved in setting up the Australian Senate's Scrutiny of Bills Committee whose task is to spy out and alert the appropriate Senate committee to oppressive and unjust provisions and dangerously drawn enabling powers in bills before the Australian Senate.

The powers of this Australian Senate committee were the inspiration for my own motions to endow our own Joint Committee on Regulations and other Statutory Instruments with some of these powers. As senators will remember, after some years of fruitless effort, I was able to get the approval of the Senate for these in February last year, and I am hopeful that the House of Commons will soon concur.

Recently, the House of Commons adopted rule changes that will greatly increase the powers of the Joint Committee on Regulations and other Statutory Instruments with respect to disallowance of regulations. These together with my motions when they are concurred in will be Senator Missen's memorial amongst us.

Hon. Senators: Hear, hear.

RULES OF THE SENATE

DISTRIBUTION OF REVISED EDITION

Hon. Gildas L. Molgat: Honourable senators, I would like to draw your attention to the new rules of the Senate copies of

which have been sent to all of you in your offices. You will have received a memo from me, the chairman of the committee, with your copy of the rules.

In your desks here in the chamber your copies of the rules have also been changed and are now up to date and no further changes will be required.

While I am on my feet, I want to point out a number of changes that are not in the rules themselves, but in the printing. You will note in the *Rules of the Senate* every page now bears the date, the month, and the year, so that in future it will be much easier to ensure that corrections are made and are kept up to date. Henceforth the changes will be printed and sent out as pages rather than as whole sections.

In addition, we have been able at this time to include in the volume the forms and proceedings which have not been available since the last bound volume of the *Rules of the Senate*. So these are now complete.

I might add that this has all been done in-house under the changes that have been set up within the Senate. The printing was all done internally at a saving of some $7,000 to $8,000 compared with past procedures. I am also informed that this new printing structure now permits us to print reports of committees in-house, and henceforth there should be a substantial saving on those, plus, of course, for any future changes in rules where there will be no additional printing cost except the cost of paper.

Hon. Senators: Hear, hear.

● (1405)

BORROWING AUTHORITY BILL, 1986-87

REPORT OF COMMITTEE

Hon. C. William Doody (Deputy Leader of the Government), for Hon. Fernand-E. Leblanc, Chairman of the Standing Senate Committee on National Finance, presented the following report:

Tuesday, April 22, 1986

The Standing Senate Committee on National Finance has the honour to present its

FIFTEENTH REPORT

Your Committee, to which was referred Bill C-99, intituled: "An Act to provide borrowing authority", has, in obedience to the Order of Reference of Thursday, April 17, 1986, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

FERNAND-E. LEBLANC
Chairman

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

On motion of Senator Doody, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

QUESTION PERIOD

[*English*]

LIBYA

SAFETY OF CANADIAN NATIONALS—GOVERNMENT POSITION

Hon. Philippe Deane Gigantès: Honourable senators, last Thursday I asked the Leader of the Government in the Senate whether the Canadian government could relay the following message to Canadians in Libya:

> You are in danger . . . You have duties to your families and we will not be able to rescue you if anything goes wrong. So don't stay there.

The Leader of the Government then stated:

> But to tell me now that we should tell Canadians in Libya that they are on their own, that we will never help them,—

—which is not what I had said—

> —that we cannot help them if things turn worse—which they have not done so far—seems to me to be curious advice indeed to offer.

Honourable senators, we now see that the Right Honourable Joe Clark, the Secretary of State for External Affairs, has actually told Canadians that it might be difficult to help them and that they should profit from this period of calm to get out.

I now ask the Leader of the Government whether I have him to thank for passing on the suggestion I made or whether the Secretary of State for External Affairs thought of it on his own without any help from the Leader of the Government.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I do not disclose comments that transpired between myself and other members of the cabinet.

FOREIGN AFFAIRS

AFGHANISTAN—SOVIET ARMY DEFECTORS—GOVERNMENT POLICY

Hon. Philippe Deane Gigantès: Honourable senators, in October 1984 we were faced with the question of six deserters from the Soviet army who were prisoners of the freedom fighters in Afghanistan. Several of us raised the issue in this house. We asked that the government do whatever was possible, on humanitarian grounds, to get those defectors out. We were assured that the government would do its very best.

● (1410)

We are now faced with stories in the newspapers indicating that, instead of doing its very best, the government allowed a fight among public servants in two different government

departments to turn this into an international fiasco which is endangering Canada's reputation as a country of shelter for those who need it.

Will the Leader of the Government tell me whether this situation is going to be corrected or whether we will continue to endanger Canada's reputation as a country of refuge?

Hon. Duff Roblin (Leader of the Government): I do not really share my honourable friend's view that our reputation as a hospitable place for refugees to come is endangered by what has transpired, although I cannot say that anyone is pleased about the lapse of time that has intervened. I can explain to my honourable friend that the prisoners are being held by the Afghanistan resistance inside Afghanistan and beyond the Pakistan border. Therefore, one can see that it is not practical nor, indeed, sensible for our officials to visit these people, because they cannot legally travel through Afghanistan for that purpose. At the same time, the people who are holding them in Afghanistan have refused to allow them to cross the border into Pakistan so that we can talk to them.

If there is any way in which appropriate contact can be established, the government is willing to do everything it can to ensure that they can come to this country if they want to, and that includes the varying of any regulations which may have to be put to one side in order to bring that about.

Further than that, we are trying to find some method through the use of non-governmental authorities—and I have heard the United Nations mentioned, although I cannot vouch for that at the present time—to help them. We would like to make contact with these men, and if they wish to come to this country, to make that possible.

CANADA-UNITED STATES RELATIONS

BILATERAL TRADE NEGOTIATIONS—GOVERNMENT POLICY

Hon. Philippe Deane Gigantès: I thank the Leader of the Government for his generous statement. I have one more question. Today, an editorial in the *New York Times* urged the U.S. Senate committee to vote in favour of the free trade negotiations so as not to lose, for the United States, the vast reservoir of Canada's natural resources. Could someone inform the Americans that we are other than hewers of wood and drawers of water?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I am sure that they are aware of that fact. But I am also sure that we very much value the market provided in the United States for our natural resource commodity producers, particularly of timber, ores of various kinds, fish and other products. We are anxious to see that the possibility of expanded trade between our two countries is not overlooked in the present brouhaha.

PRINCE EDWARD ISLAND

THE ECONOMY—GOVERNMENT ASSISTANCE

Hon. M. Lorne Bonnell: Honourable senators, I just want to say a few words to the Leader of the Government in the Senate and to ask him a question. First, respecting his best efforts and my best efforts on behalf of the potato growers of Prince Edward Island, I guess our efforts were too little, too late. We should have done this last December. If he had been able to persuade his Minister of Agriculture to act on our first request rather than on our last, I am quite sure that the people of Prince Edward Island would have appreciated it more. I also hope that the same thing does not happen in the case of the sugar-beet industry of Alberta, and by that I mean that too little will be offered too late.

Honourable senators, apparently the people of Prince Edward Island did not believe that the contract between the Government of Canada and Litton Industries was signed, and that was because I could not get the information out of the government leader. I could not get him to say "yes". Prince Edward Islanders looked all through the budget for an indication of financial assistance and they could not find any money set aside for that purpose. They must have come to the conclusion that the Minister of Supply and Services from Halifax was just talking—and this only a few days before a very important day—so they put no faith in him.

Could the Leader of the Government in the Senate advise me today whether the Government of Canada has signed that contract to have the Litton company come to Prince Edward Island?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I guess I should have taken notice of my honourable friend's wise political advice in respect of potatoes, because, obviously, although he may modestly decline any credit for the vote in Prince Edward Island, certainly I cannot take any credit for it either. There is nothing further that I can say about the substance of his question at the present time.

Senator Bonnell: Would the Leader of the Government take the next 24 hours to see if he can find a contract, signed or unsigned, with Litton; and, if it is signed, he can just say, "Yes, it is signed," and, if it is not signed, he can say, "No, it is not signed yet," so that we can tell the people in Prince Edward Island, once and for all, whether or not this was a hoax?

Senator Roblin: I would advise my honourable friend not to push me on this, because I am anxious to get it signed.

Senator Bonnell: If he is anxious to get it signed, then we understand that it is not signed yet.

TRANSPORT

CN SHOPS—MONCTON LAYOFFS

Hon. M. Lorne Bonnell: My third question is as follows: Today is a very important day in the history of Ottawa and Atlantic Canada, because an important group of Canadians representing the SOS Group from Moncton are in Ottawa. "SOS" means "Save Our Shops", in case honourable senators want to know. Apparently they are here because 225 people are being laid off in the city of Moncton and eight are being laid off in the province of Prince Edward Island.

The Minister of Transport assured Moncton that no drastic layoffs would be made; yet, apparently they have already lost 100 employees. Will the Leader of the Government bring the concerns of this SOS Group to the attention of the Minister of Transport, and get word back from him that no layoffs will occur in the shops in Moncton? Perhaps the Leader of the Government can get it in writing so that they can show it to him to his face in the future rather than just by word of mouth.

Hon. Duff Roblin (Leader of the Government): The Minister of Transport's statement carries currency with me, at any rate, and I expect that his observations will prove to be the actual statement of fact. But I have no objection to asking him, in order to satisfy my honourable friend's inquiry.

Senator Bonnell: Honourable senators, I agree with the Leader of the Government. I have great respect for the Minister of Transport, because I think he is one of the better ministers in the cabinet. He is one of the most jovial, most wonderful fellows to meet, and I would almost feel like voting for him as Prime Minister—but he is not the Prime Minister. He said—and I wish to take his word for it—that there would be no massive layoffs. But in Moncton 100 people is a massive layoff. In Toronto or Montreal it might not be massive, but in Moncton it is. The situation is serious. In Charlottetown it would be terribly serious. Therefore I suspect that he must have made a mistake in his promise, or else he did not understand that in Moncton the layoff of 100 people—or 225 people in Atlantic Canada—is massive. So perhaps we should get him the dictionary and tell him that in Atlantic Canada a reduction of 225 jobs in the shops represents a massive layoff.

Senator Roblin: Well, I think my honourable friend is almost as jovial and likeable as the Minister of Transport—I would say that he is. I have to thank him for asking the question twice, and I give him the same answer as I gave him the first time.

Senator Bonnell: Thank you!

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have three delayed answers.

ENERGY

REDUCTION IN GASOLINE PRICES

Hon. Duff Roblin (Leader of the Government): Honourable senators, the following reply is in response to a question raised in the Senate on March 13, 1986, by the Honourable Senator Argue, regarding energy and the reduction in gasoline prices.

(*The answer follows:*)

On March 12, the Minister of Energy made reference to an eleven cents per litre decrease in the price of gasoline in Victoria, B.C. during a price war. That price war has subsequently ended and prices in that centre have increased.

The Canadian major-centre average price for regular-leaded gasoline at self-serve outlets at April 18, 1986, was 43.3 cents per litre, which reflects a reduction of 9.3 cents per litre since January 3, 1986.

THE ECONOMY

INTEREST RATES

Hon. Duff Roblin (Leader of the Government): Honourable senators, a question was raised in the Senate on March 20, 1986, by Senator Murray regarding mortages and the effect of the bank rate and interest rates.

(*The answer follows:*)

At present, mortgage rates are from 2.75 per cent to 3.25 per cent lower than their levels on election day. On September 4, 1984, the one-year mortgage rate at most of the major chartered banks was 13.25 per cent, while the three- and five-year mortgage rates were 14 per cent and 14.25 per cent, respectively. Today, one-year mortgage rates are 10.50 per cent, with the longer-term rates at 11.00 per cent.

The monthly payment on a typical $50,000 mortgage loan amortized over a 25-year period with a one-year term to maturity in September 1984 was $560 compared to $464 today; it was $587 on a mortgage with a three-year term to maturity compared to $481 today; and it was $596 on a mortgage with a five-year term to maturity compared to $481 today. Therefore, the reduction in mortgage rates since September 1984 translates into considerable savings for mortgage borrowers. On the one-year term mortgage the annual saving for a mortgage borrower is $1,152. For a mortgage borrower who negotiates a $50,000 mortgage loan amortized over a 25-year period with a five-year term to maturity, the annual saving is $1,380.

After remaining relatively stable during the last half of 1985, mortgage rates moved upwards in the first two months of this year but have subsequently declined. One-year mortgage rates rose by 2 percentage points through January and February, which closely paralleled the 2.2 per cent increase in the bank rate during that period. In the same period, five-year mortgage rates increased by only one half of one per cent. Since the budget, one-year mortgage rates have fallen by 1.25 per cent while five-year mortgage rates have declined by one per cent. Long-term mortgage rates are at their lowest levels since 1979.

ENERGY

OIL PRICING

Hon. Duff Roblin (Leader of the Government): Honourable senators, a question was raised in the Senate on March 25, 1986, by Senator Argue as to why refineries in Canada are selling gasoline for export to the U.S. at prices lower than those charged to Canadian gas stations.

(*The answer follows:*)

Products routinely flow in both directions across the Canada-U.S. border. Exports of Canadian gasoline to the U.S. are normal movements in the free-market environment which the Western Accord helped create.

In volatile markets, product flows generally increase as entrepreneurs seize opportunities on either side of the border.

The import of cheap gasoline from the U.S., largely by independents, is exerting additional downward pressure at the retail level, which benefits millions of Canadian consumers.

REQUEST FOR ANSWERS

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, may I ask the Leader of the Government whether he has any further answers for me on the question of Libya, particularly the questions which have not yet been dealt with? May I ask when I may expect an answer?

Hon. Duff Roblin (Leader of the Government): My statement on Thursday represented a full statement of the government's position with respect to the questions my honourable friend has asked.

Senator MacEachen: In that event, I will return to the issue tomorrow.

Senator Roblin: I will be expecting my honourable friend.

● (1420)

NATIONAL FILM BOARD

CONSIDERATION OF REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON FILM ENTITLED: "THE KID WHO COULDN'T MISS"—DEBATE CONTINUED

On the Order:

Resuming the debate on the consideration of the Eighth Report of the Standing Senate Committee on Social Affairs, Science and Technology, entitled: Production and Distribution of the National Film Board Production "The Kid Who Couldn't Miss", tabled in the Senate on 15th April, 1986—(*Honourable Senator Le Moyne*).

Hon. Jean Le Moyne: Honourable senators, I do not intend to review the hearings held by the Subcommittee on Veterans Affairs, chaired by Senator Jack Marshall, concerning "The Kid Who Couldn't Miss", a film of the National Film Board on Billy Bishop, the great Canadian ace of the first world war. Neither do I wish to revert to the discussions which led to the currently debated report on said film of the Standing Senate Committee on Social Affairs, Science and Technology, chaired by Senator Arthur Tremblay. My distinguished colleagues, Senator Everett and Senator Marshall, covered the whole matter in a most thorough, convincing and moving manner. My sharing of their feelings and of their reasoning is accompanied by such a surge of adrenalin that it is extremely hard for me not to follow them all the way and embrace their conclusions. This implies more than a little sober second thought. Indeed, I had to have recourse again and again to some highly sobering and imperative reminders. It should be clear that I am not hinting at a defence of the film in question or of the National Film Board itself as collective producer of "The Kid Who Couldn't Miss." The body of the report is strongly and justifiably critical, and I endorse it without any qualms. The single recommendation I make equally mine, adding in my mind as a personal footnote, that it goes as far as it can. So, I will just try to deal with a principle, a principle which is, in my view, an insuperable obstacle to the recommendations advocated by Senator Everett and Senator Marshall, but set aside by the report, and wisely so, I dare say.

[*Translation*]

My two colleagues have expressed what my feelings have been ever since I attended the screening of "The Kid Who Couldn't Miss". The less than flattering report submitted by the committee, on which I had the honour to sit, accurately reflects my thoughts on the film. Honourable senators, I am torn. However, I will not bore you with the details of my mental anguish, and I will let you know my conclusions without further ado, and they are that we must respect and safeguard the independence of the National Film board, however disagreeable that may be to us, in the circumstances. We cannot censure the board by ordering it to withdraw or modify or remake a film we dislike so heartily. We cannot censure the board by trying to make it adhere to our standards and ideals, however constricting they may seem and no matter how outraged we may be to see those standards and ideals ignored.

Canada did something bold and original when it established a number of cultural agencies that were given mandates that were as clearcut as they could be, considering the need for tremendous flexibility in dealing with that vast and diverse area we call culture. By the way, the definition of literature given by that great French critic, Charles du Bos, could also apply to culture: "Life becoming aware of itself within the bounds of formal expression". A tall order, but that is what the State has asked these agencies to do, each in their own way.

The agencies in question: the Canadian Broadcasting Corporation, the Canada Council, the National Film Board and others, have been given, through their constitutions or charters, a high degree of autonomy, while remaining accountable to Parliament or to a responsible minister. They are supposed to serve the national interest, but they have a very broad field of action where they are entirely free to take the initiative and exercise their jurisdiction, each according to its mission and mandate.

There are two factors that should be considered here. First of all, these agencies cannot be treated as being other than mature. In other words, they are responsible and are expected to act accordingly. However, we also expect them to be inventive and unpredictable and even disconcerting. After all, they do have a mandate for creativity.

Second, these agencies were established some years ago, at a given time and phase in the attitudes of our society, but time goes on, and they are operating in our community as it is today. They are working within the present context, a context that is new and almost totally different from the environment that saw their birth. They are immersed in an ambience saturated with new concepts. By their very nature, our agencies are always in the extreme avant-garde.

This position in literature, the visual arts, and information, is generally not one that is familiar to political and military authorities or to the average parliamentarian. We must therefore be careful. With due respect, and without wishing to denigrate our prerogatives, we are far from being experts, especially in this day and age, which, although it has preserved many age-old and ancient values, has also managed to transform them in some way or another and create new ones, which may often shock the older generation to which we belong. We must be careful, because within our cultural agencies we have writers, playwrights, painters, filmmakers and journalists, the peers of their avant-garde counterparts in the private sector, who manage to scandalize a lot of old fogies. In fact, the guilty parties in these situations are very often interchangeable!

We must be careful, because in view of the role they have to play, our agencies cannot help but hire people who work autonomously and freely in the disciplines they have chosen. Freedom is capable of respect, but its inclination to irreverence does not necessarily mean it should be censured. We cannot seriously expect the public servants and freelance workers in our agencies to behave like good little girls and boys. We cannot order them to avoid offending the susceptibilities of old age, capital, the masses, religion, finance, the army, or unions. In fact, we expect them to demonstrate their vitality by challenging the status quo. One does not need the tools of a burglar or the instruments of a surgeon: all one needs is a fresh perspective.

[*English*]

So, honourable senators, in establishing its cultural agencies the government was taking quite a risk, the very risk inherent to the freedom of those institutions. Of course, a line had to be drawn between what was to be held as acceptable and what had to be deemed inadmissible. But, as I have already hinted, it could never be a neat and fixed line. Reality always fluctuates and is partly Everyman's representation at any moment of history. Again, let us beware, for the line never stands very long in relation to given co-ordinates.

Allow me a fantasy in analogy: The Standing Senate Committee on Social Affairs, Science and Technology is travelling in France a hundred and twenty years ago. Incensed by a canvas of a bursar of the Canada Council of Arts named Paul Cézanne, its members manage to bar him from the Salon officiel. In 1896, the same committee tries to stop the play *Ubu roi*, by the surrealist Alfred Jarry because of its outrageous vulgarity. Then it will wait until 1960 to lift the ban on *Lady Chatterley's Lover*, a dirty novel written in kinky ink by one D.H. Lawrence, meanwhile fulminating against Picasso, Schoenberg, Webern and Mondrian. The committee would not feel very good, considering the subsequent and quick judgments of history on these enemies of decency.

I do not mean by this little flight of fancy that our cultural agencies are bursting with geniuses whom we are too dumb to discern. No. What I mean is that one should not be too quick to condemn and censure. On sober second examination, our imaginary committee could have discovered much more than met at first the sincere eye or the most sensitive ear—much more, that is a lot of masterpieces. In the domain of ordinary artistic, literary and cinematographic fare, the real committee very wisely contented itself with criticism without censure. And, during the Péquiste episode, the government held its peace in the case of Radio-Canada despite almost unbearable itchings. Indeed, the idea of a sort of lockout was in the air. Patience, according to the British gospel, happily prevailed, and so did Canada.

• (1430)

"The Kid Who Couldn't Miss" was not made by a solid old geezer, but by a high-strung young man whose philosophy of war is rather short, whose perception of heroes and their function in the stuff of society is negative, and whose debunking propensities are, so to speak, unchecked. It happens, honourable senators, that the mentality thus expressed is prevalent among the young generations with many, many other outlooks and trends of the most deplorable kind, according to more than a few orthodoxies. Mr. Cowan is part of that context of modernity which can often be so unsettling, and so is the National Film Board. Such debunking as that so rashly attempted in "The Kid Who Couldn't Miss" is peanuts compared to what one can witness in any serious contemporary work of exegesis. Nevertheless, debunking, which is a form or a result of criticism, is one of the main characteristics of the age and one of its most valuable contributions to the evolution of humanity. I rejoice in criticism because of the resulting advancement of science, because of the deepening of psychological awareness, and above all because of the ongoing purification of theologal faith, so long encumbered by layer upon layer of anthropomorphism.

However painful justified or unjustified debunking might be, it cannot be limited or stopped by order of Parliament or of the judiciary, or by established censure. In instances similar and analogous to the one deferred to us, censorship is just like slashing air. I would rather tilt at windmills like Don Quixote: It's a lot more fun! But unjustified and self-serving debunking might be corrected and compensated by real criticism, of which the report of our Social Affairs Committee on the Bishop film is a worthy example. I find it devastating and, inasmuch as it does not go beyond the single recommendation, I rejoice in it. But one could ask with understandable irritation: When is the state allowed to impose its will on its cultural agencies? In money matters, of course, but those are barely relevant here. Aside from high treason, manifest criminal activities, and violation of the Charter of Rights and Freedoms, I see nothing to warrant intervention.

Honourable senators, whether we like it or not, there is a hole in Bishop's story as an air force ace. In the admirable

succession of the established details of his service over there, one encounters a solution of continuity. None of the witnesses we heard could deny it: the famous solo raid which gained him the Victoria Cross cannot be substantiated, historically proved, scientifically established. Great was my dismay when finally I had to admit the damned and damning hole could not be plugged with any concrete fact, with any fact hard as concrete. All tangible evidence has disappeared with different archives.

I was not dismayed because of any doubt concerning the integrity of Bishop the fighter giving account of himself, for I hold the presumptions in his favour to be overwhelming. They are enough for me and for many others to preserve intact, unblemished, the memory of Bishop as the greatest Canadian ace, as a real hero for his time, for our time and forever. But such presumptions are not enough to constitute an airtight case. Without that unfortunate hole in Bishop's life, the NFB would never have produced "The Kid Who Couldn't Miss". But it was there, gaping, unavoidable, undeniable, and it was maliciously, in our opinion, made to act like a geyzer spouting fore and aft in time, doubt and suspicion. Our favourable use of presumptions founded on Bishop's career and character is subjectively correct, but it is not compelling from an historical point of view, and the possibility of doubt remains. Of doubt, though, and nothing more. Allow me to insist: the possibility remains, but of a doubt such that in all honesty it should never have been allowed any reverberation.

The case of Mr. Cowan cannot be better than that of Bishop's friends and admirers, and it is far from as good. It is a bad case, for it lies against the grain of a long pattern of limpid valour and heroism.

All things said and considered, what the recommendation of our committee asks is for us the maximum and for the NFB the minimum: designate properly as docu-drama what cannot be held to be a documentary, confess fiction and hop along your own way. Real formal censorship must not be attempted in the present case and in the present circumstances—it would violate a principle dear to the Canadian sense of freedom and democracy, notwithstanding the risks entailed; it would put in jeopardy our very maturity as an enlightened society; it would create a precedent upon which all reactionary forces would pounce and feast, and it would expose the Senate to a damning identification with those same elements of reaction.

Let us suppose, honourable senators, that we decided for censorship. We would gain nothing. We would be laughed at because there is more at stake than Bishop's fame, that is, the whole cultural dynamism of our time, because the government would certainly not dare to intervene in fear of the wrath of the whole literary college, of the whole artistic community, even of the whole cité savante, and because the NFB would never give a damn.

Our strong criticism was all that could be done honourably, and we acted honourably. The rest belongs to freedom. I feel sure that "The Kid Who Couldn't Miss" will be forgotten long, long before the memory of Billy Bishop starts to fade.

Hon. Senators: Hear, hear.

[Senator Moyne.]

Hon. Philippe Deane Gigantès: Honourable senators, I should like to express my complete accord and admiration for the statements just made by Senator Le Moyne.

[*Translation*]

I think he has expressed the spirit of civilization and maturity which is the hallmark of this country. A few years ago England awarded grants for the production of a film entitled "Oh! What a Lovely War" which heaped ridicule on General Hay, the World War I commander in chief of English troops. He was represented as someone who was totally unaware, irresponsible, therefore a kind of murderer. England did not attempt to ban the film.

The remarks of Senator Le Moyne attests to a tradition of tolerance, understanding, and maturity, as does, in my opinion, the decision of this very distinguished chamber's Committee on Social Affairs, Science and Technology which refused to censure an artistic production and thus upheld freedom of expression, something which matters a lot more to us than any kind of creator's prank.

Hon. Gildas L. Molgat: Would Senator Gigantès accept a question? Was the English film he mentioned—"Oh! What a Lovely War"—presented as a historical film or a film of fiction?

Senator Gigantès: It was fiction. I concur with the decision of the Committee on Social Affairs, Science and Technology which deplored the fact that the Billy Bishop film was presented as a documentary yet contained elements of fiction. This aspect was highlighted in the report, and I agree.

• (1440)

[*English*]

Hon. Hartland de M. Molson: Honourable senators, I wonder if I could ask Senator Gigantès: Was that British film produced by a government organization or in the private sector? Who was the producer?

Senator Gigantès: There are subsidies given by the British government to the British film industry much as we give subsidies to our film industry. It was not a government organization. But the fact that the National Film Board is a government organization makes it even more imperative that we show towards such government organizations a greater reluctance to intervene and that we keep the arm's-length relationship that is the glory and the pride of Canada. I am not saying that a Senate committee or a House of Commons committee, when estimates for such an organization come before it, should not say, "Are you spending your money properly?" But I am saying that the report of the Standing Senate Committee on Social Affairs, Science and Technology, as prepared by Senator Marshall's subcommittee, went almost to the limit but did not cross that limit and kept that arm's-length relationship. To do more would result in the dire consequences that Senator Le Moyne talked about.

On motion of Senator Doody, debate adjourned.

YOUTH

REPORT OF SPECIAL SENATE COMMITTEE—DEBATE CONTINUED

On the Order:

Resuming the debate on the motion of the Honourable Senator Fairbairn, seconded by the Honourable Senator Frith, for the adoption of the Report of the Special Committee of the Senate on Youth, entitled: "Youth: A Plan of Action", tabled in the Senate on 19th February, 1986.—(*Honourable Senator Murray*).

Hon. Lowell Murray: Honourable senators, I regret that because of a meeting of the Standing Senate Committee on Banking, Trade and Commerce, I was not able to be present in the chamber when Senator Fairbairn delivered the final installment of her speech last Wednesday afternoon. I have, however, read her speech very carefully and I was present to hear her deliver the first several chapters.

I congratulate her on an excellent speech. I do so without hesitation at the same time as I say that I do not support—as it now stands—the motion that she presented at the conclusion of the speech. That motion would have us adopt the report of the committee.

There are recommendations in the committee's report that I find appealing; there are other proposals that I find less so. But even in respect of those recommendations that I believe have some merit, I would like to be much more confident than I am that they represent an improvement over the federal programs now in place.

Therein lies one criticism that I would make of the work of the committee and of its report. The committee does not attempt to analyze or to do a critique of the programs directed to youth that are now in place in the federal government. What I have in mind is the kind of critique that was done of our regional economic development programs a few years ago by the Standing Senate Committee on National Finance.

A second criticism is that some of the recommendations of the committee were put forward with little or no supporting arguments or documentation. The recommendations that I would criticize on this count are, perhaps, not central to the main thrust of the report, but the fact that they have been presented with not much supporting argument or documentation gives me some difficulty.

Third, there is no indication in the report of the cost of its proposals. I do not believe that the Senate can be asked credibly to endorse a report containing 26 proposals when we have no idea, or very little idea, of their cost individually or collectively.

Well, what is the subject matter of this report? Who are we talking about? Youth. People aged 15 to 24; 17.2 per cent of the population; 4.3 million Canadians. But the focus of the report is not on the majority of youth. The focus of the report is not on those whom Senator Fairbairn has described as "the success stories,—those 80 per cent, God bless them, who had some kind of job, or who where thriving at school and university with the assistance of strong support systems of family and friends." The focus is on a minority of youth. It is, in particular, on the deplorably large minority of unemployed youth.

There has been reference in the debate to various behavioural problems and to their incidence among the younger generation. I think it should be pointed out that the report, and the statistics adduced by the report, show that these behavioural problems are not of the epidemic proportions that are sometimes imagined by older people. Indeed, if I read the report and the statistics correctly, the abuse of alcohol and drugs, for example, has tapered off somewhat in recent years. Smoking is less prevalent among the younger generation—except for teenaged girls—than it is among their elders.

As for the statistics on crime rates and suicide, I find the statistics cited by the report inconclusive in differentiating, in any important way, the younger generation from their elders, or in relating the incidences of crime and suicide to the economic and social conditions in the country. The one fact that does leap off the page is the tragic fact that suicide, crime rates, and all these terrible problems, are far more prevalent among the native youth than they are among the non-native younger population.

The royal commission headed by the Honourable Donald Macdonald described youth unemployment as "a current problem which is expected gradually to disappear". The Macdonald commission was, of course, basing that conclusion on demographic projections. It is forecast that the 15 to 24-year old group will decline from 17 per cent of the population—which is what it is now—to some 14 per cent in 1990, and to 12 or 13 per cent in the year 2000. So, we are looking at a smaller youth component entering the labour force and less competition for jobs at the entry level.

Here I must take issue with the Senate committee's alarming, and, I think, alarmist projections concerning the unemployment rate in general, and youth unemployment in particular, for the rest of this century. The committee bases its projections on a study done by Professor John B. Robinson, Director of the Waterloo Simulation Research Facility. At page 86 of the report, the committee draws on Professor Robinson's research to conclude:

> —even under the most optimistic assumptions, . . . rates of unemployment will increase to 20% and more through the year 2010.

Neither Professor Robinson nor the committee makes projections about the youth unemployment rate, but, at page 84, the committee report states:

> *—the 15 to 24 year olds in each year between now and 2010 will also suffer high rates of unemployment.*

● (1450)

I must say that Professor Robinson's predictions, which the Senate committee has made its own, are in sharp contrast to the general consensus in the forecasting business. For example, if you take the average of the four long-term projections done for the Macdonald commission on the unemployment rate, it forecasts an unemployment rate of 9.7 per cent in 1990 and of 7.5 per cent in the year 2000—a far cry from the steady

increases that are forecast by Professor Robinson and by the Senate committee.

Youth unemployment is shown to decline by other forecasters. The Conference Board, for example, predicts that by 1990 youth unemployment will be down to 13.6 per cent, still very high. Some work done for the Institute for Policy Analysis at the University of Toronto and cited in the Macdonald royal commission report predicts that by 1990 youth unemployment will be below the unemployment rate for adults. It would be, according to this analysis, at 4.8 per cent in 1990.

The fact that the consensus of forecasters disagrees with Professor Robinson does not, of course, mean that he or the Senate committee is wrong, but I think I should point out that at page 87 of the committee report there appears one of Dr. Robinson's statistical graphs which projected unemployment in 1985 at approximately 17 per cent. We know that the reality was that in 1985 unemployment decreased to 10.5 per cent. Reality also is that youth unemployment, which was at 19.9 per cent in 1983, declined to 16.5 per cent in 1985 and to 15.9 per cent at the present time—still high; still too high. But the direction is downward; the direction is for a decline in the youth unemployment rate.

I cite these differences of opinion not to quarrel with the committee or, indeed, with Professor Robinson, but because there are implications for policy in all this. What the Macdonald commission concludes from these projections, which show a declining unemployment rate in general and a declining youth unemployment rate, is that employment policy should focus more on the current generation of youth rather than on the smaller numbers of young people expected to enter the labour force in the future. The Macdonald commission poses the troubling question, which is echoed by the committee report, as to whether the current generation of youth will become the unemployed adults of the future. Will they be so permanently scarred by this experience of unemployment in their youth that there is a high probability that they will be unemployed as adults? The royal commission says that the research on this point is inconclusive and limited, largely, to the United States experience. However, it does make the following point at page 600:

> Improved general employment prospects are clearly necessary, and the improvement, when it materializes, may be sufficient to reduce unemployment within this cohort. Still, continued monitoring of its labour-market situation will be needed. It would be unfortunate to have in place a range of special programs for youth at a time when the groups facing the greatest labour-market difficulties were the 25- to 34 or the 35-to 44-year-olds.

The Senate committee, quoting one of its witnesses, takes a more pessimistic and, indeed, more categorical position on this when they say, simply, at page 85:

> *—many of the young people out of work today will be unable to find a job during their lifetime.*

Who are today's unemployed youth? Historically, a distinction has been made between the 15- to 19-year-olds on the one hand and the 20- to 24-year-olds on the other. The Senate committee report in several places observes this distinction, pointing out that among natives and non-natives, among males and females, the unemployment rates have been substantially higher among 15- to 19-year-olds than among 20- to 24-year-olds. The Senate report explains that the reason for this is that most 15- to 19-year-olds looking for a job are high school graduates or drop-outs, while those in the upper age groups are more likely to have some level of post-secondary education.

This important link between education and employment recurs throughout the committee report, as it does in all the studies I have seen on this subject. The report points out that in December 1985 young people—and here I am talking of the whole group, that is, the 15- to 24-year-olds—with only an elementary education had an unemployment rate of 27.6 per cent; those with a high school education had an unemployment rate of 17.7 per cent; and those with a post-secondary diploma or certificate or a university degree had an unemployment rate of 9.8 per cent, much closer to the national average. This kind of statistic was quoted for different time frames by the Macdonald royal commission and, before that, by the Economic Council of Canada's 1982 study entitled, *In Short Supply: Jobs and Skills in the 1980s.*

The committee report concludes that, despite the criticisms of the education system, there is a relationship between completing school and being more likely to find a job.

It is understandable, then, that the Senate committee has devoted a good deal of its attention to education and training matters. They endorse the report of Mr. A.W. Johnson on the federal financing of post-secondary education which is a subject for another debate.

Federal involvement in training programs has never lacked criticism, and the committee underlines some of the criticisms made in the past. However, I think it should be noted that, over the years, the federal effort in the training field has been considerable. I saw some statistics comparing the percentage of gross domestic product devoted to training programs in Canada, the United States, the United Kingdom and West Germany, and none of the other countries came close to Canada over the time period being studied. I will not take the Senate through the Technical and Vocational Training Act of 1960; the Adult Occupational Training Act of 1966; or even the National Training Act of 1982 with their various objectives, some of them mutually inconsistent.

The committee has looked at the problem from the perspective of young unemployed Canadians. They conclude that government skills training programs, which build benefit entitlements for a short period, are only frustrating to young people wanting permanent work and a sense of purpose. At page 65 of the report, it is stated:

> In areas of high and long-term unemployment, we met young Canadians who had been through a variety of training programs. They had skills but no jobs and none were likely to be available. Training, therefore, was no

> longer training but simply a way of gaining some money and putting in time while waiting for full-time work.

In this respect, the Senate committee echoed the findings of the 1982 report of the Economic Council of Canada, as well as a number of reports that have been done on this problem, including that of the parliamentary task force appointed in 1980 under the chairmanship of the Honourable Warren Allmand. The 1985 OECD report entitled "New Policies for the Young" says that the key to policy options for improving job-related skill training is likely to be the extent to which it is consistent with market forces.

• (1500)

I think it is important to point out that the Macdonald royal commission expresses the view that federal policy, especially since the introduction of the National Training Act in 1982, is on the right track. Among other examples, the commission cites the movement towards on-the-job training and away from institutional programs. The commission mentions the general industrial training program, under which Employment and Immigration Canada contracts with employers to reimburse a share of the cost of employee training programs. It also mentions the critical trades skill training program, which is designed to provide training in designated occupations where there is a shortage of skills which are of national importance.

I draw the attention of honourable senators to the job entry program, which, although based on an experimental program carried out under the previous government, is a new program. It offers a combination of up to 52 weeks of skilled training and practical work experience. It is a program for young people who have not graduated from a post-secondary institution, with priority for those who have not finished secondary school. There are now 10,000 young people taking part in 320 projects under this program.

The report of the Senate committee endorsed co-op education, the concept under which students get formally integrated periods of academic studies and work experience in the private sector. The federal government is offering financial contributions to approved co-op education programs in schools, high schools and universities over a four-year time frame. I am informed that last year there were 65 applications approved, involving 40,000 students, over four years. The government is continuing to modify its training programs in line with the admonition of many studies, to the effect that these training programs must be made more relevant to the needs of the economy.

Honourable senators will be aware of the arrangement for institutional training under which the federal government purchases seats in community colleges for particular courses for clients from the Employment Canada centres. The number of seats and the courses to be chosen are negotiated every year between the Department of Employment and Immigration and the province or territory concerned. The government is trying to reduce the amount of money made available in this way and to use the money saved to fund employers to buy these seats at the training courses. The assumption here is that the employer in the community has a better idea of the manpower requirements in the local market than the two senior levels of government would have. This arrangement would also impose some responsibility on the community college to sell its services to the local businesses. This new wrinkle has been written into the agreements signed for 1986-87, under the National Training Act, with the provinces of Ontario and Newfoundland.

To come back to the Macdonald commission, bearing in mind these programs, its report states:

> Broadly speaking, then, the directions set out in the National Training Act, the agreements signed pursuant to that act and the increased emphasis given to on-the-job training seem quite appropriate, and commissioners do not recommend any change of course.

The Senate committee also draws attention to the relative lack of apprenticeship programs in Canada and to the lack of uniformity in apprenticeship and training across the country. The Economic Council's 1982 study, to which I referred earlier, found that, of all the industrial countries, Canada had one of the smallest proportions of total civilian employment engaged in apprenticeship training. The ECC noted at the time the lack of uniformity in standards and accreditation. I may say that the parliamentary task force in 1980 also emphasized the importance of increasing apprenticeship training. I add that the need for an effective apprenticeship training program in this country seems to me to be underlined by the statistics I quoted earlier showing youth unemployment at its worst amongst those who have had the least schooling. The Macdonald commission quoted the chairperson of the Toronto Board of Education as saying that our record in this country is appalling in providing the transition from school to work for those who leave school early or immediately following the acquisition of a secondary school diploma.

The Senate committee recommends an apprenticeship program along the lines of the West German, Austrian or Swedish models. This type of program, as carried out in Europe, is obligatory for those not in regular schools or post-secondary institutions. The Macdonald commission looked at this model and was of the view that, in a fiscally unconstrained world, it would recommend a generalized program along the German lines, but it was rejected as being too expensive for Canada at this time. The Macdonald commission suggested, instead, the reinstatement of the 1978 tax credit program which was targeted at youth, and, in order to pay for this tax expenditure, it recommended the elimination of all specifically youth-targeted direct job creation.

The tax credit, as it was recommended, would work in such a way that, for example, the government might subsidize the wages of a 15-year old by, let us say, $1.50 per hour, the wages of a 16- or 17-year old by, let us say, $1.00 an hour, and so on. The point is that the program would, in the view of the royal commission, ensure some on-the-job training for today's uneducated and untrained unemployed young people.

There are drawbacks to the tax credit scheme, some of which are acknowledged by the commission. One not men-

tioned is the possibility that the availability of increased employment opportunities for youngsters of 15 or 16 years of age will encourage them to leave school early, which surely is exactly what we do not want. Indeed, the committee is at some pains to point out that it is in the interests of youngsters to stay in school longer if they are to enter the job market with any confidence of obtaining employment. I may say parenthetically that I hope that provincial governments and the federal government might give more consideration to the kinds of policies that should be put in place to encourage young people to stay in school and to stay at home rather than to hit the road and enter the job market prematurely.

Honourable senators, I think the recommendation of the Senate committee should be considered, as should the alternative recommendation of the Macdonald commission for reinstatement of the 1978 tax credit program. It should be borne in mind that none of the on-the-job training programs or apprenticeship programs seems to work very well when the economy is generally slack. In this connection, the Macdonald commission notes with approval the efforts of the government to support laid-off apprentices so that they can continue their training even after they have been laid off from their employment. It should also be borne in mind that there is considerable criticism in a number of reports that have been made on this subject of employers in this country. The statement is made not once but several times in several different reports that employers in this country under-invest in human resources.

In any case, a study conducted for the Macdonald commission by Leon Muszynski indicates that since the beginning of the recession of 1981-82 there has been a large surplus in the federal account in respect of on-the-job training programs. He says:

● (1510)

> Employers are unable or unwilling to take up these federal training resources because of the lack of economic demand.

Muszynski was writing, presumably, in mid-1984. I am told that the situation has improved considerably in recent months as the economy has improved and that there is now a pretty big demand from employers for these programs. But the point that was made is, I think, valid enough, and also the inference that efforts must be made to continue these on-the-job training programs even when, in periods of economic slack, there would be a tendency to lay off some of the people who are being trained.

Honourable senators, I must say that I believe that this country has shown a great deal of concern about the serious problem of youth unemployment. Governments at both the federal and provincial level have not been complacent, callous or uninformed, and they have devoted considerable resources and effort to combatting youth unemployment. They have acknowledged the shortcomings of some of the programs and have tried, and are trying, to improve them. Government agencies and commissions, and non-governmental bodies, have conducted studies and analyses with a view to designing more effective policies and programs.

The unique contribution of the Senate committee was not in breaking new ground, or in offering new and original solutions to the problem. The contribution of the Senate committee, it seems to me, was, first, that it went to the young people themselves, including the unemployed young people, and attempted to see the problem and the programs from their perspective. Obviously this experience had a profound effect on the members of the committee and they have eloquently conveyed this fact in their speeches in the course of this debate.

Second, the Senate committee has again placed the problem, in its serious economic and social implication, and in its serious current dimension, on the parliamentary agenda. The report is a good basis for pursuing this problem. The various recommendations of this committee, and other studies that have been made—I have mentioned a few of them—need to be analyzed, compared and discussed. Some programs now in place are of quite recent origin. I am thinking of those that have been put in place pursuant to the National Training Act. These programs need to be monitored. The commitment of the department and of the government has to be sustained. There must be no attempt to use the progress that is being made in reducing youth unemployment as a reason for reducing the overall effort to attack the problem.

Progress is being made. Over the past 18 or 20 months, youth unemployment is down by 79,000. Youth employment is up by 46,000. The unemployment rate has dropped from 18.4 per cent to 15.9 per cent. In studying the problem, and in discussing new policies, programs and solutions, we must not lose sight of the effort that is being devoted to the problem and of the progress that is being made.

Some Hon. Senators: Hear, hear.

Hon. Jacques Flynn: Honourable senators—

Hon. Philippe Deane Gigantès: Honourable senators, I would like to adjourn this debate in my name until Thursday.

POINT OF ORDER

Senator Flynn: Before the honourable senator does so, I should like to raise a point of order.

[*Translation*]

Honourable senators, I was surprised to hear Senator Murray say that Senator Fairbairn had proposed the adoption of the report of the Special Senate Committee on Youth. I would suggest that this motion of Senator Fairbairn is quite irregular and contrary to our rules.

We are studying the report pursuant to an inquiry, which is so defined in Senate rule 5(*f*):

> "inquiry" means the procedure whereby a senator, after giving notice in accordance with Rules 43 and 44, calls the attention of the Senate to a particular matter for the purpose of informing the Senate of that matter or having it considered or examined by the Senate;

So far there have been a few speeches on this matter. We are considering a report, as we usually do. Indeed, it is extremely rare that this kind of report from a committee that has studied a question is submitted to the Senate for approval.

In concluding her remarks—I was absent and could not object at the time, and nobody noticed, as I will indicate later—Senator Fairbairn said:

> Meanwhile we in this chamber can take one step forward by formally endorsing the conclusions of the youth committee. Therefore, I move, seconded by Senator Frith, the adoption by this house of "A Plan of Action", the report of the Special Senate Committee on Youth.

Senator Fairbairn added a few words, and the debate was adjourned on the motion of Senator Doody. Therefore, the proposition of Senator Fairbairn was not submitted to the Senate. My first objection is that the Senate is not technically seized of this proposition.

My second objection is that it is quite irregular to transform an inquiry into a substantive motion. I have just defined the word "inquiry". Under a substantive motion, the Senate is asked to express its opinion on a given subject. Such is the case here.

Now then, this kind of substantive motion proposing the adoption of a special committee report, requires two days' notice, as specified under Senate rule 44.(1)(*e*):

> 44.(1) Two days' notice shall be given of any of the following motions:
>
> (*e*) for the adoption of the report of a special committee;

So far the Senate had been asked to consider the report. However, it is quite irregular suddenly to transform this proposition to consider a report into a motion for adoption; this would require a separate motion, with two days' notice.

For all those reasons I would suggest that Senator Fairbairn's motion cannot be considered and must be rejected. The debate can continue on the inquiry as such. Should Senator Fairbairn want to propose the adoption of some of the report conclusions, or of the report as a whole, she may do so, but separately, not pursuant to this inquiry. In fact it amounts to changing an inquiry into a substantive motion, and we would be contravening the provisions of rule 44 if we were to proceed without notice.

[*English*]

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I wish to make one or two preliminary comments on the point of order. I think that the transgression, if there is a transgression, against the rules should have been raised at the moment when Senator Fairbairn proposed her motion, which was seconded by Senator Frith. It is not possible to go back several days in order to correct what may have been a breach of the rules. I would suggest that when Senator Fairbairn moved her motion—which was seconded by the Deputy Leader of the Opposition—the Senate itself concurred in the transformation of this inquiry into a substantive motion. That obviously is what happened. Senator Fairbairn was permitted to give her speech, the debate was adjourned by Senator Murray, and the debate was resumed today—all the while, the Senate having concurred in what happened when the motion was made. Careful consideration must be given to the suggestion that at this moment, the proceedings having continued as they have, we ought to retrace our steps and attempt to reverse an implicit, if not explicit, decision made by the Senate itself. It is a standard rule of procedure that when a breach of order takes place, it must be drawn to the attention of either the Chair or, in this case, the Senate. It is not good enough to do it several days later. I find great difficulty in accepting this point of order.

• (1520)

Senator Flynn: I am not putting it to you.

Senator MacEachen: I am giving my impression. I think that if Senator Flynn had observed matters when Senator Fairbairn put her motion, which she did quite clearly, which was seconded by the Deputy Leader of the Opposition and which was sanctified by the next intervener, who was the Deputy Leader of the Government, we would not be in this predicament. We have gone on now for some days, and Senator Flynn has suddenly discovered that something has gone wrong and that he must correct it. I think it is quite improper.

Hon. Duff Roblin (Leader of the Government): If the matter is taken under advisement by the Speaker, and I suggest it will be, he also ought to look at the fact that our records, if my appreciation of them is correct, do not record a separate motion being put on this matter in the way that it appears on our order paper. I may be wrong in that, and I stand to be corrected, but my impression is that that is another factor that should be taken into account.

Senator MacEachen: A very important one.

Hon. Philippe D. Gigantès: Honourable senators, on a point of order, I would like the assurance that this point of order and its resolution will not deprive me of the opportunity to answer Senator Murray. If I have this assurance, then I ask honourable senators to excuse my lack of familiarity with the hallowed rules of this splendid chamber.

Senator Flynn: There is no problem there. If the motion is declared to be irregular, the debate on the inquiry will continue and Senator Gigantès will be able to speak. If Senator Fairbairn wishes to move her motion for adoption, Senator Gigantès will again be able to speak.

In reply to the Leader of the Opposition, first, I want to say that he is certainly abusing the intelligence of the Senate when he speaks of several days having passed. After all, we adjourned last Thursday and this is the first time since then that the Senate has met.

Senator MacEachen: When did that occur?

Senator Flynn: Thursday, and we have not met since then.

Senator MacEachen: When did Senator Fairbairn make her speech?

Senator Flynn: Last Thursday.

Senator Corbin: No, Wednesday.

Senator Flynn: That is right. Anyway, when the Leader of the Opposition speaks of several days, it is not true because there is only one intervening day.

Senator MacEachen: I think that Wednesday, Thursday and now Tuesday amount to several days.

Senator Flynn: The second point is that the Speaker should have put the motion and in doing so should have asked if leave was granted. That was not done, and that is why I say it was done without the knowledge of the Senate.

Senator MacEachen: We were all here.

Senator Hicks: It was done with concurrence.

Senator Flynn: Something that has not been put correctly cannot be ratified. For instance, suppose the Speaker forgot to warn the Senate that when the sponsor of a motion or of a bill speaks the second time, his speech will have the effect of closing the debate. The correct course would be that anybody could speak following the sponsor's speech. Senator MacEachen knows that fact very well.

Furthermore, the question of raising a matter immediately is true in the case where somebody has said something about someone else. It is a question of privilege.

Senator MacEachen: There is a question of order also.

Senator Flynn: If it is a question of order or regulation, of course it can be raised, as has happened on several occasions.

Senator MacEachen: The last time that was done was by Speaker Beaudoin.

Senator Flynn: You may have forgotten. Anyway, I leave the matter to the Senate.

Senator MacEachen: You are trying to turn the clock back.

Senator Flynn: You cannot change an inquiry into a substantive motion like this one.

The Hon. the Speaker: Rule 78(3) states:

> A report which by its own terms is for the information only of the Senate shall be laid on the Table but may on motion be placed on the Orders of the Day for future consideration.

The question is: Was this motion proposed or moved? According to the *Minutes of the Proceedings of the Senate*, at page 1238, leave was not asked for nor granted. The *Minutes* say in part:

> The Honourable Senator Fairbairn moved, seconded by the Honourable Senator Frith, that the Report be adopted.
>
> After debate,
>
> The Honourable Senator Doody for the Honourable Senator Murray moved, seconded by the Honourable Senator Phillips, that further debate on the motion be adjourned until the next sitting of the Senate.

Senator Flynn: I object to the fact that the *Minutes* do not conform to *Hansard*. A change has been made, probably by the staff, and it does not apply. It cannot be accepted. The motion was not put.

The Hon. the Speaker: Honourable senators, may I take the matter under advisement and rule on it tomorrow?

Hon. Senators: Agreed.

Senator Gigantès: Honourable senators, I take it that next Thursday I may answer Senator Murray's points. Is that agreed, and am I allowed to adjourn this debate?

Hon. Senators: Agreed.

Senator Roblin: It seems to me, and I would like to get the opinion of the Senate on this, that the matter as to what we are actually debating has been taken under advisement by the Speaker. At least, that is the point that has been made, whether it is consideration of the report or adoption of the report—two quite different matters. As the Speaker has taken the matter under advisement for ruling, I think the proper course is to leave the order on the order paper as it is at present and if my honourable friend wishes to speak after the ruling, whatever it happens to be, I, for one, would be quite prepared to hear him.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

On motion of Senator Gigantès, debate adjourned.

CORRECTIONS

DANIEL HAWE REPORT—MOTION NO. 3 ADOPTED—DEBATE ON MOTIONS NOS. 4, 5 and 6 ADJOURNED

Hon. Earl A. Hastings, pursuant to notice of March 26, 1986, moved:

> That there be laid before this House copy of the service contract between Correction Service of Canada and Daniel Hawe or Daniel Hawe and Associates Ltd. of Edmonton with respect to the Daniel Hawe Report on Community Correction Services in Alberta;
>
> That there be laid before this House detailed statement of expenditures by the Correction Service of Canada with respect to the Daniel Hawe Report on Community Correction Services in Alberta;
>
> That there be laid before this House copy of service contract between Task Force on Program Review and Daniel Hawe or Daniel Hawe and Associates Ltd. of Edmonton with respect to Study Team on Corrections;
>
> That there be laid before this House copy of any service contracts that may now be in effect between Daniel Hawe or Daniel Hawe and Associates Ltd. of Edmonton, Alberta, and the Correction Service of Canada.

The Hon. the Speaker: It is moved by the Honourable Senator Hastings, seconded by the Honourable Senator Denis:

> That there be laid before this House copy of the service contract between Correction Service of Canada and Daniel Hawe or Daniel Hawe and Associates Ltd. of Edmonton with respect to the Daniel Hawe Report on Community Correction Services in Alberta.

Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to.

The Hon. the Speaker: It is moved by the Honourable Senator Hastings, seconded by the Honourable Senator Denis:

> That there be laid before this House detailed statement of expenditures by the Correction Service of Canada with respect to the Daniel Hawe Report on Community Correction Service in Alberta.

Is it your pleasure, honourable senators, to adopt the motion?

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I am really asking for some clarification. I have never seen one of these things in action before. Perhaps Senator Hastings could tell us what we are doing. Is this an order for return, or what exactly is it?

Senator Hastings: I have never had anything to do with this kind of thing before either, but as I understand it, it is a motion for return and it must proceed in this way. In other words, it is an order for return.

Senator Doody: If Senator Hastings moves it, and we all agree, what happens then? I always like to anticipate the next move.

Senator Hastings: According to rule 110 of Rules of the Senate of Canada:

> Accounts and papers may be ordered to be laid on the Table, and the Clerk of the Senate shall communicate to the Leader of the Government in the Senate all orders for papers made by the Senate and such papers when returned shall be laid on the Table.

That is rule 110.

Hon. Duff Roblin (Leader of the Government): I think there may be a slight problem here as far as I am concerned. I am not familiar with this procedure, I must admit. When a senator wants an order for return, I do not think he usually moves a motion in the Senate asking for it. He simply tables his order for return.

If we are going to do it by way of motion, I think I will need to look at the substance of the matter to see whether there is anything in the motion which I should normally warn the Senate would cause difficulty in terms of providing an answer.

Hon. Allan J. MacEachen (Leader of the Opposition): The motion has already been put.

Senator Hastings: Yes, the motion has already been put.

Senator Doody: There are four of them here.

Senator Roblin: In that event, I will adjourn the debate until I look at it.

Senator Hastings: Honourable senators, on a point of order, I think that motion No. 3 carried. Therefore, you are adjourning motions Nos. 4, 5 and 6.

Senator Roblin: I hope the Senate will allow me to take a look at these questions in depth because I would not like to be a party to accepting an order for return which might cause some difficulties in terms of the constitutional propriety of answering the questions. If the Senate insists on adopting it now, they may do so. I cannot prevent that, but I have to make that observation because it may be the case. If there is no problem with the order, then we need not concern ourselves, but I think it is sufficient if I make that reservation now.

Senator MacEachen: What is the reservation?

Senator Roblin: I want to examine the terms of the question to see whether there are any facts asked for there that are not customarily returnable. That is all. If the matter is straightforward, then there will be no problem, but I thought I should just enter this caveat in case there is some problem. I have not examined the orders myself.

Senator Hastings: On a point of order, honourable senators, there is no procedure in the Senate for an order for return. I was instructed that this is the way to proceed; in other words, to have a paper tabled in this house. The government has now had almost 30 days to respond to the motion and they have not yet responded. It was then drawn to my attention that the Leader of the Government must be instructed to table the documents, under rule 110.

Senator Roblin: As honourable senators will know, I do not deal with these matters until they are moved in the Senate. A lot of time goes by between the notice and actual action. I will look into it. I hope there is no problem, but I simply issue that caveat.

Senator MacEachen: I point out that one particular motion moved by Senator Hastings has already been adopted and we are not reversing that. The next motion has been deferred until Senator Roblin has had an opportunity to determine whether there is any objection.

There can be occasions when the government can say that it is not prepared to table a document, for example, if it represented a confidential exchange with a provincial government or something of that kind, but we will agree to wait and see what Senator Roblin has to offer before we proceed further.

The Hon. the Speaker: I take it, then, that the Honourable Leader of the Government is adjourning the debate on motions Nos. 4, 5 and 6 on the order paper?

Senator Roblin: I think that I would be less than candid if I did not say I am also going to ask about motion No. 3 to make sure that there is no problem. I may be just starting at hares here. There may be nothing wrong with the orders at all, but I think I should reserve the matter for consideration.

Senator Hastings: On that point, I think that the government or the Leader of the Government can refuse to table any document. In other words, the Leader of the Government can come back and tell me that he does not intend to table those documents, and that is fine. However, I must ask for it first in this way. The procedure is to ask for the document, and then the Leader of the Government can tell me that he does not want to show me the document.

Hon. John M. Godfrey: Honourable senators, I am a little confused. I would like to ask a question. Why is the honourable senator proceeding this way rather than under the Freedom of Information Act? Why are we taking up the time of the Senate in this way?

Senator MacEachen: You must pay a fee under the Freedom of Information Act!

On motion of Senator Roblin, debate on motions Nos. 4, 5 and 6 adjourned.

The Senate adjourned until tomorrow at 2 p.m.

THE SENATE

Wednesday, April 23, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

YOUTH

REPORT OF SPECIAL SENATE COMMITTEE—DEBATE ON MOTION FOR ADOPTION—POINT OF ORDER

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators—

Hon. Senators: Hear, hear!

Senator Frith: I take it that this applause is to encourage my absence rather than to welcome my return!

Honourable senators, yesterday, while I was rejoicing with fellow Liberals at Queen's Park over the beginning of another session under the administration of that government, a point of order was raised by Senator Flynn. Could I have leave to put on the record one or two comments with regard to that point of order? I realize that His Honour might well be ruling on it today, but I want to be sure that this material is before him.

Hon. Orville H. Phillips: That has to be done at the time the point of order is raised. I do not see how it can be put on the record now.

Senator Frith: I have read the proceedings, and I follow the point that Senator Phillips is making.

The Hon. the Speaker: Honourable senators, is leave granted?

Hon. Senators: Agreed.

Senator Frith: Honourable senators, I seconded the motion for concurrence in the report which is the subject of Order No. 5, so I appreciate the opportunity senators have extended to me to explain why I thought it was in order to do so. I understood that Senator Fairbairn intended to move the adoption of or concurrence in the report. I mentioned to Senator Doody that I would be seconding that motion and that I did have some precedents for that procedure. I should now like to put on the record the precedents I had in mind at that time, which are two in number and quite short.

The first appears in *Beauchesne* at chapter 15, page 204, citation 651:

> (1) Any Member may move concurrence in a committee report whether or not he is a member of the committee.

The second precedent is taken from *Debates of the Senate* of April 19, 1978, when there was before the Senate the fourth report of a standing joint committee. This is what appears in the debates of that date at page 691:

> The Senate resumed from yesterday the debate on the consideration of the fourth report of the Standing Joint Committee of the Senate and House of Commons on Regulations and other Statutory Instruments.
>
> HON. JACQUES FLYNN: Honourable senators, when I adjourned the debate yesterday, I did so in order to verify the exact situation with regard to this report. I found that it was placed on the order paper for consideration.

The same situation applies in the case now before us.

> Senator Lafond spoke, and then adjourned the debate on behalf of Senator Forsey, and Senator Forsey spoke yesterday. At the conclusion of his remarks he was asked by the Speaker whether he was moving adoption of the report. The motion, in fact, was only for consideration. Senator Forsey said he had no objection, and, in fact, he would love to have the report adopted.
>
> I would prefer that we go a little further, and that the Senate concur in the conclusions of the report, which is critical of the government's actions and the method chosen to increase the postal tariff. On the other hand, it may be a matter of semantics whether we adopt the report or concur in its conclusions.
>
> I am informed that the House of Commons unanimously adopted this report, which, of course, is from a joint committee. I do not know whether I require leave to do so, but if there is no objection I would move that the report be now adopted.
>
> SENATOR GROSART: I second the motion.
>
> Motion agreed to and report adopted.

That was the basis upon which I told Senator Doody that I felt there was good precedent for moving the adoption of the report, even though it was before the Senate for consideration at the time.

As to the matter of notice, I suggest that we are faced with the same situation as that which applied in the precedent to which I referred, although yesterday Senator Flynn, as I read the proceedings, quite correctly pointed out that, in the case before us under Order No. 5, the report issues from a special committee, and in that respect differs from my precedent. However, that really would only raise the question of notice, and the proceedings demonstrate that we gave leave. Honourable senators, I thank you for the opportunity to put that before the Senate and before His Honour in connection with his ruling.

[*Translation*]

REPORT OF SPECIAL SENATE COMMITTEE—DEBATE ON MOTION FOR ADOPTION—POINT OF ORDER—SPEAKER'S RULING

The Hon. the Speaker: Honourable Senators, yesterday the Honourable Senator Flynn, P.C., raised a point of order respecting the motion moved by the Honourable Senator Fairbairn for the adoption of the Report of the Special Joint Committee on Youth. Senator Flynn suggested that the motion was irregular and contrary to the rules of the Senate.

Judging from the ensuing debate, it seemed normal to me that one cannot change, at will, the nature of a procedure by substituting a motion for adoption for a simple tabling proposal.

However, in view of the fact that the Senate is master of its own procedure and free to dispense with the strict implementation of the rules, whether explicitly or implicitly, I must inform the Senate that I cannot rule on the point of order as raised because that point of order should, in fact, have been raised immediately following Senator Fairbairn's motion.

In this respect, I refer you to citation 237 of the 5th Edition of *Beauchesne's Parliamentary Rules and Forms*, which reads as follows:

> "A point of order against procedure must be raised promptly and before the question has passed to a stage at which the objection would be out of place."

I should comment, however, on Senator Flynn's statement that the *Minutes* do not conform to *Hansard*. He stated that, and I quote:

> I object to the fact that the *Minutes* do not conform to *Hansard*. A change has been made, probably by the staff, and it does not apply. It cannot be accepted. The motion was not put.

I have examined the Clerk's Scroll for April 16, 1986, which indicates that the question on Senator Fairbairn's motion was indeed put by the Chair, as is recorded on page 1238 of the Minutes of the Proceedings of the Senate. One must admit that *Hansard* is not as comprehensive as the *Journals*, which constitute the official record of the Senate.

Thereafter, the debate on the motion was adjourned by Senator Doody on behalf of Senator Murray.

[*English*]

BUSINESS OF THE SENATE

ADJOURNMENT

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(g), I move:

> That when the Senate adjourns today, it do stand adjourned until Tuesday next, April 29, 1986, at two o'clock in the afternoon.

If leave is granted, I should like to make a comment.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

[Senator Frith.]

Senator Doody: Honourable senators, last week, when we moved the adjournment motion, we indicated the possibility that Bill C-62, the Employment Equity Bill, and Bill C-87, the Canadian Arsenals Bill, would reach us this week. To date that has not happened. We feel that those bills will reach us early next week.

Therefore, rather than keep honourable senators here tomorrow, we have decided that it might be more appropriate to adjourn until Tuesday next. I should like to emphasize, however, that the schedule of committees is not affected. The committees that were scheduled to meet tomorrow and through the week will meet as arranged, and the adjournment of the Senate until next Tuesday should not interfere in any way with the ongoing work of the committees.

Motion agreed to.

• (1405)

QUESTION PERIOD

[*English*]

CANADA—UNITED STATES RELATIONS

BILATERAL TRADE NEGOTIATIONS—GOVERNMENT POLICY

Hon. Jerahmiel S. Grafstein: Honourable senators, with respect to today's deliberations in the Finance Committee of the Senate of the United States, which is apparently meeting to approve the fast-track negotiations with Canada on free trade, Prime Minister Mulroney has said during this recent pause that there would be a "clear launch" for these negotiations. The Right Honourable Joe Clark, Secretary of State for External Affairs, has said that there would be no pre-conditions to these negotiations.

Would the Leader of the Government in the Senate advise the Senate as to what has happened to the Prime Minister's undertakings to Parliament and to the people of Canada that cultural industries, the auto pact, marketing boards and lumber would not be on the table? Has the Government of Canada decided to obtain an agreement at any cost and in the process renege on promises and policies to exclude these issues from the negotiations?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I think I can say that the Government of Canada has not changed its policies. We are interested in having a clean launch. That is the undertaking that has been exchanged between the President and the Prime Minister. There are, of course, certain matters, and this applies to both parties, which may be on the bargaining table at some time and to which they intend to make no changes. I think that the ones mentioned by my honourable friend are probably among that number.

GARRISON DAM PROJECT—UNITED STATES STUDY OF BILL

Hon. Joseph-Philippe Guay: Honourable senators, also in the United States today, the matter of the Garrison Dam

project has come up. In fact, a committee there is presently studying amendments to a bill on the Garrison project. Would the Leader of the Goverment in the Senate tell us whether or not we have any observers there, and has he any information that he could give to us on what is taking place? I know that at the present time the Senate in Washington, D.C. is studying Bill 111, which refers to the Garrison project. The particular amendment involved in that bill does not affect Canada, and particularly Manitoba, directly, but I think we ought to keep a close eye on any developments with regard to the Garrison project. Would the Leader of the Government bring us up to date on the matter, and if he does not have any information at the moment, would he bring in a report on this particular subject as soon as possible?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I agree with my honourable friend that the question of the Garrison project is very important to the people of Manitoba and that we should keep it under consideration.

The information that I have is that the latest arrangements that have been made for the Garrison project are to protect the interests of the province which my colleague and I come from. Senator Guay has brought to my notice further developments in this affair with which, frankly, I am not familiar. I shall endeavour to get some information about the matter to see whether there is anything that ought to concern us.

LIBYA

UNITED STATES AIR STRIKE—CONSULTATIONS BETWEEN CANADA AND UNITED STATES AND BETWEEN CANADA AND WESTERN ALLIES

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I want to go back to the questions which I raised with the Leader of the Government with respect to Libya and which the Leader of the Government replied to in the form of a statement at the end of our proceedings on Thursday last. I said at that time that if I found the content of his statement satisfactory I would drop the matter, but that has not been my experience. Therefore, I want to go back to a number of questions upon which I would like to have some clarification.

One of the questions I asked the Leader of the Government was whether a conversation or conversations had taken place between the President of the United States and the Prime Minister on the Libyan air strike. The most recent statement of my interest was conveyed on Thursday last, at page 2324 of *Hansard*. At that time, I said:

> For example, did the President and the Prime Minister talk about this? If the answer is yes, when did they talk about it? I received no answer to that. That is a reasonable question, I think.

Then I went on to say:

> We are in an open, democratic society. I have never heard of any difficulty about saying 'Yes, the Prime Minister did speak to the President,' or 'He didn't.'

Senator Roblin then replied:

> I have already answered that one. I said that he hadn't. Look at my previous answer.

• (1410)

I did make a diligent search of previous answers, and I find that on Tuesday, April 15, I asked the following question at page 2262:

> Were there any discussions held between the President of the United States and the Prime Minister of Canada, or between the Secretary of State for External Affairs for Canada and the Secretary of State for the United States on this matter—

And the matter, of course, was the air strike.

> —or did the consultation take the form of a visit of an offical of the American government to Ottawa? If that is the case, and the consultation was undertaken on the American side by an official, with whom did he consult while in Ottawa?

Senator Roblin then said:

> I can tell my friend that this matter has been the subject of conversations between the President of the United States and the Prime Minister of Canada.

I then went on to say:

> I am interested in that. Is it true, then, that the President advised the Prime Minister personally that he had authorized or that he proposed to carry out this action against Libya?

Senator Roblin then said:

> I have no information as to what took place in those discussions.

I then said:

> May I ask when those discussions took place between the President and the Prime Minister?

Senator Roblin replied:

> I shall try to find out the answer to that question.

I am now left with the statement made on Thursday, April 17, that the President and Prime Minister had not spoken, and with a clear statement on the preceding Tuesday that conversations on this matter—namely, the Libyan air strike—had taken place. At that time, I asked when, and the Leader of the Government in the Senate promised to get that information, so I really think that requires some clarification.

Hon. Duff Roblin (Leader of the Government): Honourable senators, it is perfectly true that my friend asked me a series of leading questions with respect to the whole of this matter of the exchanges of information between the Government of Canada and the Government of the United States, and in the case of those that I did not answer at the time I undertook to obtain some kind of statement on subsequently. I did that, and I made that statement in the house on Thursday. I regret to tell my honourable friend that there is nothing I can add to that statement.

Senator MacEachen: I think that the Leader of the Government in the Senate must be obliged to remove the contradiction, at least, between the statement which he made on Thursday, namely, that the President and the Prime Minister had not spoken, and the one that he made on Tuesday that they had spoken on the Libyan air strike. Which is the true version?

Senator Roblin: I dare say that I may have said too much when I was speaking to my honourable friend. If I had been cognizant of the full position, as I am now, I would not, perhaps, have answered any of his questions. However, I really cannot add anything to what I have said. If the two statements do not agree, I must say that I am not in a position to explain or to go into the matter any further at the present time.

Questions of a similar nature were asked of the Prime Minister in the other place last week, and he declined to answer them on the grounds that the safety and security of Canadians was at stake. It is obvious that I cannot go beyond him.

Senator MacEachen: I think we are in an extraordinary situation. On Tuesday, the Leader of the Government said that the President and the Prime Minister had conversations on the Libyan air strike; then on Thursday, he said that they had not. Those are statements which the Leader of the Government made, and I think we are entitled to find out which is the correct one.

● (1415)

Senator Roblin: I will undertake to review my statements to see whether they are exactly as my friend says. However, I do not have a copy of them in front of me now.

Senator MacEachen: I can assure the leader that I read them and that they do contradict each other. The Leader of the Government in the Senate said on Tuesday that there were conversations between the President and the Prime Minister respecting the Libyan air strike. The leader said he would obtain information as to when that conversation took place. I expect that answer. I think it is extraordinary that the Leader of the Government has contradicted himself and now refuses to help us decide which is the true version.

Senator Roblin: If I thought that clarifying that question would satisfy my honourable friend, I might be inclined to do so, but I know perfectly well that as soon as we get into that aspect the Leader of the Opposition will present further questions, questions which I am not at liberty to deal with.

Senator MacEachen: Why the clam up? Why, in the name of common sense does information on whether the President and the Prime Minister spoke affect the safety of Canadians in Libya? That is the reason the Leader of the Government has adduced for not answering. Can he explain that?

It is known that Margaret Thatcher and the President spoke, that Mitterrand and the President spoke, so why can't we know whether the Prime Minister and the President of the United States spoke? Why is there this particular situation respecting Canada?

[Senator Roblin.]

I must say that the Leader of the Government is not going to get away with this. If he refuses to co-operate with the Senate of Canada, I can tell him that—

Senator Flynn: What can you do about it?

Senator MacEachen: —there are ways we can refuse to co-operate with the Leader of the Government.

Senator Flynn: Oh, oh.

Senator Roblin: If my honourable friend is threatening me, as I think he is, he ought to know that threats will get him nowhere with me.

Senator MacEachen: Then let me appeal to his reasoning. Will the leader clarify whether or not the President of the United States and the Prime Minister spoke with respect to the Libyan air strike? That is no threat; that is a request to clarify statements made by the Leader of the Government.

Senator Roblin: Yes, I will clarify that statement, and I will do so at my first opportunity, but I can make no further statements in respect of the matter.

Senator MacEachen: Does the Leader of the Opposition know whether these conversations took place or not?

Senator Flynn: The Leader of the *Opposition* knows nothing!

Senator MacEachen: We have just learned how much Senator Flynn knows about the Senate. Despite his long presence in the Senate, he knows nothing about the rules, and he demonstrates that every day by his disorderly conduct. He did that yesterday, and he is doing that again today.

I do not, however, intend to be diverted by Senator Flynn, who is coming to the rescue of the Leader of the Government, who is in—

Senator Flynn: Of the Senate!

Senator MacEachen: —a dreadful position because he told the Senate on Tuesday that the President and the Prime Minister spoke about the Libyan air strike, and then he told the Senate on Thursday they did not. Today he is mute; he cannot answer; he has to find out on which day he was telling the truth to the Senate; whether it was on Tuesday or Thursday.

Senator Roblin: I resent the implications of that statement. My honourable friend knows why I want to examine the matter, and that is because I want to see exactly what I said. I do not accept his interpretation of what I said. If the Leader of the Opposition is right, and if there is a contradiction in what I have said, I will clarify it. I have said that and I will do that.

To accuse me of trying to deceive the Senate, which I think he is trying to do, is not correct. I do my best to give answers, but I have to admit that I sometimes misspeak myself, and maybe I did on that occasion. I think I am entitled to look at *Hansard* to see exactly what my words were, and if there is a contradiction I will clarify it.

Senator MacEachen: I think that is fair enough.

May I have the opportunity to ask permission of the Senate to revert to Question Period after the Senate has dealt with the business before it today? I ask that so that, in the meantime, the Leader of the Government will have an opportunity to consult *Hansard*.

Senator Roblin: I think I will take my time consulting *Hansard*.

Senator Frith: No doubt! There is no surprise there.

• (1420)

Senator MacEachen: Honourable senators, I can understand the embarrassment of members on the other side of the house.

Senator Flynn: We are bored, not embarrassed.

Senator Walker: We are tired of you.

Senator MacEachen: I have never seen a situation that is so embarrassing—-

Senator Balfour: Yes, you have.

Senator MacEachen: —for the Leader of the Government and for his followers. On a matter of this importance, and after having advised the Senate twice in reply to direct questions and after a lapse of four days, the Leader of the Government is not in a position today to tell us whether the Prime Minister and the President actually spoke on these serious matters.

I leave it to the good sense of the Leader of the Government to extricate himself from this embarrassing and untenable position, which I am sure he finds quite difficult. I wonder why he permits himself to be put—

Senator Flynn: Balderdash!

Senator MacEachen: —in this position.

May I ask the Leader of the Government another question which arises out of his statement on Thursday and which seems to contradict an earlier statement which he made in the house? It has to do with the evidence of Libyan complicity. The Leader of the Government said:

> I have already answered the questions concerning the evidence of Libyan complicity. In short, the government has already said that it received the evidence and accepted it. The nature of the evidence, how we received it and when, is also of the sort of secret intelligence which, by longstanding practice, is not discussed publicly.

I am referring more particularly to the comment "how we received it and when."

On Wednesday, in reply to a question which I asked, the Leader of the Government said that Mr. Nielsen had been given the evidence by Ty Cobb, that he had examined the evidence and that he found it convincing and credible.

Now, by his statement on Thursday, is he withdrawing his assertion on Wednesday that Mr. Nielsen had examined the evidence which was presented to him by the special envoy from the United States?

Senator Roblin: I don't think I made any statement as to whom Mr. Nielsen spoke to. I think my friend has put those words in my mouth. They are not correct. I don't think I said that. In my statement on Thursday—if I can find the correct clause here—I think I said that the Deputy Leader of the Government in the other place had stated that he was the one who had been dealing with the Americans in respect of this matter.

Senator MacEachen: Well, it is true that the Leader of the Government, for reasons which are not clear and have not been explained, has refused to identify the person who came from Washington to Ottawa, for reasons of policy. He has not identified him, but we know who the person is. I do not think that that is the substance of my question.

In an answer to me—

Senator Walker: I am sure.

Senator MacEachen: —on Wednesday, or earlier in the week, the Leader of the Government said that the Deputy Prime Minister had received the special envoy, that he had received the evidence, had examined it and found it convincing. I want to know whether that answer still stands.

Senator Roblin: Not only does it stand, but I repeated the information in my statement on Thursday.

Senator MacEachen: On Thursday the Leader of the Government stated that:

> The nature of the evidence, how we received it and when—is not discussed publicly.

There is a contradiction, and I want to know whether the statements made on Wednesday with respect to the evidence can be taken to be true, namely, that Mr. Nielsen did receive the evidence, did examine it and did find it credible.

• (1425)

Senator Roblin: If the honourable senator will read my statement of Thursday, he will see that I made specific reference to the fact that it was the Deputy Prime Minister who received the official. Therefore, the rest of my answers follow from that.

Senator MacEachen: The Leader of the Government, in this paragraph, is talking about the evidence of Libyan complicity, and that is the question which I addressed to him. He told me on Thursday that by longstanding practice it is not possible to say how and when we received it. On Wednesday, he told me it was received and examined by the Deputy Prime Minister. I want to know whether Wednesday's answer still stands.

Senator Balfour: Is this Question Period or cross-examination?

Senator Roblin: The statement I made on Thursday was that the Deputy Prime Minister was the one who received the official. That is as far as I intend to go in the matter. I believe the rest of my statements on the previous occasion are accurate.

Senator MacEachen: Is the Leader of the Government saying that the Deputy Prime Minister did receive the evidence, did examine it and did find it convincing?

Senator Roblin: I have already given the answer to that question in the affirmative; my friend knows it.

Senator MacEachen: In other words, the Leader of the Government has withdrawn that portion of his statement of Thursday last which says that the government, as a matter of policy, refuses to say when and where it obtained the evidence.

Senator Roblin: What I am saying is that that is my position. If I gave my honourable friend information that goes beyond that on another occasion, that does not mean to say that it is inaccurate. If my honourable friend wants to hold me to his Jesuitical line of questioning, he is welcome to do so, but he must remember that I have the option of refusing to reply if I do not wish to do so.

Senator MacEachen: Is that the attitude the Leader of the Government is now taking—that he will refuse to answer further questions?

Senator Roblin: I will answer any questions which deserve to be answered.

Senator Frith: And those that you do not answer, Senator Flynn or Senator Walker will answer. It is a question to the three of you, because we get answers from all three.

Senator Flynn: You are grumbling.

Senator Frith: Number one lapdog!

The Hon. the Speaker: Order! Senator MacEachen has the floor.

Senator Flynn: He has had the floor for about half an hour and he has been abusing the rules regarding Question Period.

Some Hon. Senators: Order!

Senator Flynn: This is totally irregular. If he wants to launch a debate, he should do so.

Senator Guay: Sit down!

Senator Flynn: The only thing Senator Guay can do properly is make noise.

Senator Guay: You sure make a lot of that yourself. You can't even hear yourself.

Senator Flynn: I protest because the Leader of the Opposition is going about Question Period in a totally irregular way.

Senator Frith: In every case he has asked a question.

Senator Flynn: Even if Senator Frith is not in agreement—and I know he is—he would rather make a little noise himself although his cannot compare with that made by Senator Guay.

Senator Guay: No one can compare with you.

Senator Flynn: If we are allowed to proceed in this way, so be it; that is up to the Senate, but it will not improve our image.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, it seems to me significant that the point of order was raised by Senator Flynn, not by Senator Roblin. Senator Roblin was trying to answer the questions; they were questions, and he was dealing with them as such. Of course, we now find that when questions are addressed we have to expect some answers from the two on his left. The questions were asked of Senator Roblin, and he was trying to answer them. Now it is raised by Senator Flynn, I take it, on behalf of Senator Roblin, that there is something irregular in asking questions—

Senator Flynn: No.

Senator Frith: —arising out of answers given on a previous occasion. I will tell senators why I am sure that Senator Roblin did not raise the objection. It is because when he sat on this side he did that very thing, and we never called him to order on it because it was turned into a valuable exchange. Sure, many of these exchanges can be described as debates, but they arise out of questions asked or answers given. Often, when we gave delayed answers, Senator Roblin would stand and pursue those answers by asking for further information or clarification. That is why he has not objected—he realizes that when he sat on this side the same procedure took place and was as much in order then as it is now.

• (1430)

Senator Roblin: Honourable senators, I think I have to add something to what Senator Frith has been saying. It is true that I did ask questions when I sat over there, but there was a significant difference.

Senator Frith: You were asking them; that is all.

Senator Roblin: I was asking questions of ministers who had portfolios.

Senator Frith: That was not at all always the case.

Senator Roblin: Most of the time I asked questions of ministers who had portfolios and who should have been expected to know the details of their departments. That is not the case now, and I make no apologies for this.

My honourable friend the Leader of the Opposition is a very skilled parliamentarian. He leads me, with some—how shall I say this?—satisfaction into areas in which he certainly is an expert, namely, international affairs. I, innocently—I suppose that is the correct word—try to give him an answer. Then, when we come to further consideration of the matter, he has a lot of fun in pointing out what he thinks to be contradictions in what I have said.

I am not saying that I do not make contradictions, but I must say that I have to take counsel on the answers to questions. All my friend is accomplishing by that is placing me in the position of taking questions as notice. I do not answer because they do not come within my particular knowledge.

If we want a free and honest discussion of these issues—which I try to do in this house—then that fact has to be taken into account. I am quite within my rights in responding to questions by taking them as notice because they do not come within any portfolio or responsibility of mine, no matter how urgent the issue may be thought to be by members of the other side. I think that a little give and take is required here.

Senator Frith: Sure; agreed.

Senator Roblin: I am trying to do my part, but if I am going to be cross-examined in this way—perhaps quite legitimately—it will certainly mean that, in future, I am going to be far more careful in my answers than I have been heretofore.

Senator Frith: Fine.

Senator Roblin: I will certainly take questions as notice rather than attempt to answer them when I do not have the direct information.

Senator Frith: No one is objecting to that.

Hon. David Walker: Your Honour, in answer to your remarks on a debate, rule 32 states:

> A debate shall not be in order on an oral question, but brief explanatory remarks may be made by the senator making the interrogation and by the senator answering the same. Observations upon any such answer shall not be allowed.

Thank you, Your Honour, for making the interjection.

Senator Frith ought to have this framed and put in his bathroom.

Senator Frith: It is framed, and we are right within its bounds.

Senator MacEachen: Honourable senators, I wish to make a statement on the point of order. It is to the effect that I certainly agree with give and take. I have never found it unparliamentary, in my experience, to engage in questions, and repeated questions. I thought that was part of the parliamentary process. If I am mistaken, I must say that I am learning my mistake at a very advanced stage of my parliamentary career.

But I will put that aside and say to the Leader of the Government that I believe I have been very reasonable with respect to these questions, which were put a week ago yesterday for the first time. I am still awaiting answers. On Thursday, when the Leader of the Government rose and sought permission to revert to Delayed Answers to make a statement, I listened and told him that I would examine the statement. I said that on my first impression I thought it had failed to answer my questions. Yesterday, I did not ask any questions because I found that when examining the statement given on Thursday and previous answers there were, in my view, contradictions. I thought the Leader of the Government might have risen yesterday to clarify those.

I am not pressing and I have not pressed for an immediate answer. I still want the answers, and a week of notice has been given. If another week is necessary, then I think that is excessive, and that is the conclusion of my point of order.

I think that it is not a matter of statistics in this case. It is a matter that can affect the peace of the world. It is under debate everywhere in the world and it should be, in my view, a top priority of the government and the Leader of the Government in the Senate.

Senator Frith: Hear, hear!

Senator MacEachen: Surely one or two weeks is enough time to get answers. If I must now give notice, I want to give notice of further questions on Libya. I will sit down, should others want to ask questions, and return to the matter later.

Senator Flynn: Announce an inquiry, if you want to.

Senator Roblin: I think my friend deserves a comment. If he thinks there are any inconsistencies in what I have said, I am perfectly willing to examine those. He has given me one, at any rate. I did not re-read what I had said in the Senate because I was not aware of any inconsistencies. If there are, I will do my best to explain what I believe the correct answer to be. But that is about as far as I can go. If my honourable friend wants to repeat his series of questions about the negotiations that took place between the Government of Canada and the Government of the United States, I am not able to give him any more information.

It is perfectly clear that when there are negotiations between states those are generally regarded as confidential matters. It is also perfectly clear that if they involve the safety and welfare of Canadians that is another good reason why there should not be the sort of examination that he certainly wants. So I have to tell him that I will be glad to try to deal with any inconsistencies that he thinks I have committed—if so, they have certainly been unwitting ones—but if he expects me to go beyond the general statement that I made on Thursday last, I do not think I will be able to oblige him. I simply will not answer those questions.

Senator MacEachen: Honourable senators, on Wednesday last I asked the Leader of the Government this question:

> Following the information given to Canada by the United States of its intention to engage in this strike, were there consultations, after that event, with our European allies to determine what their views were?

The Leader of the Government replied:

> I think that is the case, but I am going to check to be doubly sure—

Honourable senators, I think it is reasonable to expect an answer to that question, which was first asked on April 16. Today it is April 23. Can he give me an answer today?

Senator Roblin: I can tell my honourable friend that I discussed the nature of his question with the officials, with my cabinet colleagues and with those who are outlining government policy in this matter, and the advice that I received from them was that that was one of the categories of questions they were not prepared to answer.

Senator MacEachen: Was it a decision made by the Government of Canada not to tell us whether the Canadian government consulted with other governments? Is that a decision of the government or is it a decision of some official of the Privy Council?

Senator Roblin: No, it is a decision of the government. It was announced in general terms by the Prime Minister in the other place last week. The reason for it is quite clear. At the present time, we have been able to protect very well indeed the

interests of Canadians in Libya, and we want to maintain and reinforce that state of affairs. We do not wish to be drawn into discussions to satisfy those questions of my honourable friend that might have a tendency to change that happy situation.

Senator MacEachen: The Leader of the Government is becoming even more incomprehensible. He talks about a "happy situation" in Libya for Canadians, and this at a time when the Secretary of State for External Affairs has encouraged and, indeed, has asked all Canadians to leave Libya. Does he know what is going on?

Senator Roblin: My honourable friend would, of course, pounce on that—that is just the kind of debating technique he delights in. What I am telling him is that the Libyan government has been very co-operative with us in dealing with those of our people who want to leave Libya. It has been co-operative in terms of making it possible for them to leave that country. The airport is open and we want to ensure that that happy situation—to the extent that our people are facilitated in their departure, should they wish to go—does not change and that Canadians who stay in the country are treated in a decent manner.

• (1440)

Senator MacEachen: What the Leader of the Government is saying is that the Canadian government cannot tell the Parliament of Canada whether it spoke to the United States or to its European allies, in case that knowledge will offend Colonel Khadafy. I find that quite unacceptable—

Senator Frith: Hear, hear.

Senator MacEachen: —quite unacceptable.

Senator Roblin: Well, of course, that is the kind of position that my honourable friend would never have approached within a million miles of taking when he was the Secretary of State for External Affairs. Was there ever a Secretary of State for External Affairs who was more adept at avoiding questions within the House of Commons with respect to his portfolio? He established a reputation nationwide as being the hardest man in Parliament to pin down on anything.

Senator Frith: You are gaining on him fast.

Senator Roblin: I admit that I am taking lessons. I am taking lessons from a man who would not answer questions and who knows how to try to ask questions. He has both sides of the field covered.

Senator MacEachen: A metamorphosis.

Senator Roblin: Well, the metamorphosis has not fooled me. He may no longer be the Secretary of State for External Affairs, but I remember very well how he reacted; and if anyone were to say to him in those days that he should divulge information which had the potential—let us say it is no more than that—of harming Canadians in any part of this world, particularly in a very tricky situation such as we have now, he would be the last man to answer questions which he felt trespassed on that situation. I believe that is the situation today. I don't care a hoot whether he agrees with me or not, but I tell him that it is the policy of this government to protect the safety and security of Canadians—and I will not be goaded into answering questions to satisfy his curiosity with respect to the policy of the Canadian government the answers to which would do these very things and harm our people. The Leader of the Opposition smiles; he laughs.

Senator MacEachen: Ridiculous. You are ridiculous.

Senator Roblin: He makes me smile, because I remember how he comported himself when he was answering questions in the House of Commons. He was pretty good. If I get to be as smart as he was in answering questions, I think that I will have registered a pretty high degree.

Senator Doody: Hear, hear.

Senator Frith: I think I can say, "Hear, hear".

Senator MacEachen: Honourable senators, it has been my experience in dealing with the Leader of the Government that at any point in any exchange in a debate, when the going gets rough, he begins to attack my past, either as Minister of Finance, as Leader of the Government or as Secretary of State for External Affairs. That is a good indication that the Leader of the Government is in deep trouble. I want to tell him that I have never heard, in over 30 years in Parliament, a minister say, "I refuse to tell whether there were discussions"—not what was in the discussions—"between the Prime Minister and the head of another government." Nor have I ever heard a minister refuse to answer a question as to whether there were discussions between the Canadian government and the governments of Europe—never heard it. Why, in the name of God, should we conceal that we talked to the President of the United States, or the heads of government or ministers in Europe? On the face of it, it is absurd. But then, to add insult to injury by saying, "Well, we will not do it because we are afraid that Colonel Khadafy will be upset and hurt Canadians in Libya—"

Senator Flynn: No, no.

Senator MacEachen: That is what he is saying, and it is absurd.

Senator Flynn: That's false.

Senator Roblin: I usually have a very high respect for my honourable friend's interventions in this house, because he has long experience and he knows every trick of the trade. There is not a single thing about parliamentary conduct that he does not know about. In fact, some people thought that he wrote the book. Then he says to me he is surprised that I will not answer a question because it will make Colonel Khadafy mad. Well, now, I want to tell him that that is the most jejune statement, coming from such an experienced statesman, that I have ever heard. The Leader of the Opposition knows perfectly well that it is not a question of what Colonel Khadafy thinks. The fundamental question is how do we protect the safety of Canadians. That is the issue.

Senator MacEachen: Against whom?

Senator Frith: Against Khadafy. That's all he is saying.

Senator Flynn: He did not say that.

Senator Frith: Yes, he did.

Senator Roblin: All you have to do is ask the question. You know the answer.

Senator MacEachen: He talked about the government of Libya—and who is the government of Libya?

Hon. Stanley Haidasz: Honourable senators—

Some Hon. Senators: Order!

HUMAN RIGHTS

FATE OF POLISH REFUGEE

Hon. Stanley Haidasz: Honourable senators, a couple of weeks ago a Polish refugee, seeking political asylum in Switzerland, and also applying for a Canadian visa, was hurriedly deported to an unhappy fate in Poland. Can the Leader of the Government tell us today, or at a later date, whether this case was damaged by any bureaucratic bungling, or rigidity, or hardhearted regulations? If not, could he inform us whether the Canadian government has launched any formal protest to the Swiss government on its treatment of this case?

Hon. Duff Roblin (Leader of the Government): Honourable senators, until my honourable friend gives me some idea of what the case is, there is just no way that I can answer it. If he is willing to give me information as to who was concerned, the time and the place, then I think that is a matter that can be investigated.

ABSENCE OF SENATORS FROM MEMBERSHIP OF OBSERVER GROUP AT BERNE MEETING

Hon. Stanley Haidasz: Honourable senators, I have a supplementary question relating to human contacts, human rights and refugee matters. Last week a human contacts meeting under the CSCE process was begun, and to my knowledge there is a Canadian parliamentary observation group at that meeting in Berne, Switzerland. Can the Leader of the Government tell us why no senators were asked to serve on that Canadian parliamentary observation group?

Hon. Duff Roblin (Leader of the Government): I have no idea.

Senator Haidasz: Will you find out for us, please?

Senator Roblin: No.

Senator Haidasz: Why not? We are entitled to answers.

Senator Roblin: I would like to point out to my honourable friend that questions may be asked, but I am not obliged to give answers. I do not know why no senators were appointed to that committee. There may well have been a good reason. However, if my honourable friend feels strongly about it, I will try to find out for him as best I can.

BORROWING AUTHORITY BILL, 1986-87

THIRD READING

Hon. C. William Doody (Deputy Leader of the Government) moved the third reading of Bill C-99, to provide borrowing authority.

Motion agreed to and bill read third time and passed.

ROYAL ASSENT

NOTICE

The Hon. the Speaker informed the Senate that he had received the following communication:

RIDEAU HALL
OTTAWA
K1A 0A1

23 April 1986

Sir,

I have the honour to inform you that the Honourable Gérard V.J. La Forest, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber to-day, the 23rd day of April, 1986, at 4.30 p.m., for the purpose of giving Royal Assent to a Bill.

Yours sincerely,
Leopold H. Amyot
Secretary to the Governor General

The Honourable
The Speaker of the Senate
Ottawa

• (1450)

MARRIAGE (PROHIBITED DEGREES) BILL

THIRD READING—MOTION IN AMENDMENT—ORDER STANDS

On the Order:

Resuming the debate on the motion of the Honourable Senator Stanbury, seconded by the Honourable Senator Petten, for the third reading of the Bill S-2, intituled: "An Act to amend and consolidate the laws prohibiting marriage between related persons",

And on the motion in amendment thereto of the Honourable Senator Flynn, P.C., seconded by the Honourable Senator Bélisle, that the Bill be not now read the third time but that it be amended as follows:

1. Strike out paragraphs (a), (b) and (c) of subclause 2(2) and substitute the following:

"(a) lineally by consanguinity or adoption, or

(b) as brother and sister by consanguinity, whether by the whole blood or by the half-blood."

2. Strike out subclause 3(2) and (3) and substitute the following:

"(2) A marriage between persons who are related in the manner described in paragraphs 2(2)(a) or (b) is void".—(*Honourable Senator Neiman*).

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I wonder if Senator Frith can give us any information on this order, which stands in the name of Senator Neiman. I understand that because Senator Neiman will not be with us for some time some arrangement has been made.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I have spoken to Senator Neiman and also to Senator Nurgitz. I believe that the consensus is that we proceed with the bill and send it to the other place after adopting Senator Flynn's amendment. I understand that Senator Nurgitz will be absent for the rest of this week. I shall talk to Senator Nurgitz next week and determine whether we can dispose of the matter next week.

Hon. Jacques Flynn: Senator Nurgitz told me that he had no objections.

Senator Frith: I agree. However, I wanted to confirm with him whether he and Senator Neiman have the same feelings about it. I believe she has no objections either.

Senator Flynn: That's what we have heard, about ten times now.

Senator Frith: I have nothing more to add.

Senator Roblin: Come on, add something.

Senator Frith: Apparently Senator Flynn has something to add.

Senator Flynn: We will leave it there.

Senator Frith: I have nothing to add. I said that I would talk to Senator Nurgitz and Senator Neiman to be sure on the matter. I do know that there were some reservations about the amendment, but I believe that they have been cleared up now. I merely want to assure myself on that point.

What a tetchy lot!

Order stands.

NATIONAL FILM BOARD

CONSIDERATION OF REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON FILM ENTITLED: "THE KID WHO COULDN'T MISS"—DEBATE CONTINUED

On the Order:

Resuming the debate on the consideraton of the Eighth Report of the Standing Senate Committee on Social Affairs, Science and Technology, entitled: Production and Distribution of the National Film Board Production "The Kid Who Couldn't Miss", tabled in the Senate on 15th April, 1986.—(*Honourable Senator Doody*).

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I yield to Senator Perrault.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

Hon. Raymond J. Perrault: Honourable senators, I would like to say at the outset that together with many members of this chamber and Canadians from coast to coast, I have developed a great deal of admiration for a number of the productions of the National Film Board. In many ways it has been one of the most progressive, advanced and enterprising units in the entire world. For example, productions by Norman McLaren have brought this nation the highest awards for animation on film, as have many other productions of the very highest quality and world standard. I have not come here this afternoon to pillory the National Film Board. May I suggest, however, that they should be congratulated when they produce excellent productions, but they should not be immune from criticism when they produce films that are not up to their usual production standards. I approach my task this afternoon in that spirit.

The production under debate does not meet that high standard of excellence we have come to expect from the National Film Board. While it purports to be a factual, well-researched documentary about one of the nation's heroes it is, on the contrary, provably and demonstrably, a flawed, badly-botched production which should never have been released in its present form. I find it difficult to believe that this production, complete with inaccuracies, historical and otherwise, has been shown, we are advised, at embassies throughout the world as an example of Canadian film excellence. Surely, there are other and superior productions that the NFB might be expected to show to audiences offshore.

The subcommittee studying this matter heard a great deal of evidence. I, for one, cannot understand why it was necessary for Mr. Cowan supported by the National Film Board to designate the life of Billy Bishop as a device to attack what they believe to be the insanities of war, why it was necessary to savage and victimize a man who, beyond any doubt, did a great deal for his country, and, particularly, a man who is not here to defend himself. Bishop is gone; most of his contemporaries and colleagues have now passed away. Understandably, members of his family have been deeply offended by this film. At no point did the National Film Board or Mr. Cowan ever invite them to a meeting, invite them to provide their insights and their views with respect to the late Billy Bishop.

At the very least, why did not the National Film Board develop some fictional character? They could have developed a perfectly acceptable film relating to war and the way it alters men and women without using the name of Billy Bishop. Many other countries have done this sort of thing—France for one, where a number of anti-war post-war film productions were produced with indirect reference to certain French leaders during the first world war. However, the names were changed to avoid the kind of unhappy results which have ensued as a result of designating the life of one of Canada's great war

heroes as the theme of this production under debate. In "The Kid Who Couldn't Miss," Mr. Cowan and the NFB have chosen another—in my view—disreputable route. They have taken a legitimate and respected Canadian hero, carefully shaped the facts—and oh, yes, it is all done in the name of creative licence for they say creative artists must be given "some space"; they have to be given the opportunity to be creative, "to draw on their full imaginative powers"—and invented, quite shamelessly, incidents that never occurred. These are some of the kinder criticisms that can be levelled. They have put words into the mouths of people who never uttered them. They have worked tirelessly to destroy the reputation of one who is not here to defend himself, and they have proceeded to suggest to the nation and some of their defenders that the Senate is "interfering" with a great creative work, that a group of people in this chamber somehow are threatening free speech.

Yes, Mr. Cowan has his defenders. One is a best selling popular Canadian historian. I can only hope that this historian's research methods reflect a greater respect for the truth. I am sure that the French, for example, will be rather interested to learn that the Battle of Verdun was not fought in 1916 at all, and that the armies of France did not nearly bleed to death in 1916, that Verdun was really fought in 1917. Why this date change? Presumably because it seemed to tie in more effectively with the Billy Bishop plot. Creative licence?—Or shoddy research?

All the mistakes in this production—and there are legions of them, and at the risk of tedium, I shall read them into the record today—would have been avoidable and correctable with a minimum of technical and historical advice. When any group or agency, particularly one financed by the taxpayers, aspires to produce films about this country's heroes or even those who have served in somewhat less than heroic capacities, an official agency of the government, as a first requirement, should be required to ascertain the authenticity of the facts that it purports to be true. What kind of technical advice did the National Film Board and Mr. Cowan retain? One Dominique Parent is listed in the film credits as being responsible for historical research. This person was not heard from or referred to by those who appeared before the committee. The committee said that on the basis of its hearings Mr. Cowan, who it concludes is without any kind of historical training and whose experience is totally in broadcast journalism, was responsible for doing all or almost all the research.

I mentioned a moment ago that I would quote some instances of Mr. Cowan's inadequate "research." I shall proceed to do that now. Those who are members of the committee may say, "Well, you are going over old ground." I ask them to be tolerant. I think that the facts should be placed on the record of the Senate.

• (1500)

Another quotation that I take from the script of "The Kid Who Couldn't Miss"—and I may say to you, honourable senators, that this document is full of all sorts of historical errors, and other mistakes including the way the names of people and aircraft are spelled. The script says:

> Corporal Walter Bourne is in charge of Bishop's machine.

Earlier, the script says:

> Bishop finds himself and his horse mired in the awful French mud.

Billy Bishop at no time served in the cavalry in France. So, that is an untruth. Furthermore, Walter Bourne never served in the 21st Squadron. That should not have been a difficult matter to ascertain.

Then on page 13 of the transcript, we learn that:

> Lady Saint Hellier is London's leading socialite and a close friend of just about everyone. She sees Bishop as a replacement for the son she's lost in the Crimean War.

Honourable senators, the Crimean War was back in 1854. She must have given birth at the age of nine years. That must be a new Commonwealth and Empire record.

I am sorry to burden some members of the committee with these facts, but I think it should be put on the record of the Senate because some of the commentators are wondering why the Senate is concerned.

On page 21 of the script, we find the words:

> Scott likes Bishop's spunk and is giving him one patrol before sending him back.
>
> The following morning, at five-thirty, the planes are wheeled out of the hangar.

What are the facts? On Bishop's first victory sortie, we have the statement:

> The following morning, at five-thirty, the planes are wheeled out of the hangar.

That is not true. On that raid, Bishop took off at 4.30 in the afternoon. The changed time was better for the producer, and his film production, obviously.

There seems to be a rather intense interest on the part of Mr. Cowan in Baron von Richthofen, since he is portrayed in the most sympathetic terms. On page 25, we are told about the Baron's victories:

> Victories 32, 33 and 34 come in the next three days.

In fact, they did not come within three days; they came within eight days. It is a small matter, but it indicates the carelessness that is rife throughout this entire production.

On page 26 of the script, we are told:

> Billy Bishop, however, is learning how to fight. He gets victory number 2 the day after his first. And on Easter Sunday, 1917, he brings down an extraordinary three more to get the five kills needed to be called 'an Ace'.
>
> That afternoon there's a celebration for Bishop attended by none other than Scott's good friend, the influential General Hugh Trenchard.

In fact, Bishop got victory number two on the sixth day after his first victory. With respect to Easter Sunday, 1917, there was no celebration. Trenchard attended a luncheon at 60th

Squadron on April 22, 1917. In fact, Easter Sunday was April 7, 1917.

The script makes reference to an Edward Albert Ball. No such person ever existed, and certainly not by that name. There was a person who was known simply as Albert Ball. On page 29 of the script, we are told that:

> By the end of Bloody April, most of Bishop's friends are wounded or dead. Bishop is an emotional lad and the losses hurt him deeply. With the exception of Jack Scott, he allows himself no more close friends . . . He now has 7 victories.

In fact, Bishop had 14 victories by the end of April, 1917. I wonder who Cowan talked to.

Again on page 32 of the script, we are told:

> This same week in the north of France, the King and Queen of England visit their hero—Albert Ball and an up-and-comer named Jimmy McCudden.

No such meeting ever took place. Ball met the King in April of 1918. This seems to be a convenient shifting of the facts.

On page 33 of the script, we read:

> Billy Bishop is not in the same league with the best of the Aces, but his score has climbed to 18 and the Owen Sound son now champions his cause, boasting that he brought down 7 in one flight, although in fact, it was 3.

With respect to the statement "Bishop's score has climbed to 18": Bishop had 14 victories by the end of the April, 1917. The transcript had earlier stated that Bishop had seven victories at that time.

Then on page 37, we are told:

> The day is May 10th, 1917.

What a cinematic opportunity!

> Final preparations are underway for a full card of dog-fighting which is now so popular that the fights and results are published daily throughout the warring nations. Though no one knows it yet, May 10th will be a very special day, for it is on this day when the two most daring fighters will finally meet. Billy Bishop and Manfred von Richthofen.

That confrontation would certainly have dwarfed something like Mohammed Ali fighting Larry Holmes. It is claimed to have been the big aerial "showdown". The only thing is that it never happened. Bishop was on leave in England at the time. In fact, he was on leave in England from May 8 to May 22, so when they talk in terms of "this great encounter", it never happened!

Senator Frith: Perhaps von Richthofen was fighting Snoopy.

Senator Perrault: Yes, very possibly. On page 40 of the script we read:

> Billy Bishop and Jimmy McCudden are now the R.F.C.'s leading scorers.

And this is pure fantasy, honourable senators. In fact, Bishop had 47 victories in August of 1917 and Jimmy McCudden had nine. The only thing is that many other R.F.C. pilots had more than nine victories. One can only presume that Mr. Cowan obtained this garbled information from the same sources who provided information about Billy Bishop.

On page 41 of the script, we are told:

> The Red Baron now has 80 kills and at least that many offers of marriage.

Von Richthofen had 52 victories by June of 1917, the period in question. He did not have 80 kills at all. Further down the page, we are told that von Richthofen on June 10 is badly hit in the head and, a month later, barely recovered, the Baron starts his comeback and goes on his last fatal sortie.

In fact, von Richthofen was injured in 1916, two years before he was killed in April, 1918. That is just fanciful comment by Cowan.

On page 44 of the script, we are told:

> Despite the Red Baron's death, there are no happy faces at 60 Squadron. And Bishop writes: My nerves won't last 3 more months. I find myself shuddering at chances I wouldn't think of 6 weeks ago.

Von Richthofen died in 1918, and Bishop had left France in 1917, to return approximately one month after von Richthofen's death. I suppose this is again "creative licence."

On page 45 of the script:

> Bishop is now ordered on leave to Canada. He is two kills ahead of Jimmy McCudden for Number One, but the constant fighting has left him a nervous wreck.

When Bishop requested leave to proceed to Canada to be married, he had 47 victories and McCudden had nine. He was not just two ahead at all; he was 38 ahead. This, to me, indicates such a basic lack of research into the aerial history of World War I that it is absolutely appalling and certainly unacceptable.

At page 45 of the script again, we read:

> His fears are revived however, when he lands. The same crowds that once saw the Caledonia off, again jam the port. Only now, they're for him.

With respect to crowds jamming the airport, Bishop had received the V.C. the D.S.O. and bar and M.C. before his return to Canada on leave. He was the outstanding allied aviator, so the crowds are not surprising. However, the film has not yet presented Bishop's V.C. raid.

On page 46, we are told:

> On June 14th, Bishop departs London for the front, while Lady Saint Hellier and several members of royalty, cheer lustily.

In fact, Bishop returned to the front in 1918, not 1917, as indicated in the film, and he returned in May, not June. This film shows him leaving England on June 14 but, in fact, his raid on Estourmel took place on June 2.

On page 47 of the script—and I am sure the French Air Force will be interested in this, because it is incredible stuff:

> In October, Bishop is fighting again and with McCudden dead he is soon Number One. He is a reckless fighter now and his plane is often hit.

The script then talks about other aces in the First World War. The French Ace, Guynemer is asked:

> 'What medal is there left for you to earn'. He replies: 'Only the Wooden Cross'. Two days later, Georges Guynemer is dead. Nungesser, the Number Two French Ace is the next hero to pay for celebrity with his life. And Navar, the Number Three man, cracks and is sent to a mental hospital where he commits suicide.

All nonsense! Creative licence? Or blatant untruth?

• (1510)

There is no evidence to support the statements that Bishop was a reckless fighter. Certainly his effectiveness continued unabated.

As far as Guynemer, Navar and these others are concerned, as well as the leading French and Allied ace, René Fonck, who had 75 victories, they are not mentioned. Nungesser died in a solo transatlantic flight attempt east to west well after the war. Navar was killed in a flying accident while practising for a 1919 victory parade in Paris. This is the quality of research that has led to this damnation of Billy Bishop, the Canadian ace! These facts regarding the French "aces" are so basic in nature, and so easily ascertainable from World War I records that doubt is cast on the validity of the entire Cowan production and its historical integrity.

At page 48 there is a further build up to the allegedly nefarious, phony act by Bishop, this so-called "raid that did not take place" where Bishop is supposed to have headed his plane into the "wild blue yonder," landed his plane, shot it up, took off the machine gun and came back and said he had just finished raiding a German airfield. These are the mischievous words:

> Miraculously, Bishop is still alive. But he is now more valuable as a symbol than a fighter. The brass decide to pull him out.

The suggestion here is that there is complicity, that the so-called brass have to help arrange a phony raid so that Bishop can be awarded the Victoria Cross.

It goes on to state:

> Knowing he has only a week left, Bishop decides to finally attempt the lone raid Ball dreamed of. He orders extra rounds to be loaded into his Newport. He tells Bourne to tune his machine and stress the wires tight. He then leaves a 3 a.m. wake-up call and goes to bed without talking to anyone.

Then this mysterious unidentified voice on the sound track states:

> When Bishop did that raid on Estourmel that morning, did you have any idea it was coming?

And the other voice says:

> Everybody knew it was coming. I mean we were up to here in brass hats, you know. I mean we were all standing out in the field, you know, waiting for him to come back to see if he had done it, you know. He had everything but a brass band out there, you know. I mean, I thought the King was coming.

That is a lie. The fact is that Bishop returned at 5.40 in the morning to the still-sleeping huts of his home airfield. There were no visitors to greet him on landing, there was no general knowledge that he was on a raid, although he had invited another pilot to come along with him. That was in the evidence as well, but his fellow flier declined. There was no general knowledge that Bishop would be going on the raid except that he had been encouraged by a Squadron Commander to take care of a particularly troublesome situation which had faced our troops in the trenches in the early morning hours.

No evidence is now available, but some historians believe that a lone German raider was making a practice of rousing our trenches at dawn by strafing attacks. It was believed that he was based at Estourmel.

So, the entire scenario is fiction, constructed by Cowan and the National Film Board to make it look as though the raid was deliberately pre-arranged and that they had a welcoming back party with a brass band, brass hats, and all the rest. And this is done in the name of "creative freedom and "creative licence." Why do this to Bishop's memory? Why injure his family today?

There are more inaccuracies that should be drawn to the attention of the Senate. I know some honourable senators know of these, but I want to put the following on the official record. At page 57 it states:

> In 1939, Billy Bishop is once again in uniform. He is one of the brass now, a Lieutenant Colonel, and his renown as a hero is used to recruit the young men who will pilot the Spitfires in World War Two.

They could have ascertained, by contacting the Department of National Defence, that he was made an Air Marshall in 1938.

There are other discrepancies, and I will put those on the record as well. I do not want to delay honourable senators unduly, but there have been some comments made in the press about how unfair the Senate has been in its judgment.

Hon. C. William Doody: (Deputy Leader of the Government): What document are you quoting from? Is that the script?

Senator Perrault: I am quoting from an analysis done by a military historian. The facts, dates and times have been assembled.

Senator Doody: But when you refer to page 46, what is it you are referring to?

Senator Perrault: I am referring to page 46 of the transcript of "The Kid Who Couldn't Miss" provided by the National Film Board. I believe it is referred to as the "shooting script".

With respect to what one might call misleading errors, at page 5 the following appears:

> The declaration of war in 1914 had induced the Canadian Army to commission even its poorest prospects. So, in September Billy Bishop is commissioned a lieutenant and starts serious training with Toronto's and Mississauga horse.

The fact is that in 1914 standards for obtaining a commission in the Canadian Army were not lowered. The case is obviously being made against the quality of Canada's military officers at that time. They were top quality people in 1914, and anyone who knows anything about military history knows this to be a fact.

Then further in the script the narrator states:

> In a month, Bishop is on a troop train speeding to Montreal. The talk, of course, is all war. But since there has been peace for two generations, nobody knows exactly what war is like.

The case is being made here against Bishop's qualifications and the chronology is being twisted to fit the later events.

On page 6 of the shooting script we are told:

> And in November, Billy Bishop mounts the gangplank of the S.S. Caledonia to seek his share of that most worthy commodity.

That "most worthy commodity" was glory. That is a further manipulation of the chronology. The dates have been changed in order to suit the shooting script.

At page 7 of the script, the following appears:

> On the morning of the 14th day, Bishop is horrified to see a U-boat surface 500 yards away. By eleven, the U-boat will have picked-off two of the convoy's ships and sent three hundred men to their death.

Is that not a great shooting situation? It goes on to state:

> Bishop vomits at the sight. It is nothing compared to France.

A lie! Bishop did not witness any sinking at all during the crossing. Obviously, the comment about Bishop vomiting is designed to make him look like a weak character.

Hon. Duff Roblin (Leader of the Government): Is my honourable friend saying that the film showed the sinking of a ship and Billy Bishop vomiting when it never took place?

Senator Perrault: I do not think the film showed the actual physical action by Bishop, but in many of these cases there is voice-over and visual material which had been obtained from a number of sources.

At page 11 of the script they talk about the death of an Australian at the squadron headquarters. The mysterious unidentified voice asks:

> What was Bishop's reaction to that death?

Then, that ever-present voice says:

> Well, he bawled his eyes out, I mean . . . I mean we all did, you know.

Pure imagination! The fact is that an Australian was wounded in action during that period of time, but he lived to fly again and became vigorously healthy in the process. Again, Bishop is shown to be a rather weak, emotional and unreliable person.

They keep talking about his vomiting, his weaknesses and his nerves. At page 12 it states:

> After three very undistinguished months with 21 Squadron, Bishop's nerves are shot and he is being sent to London to recuperate. He is still only an observer and although he yearns to become a pilot, his chances are slim. Pilots come only from the British upper class. Colonials need not apply.

● (1520)

Again a reflection on Bishop's character. Qualified colonials, incidentally, were always welcomed into the RFC. That is a matter of historical fact. By the end of the war one third of the RFC air crew personnel were Canadian and served with splendid distinction along with Bishop.

A case is being made for a degree of class difference here, of course, which suits, apparently, the shooting purposes of the producer. Listen to this:

> Shortly after he had finished his first three months in 21 Squadron, Bishop, on leave, coming out at night from the Savoy Hotel, fell down the steps and broke his arm.

The suggestion there is that he might have been inebriated.

> He was immediately taken to this wonderful hospital in London in Bryanstan's Square run by society ladies for the Royal Flying Corps. And a few days later a nurse came 'round and said: "The King's going to visit us. Now, we certainly can't have you here when the King comes to your bed and you say I fell down the steps at the Savoy. We must put a bandage around your head,—

Great stuff! He didn't fall down the Savoy steps. He was injured in the leg when he was a pilot flying with another pilot named Neville, and he crashed on landing. Bishop aggravated that injury in England and had to be hospitalized. As told by Cowan with the facts re-shaped, this is hardly an event to improve the reputation of Billy Bishop.

Then we are told on page 15 of the transcript:

> Well, I've got to take a contradictory bit there

says this mysterious voice.

> he wasn't a good pilot to begin with. He was a lousy pilot.

This is an excerpt from a lengthy interview with Bishop's son, Arthur, who went on in the interview to the effect that although his father was a so-called "lousy" pilot in the beginning, he obviously became very accomplished. Of course the film was edited to be as unfair as possible to Billy Bishop.

We are told on page 18 of the shooting script about his first solo flight and we read the words:

> Then you start bouncing across the field. And on your own power—and headed up into the wind—
>
> Rudder—elevator—aileron—heart—
>
> I open the throttle all the way—
>
> And you're off—pull back the stick-
>
> harder—harder—
>
> First solo flight, greatest day in a man's life.

Says this voice.

> On February 16th, 1917, Billy Bishop receives the Wings if not exactly the blessings of the RFC

The implication here is that Bishop crashed on his first solo flight—that's the inference, but it is not true at all.

Then, of course, in 1916—I have already covered that—in June the Germans attacked the French fortress at Verdun. That happened in 1916, not 1917. They talk about the threatened mutiny of the French army in the shooting script, which occurred in 1916, not 1917.

On page 20 it states:

> Though a good sport, Bishop is anything but an ace as he arrives at his first posting in northern France. He brings with him a lamentable record; he has only received a slight shrapnel wound; he has never fired on an enemy plane and he has committed numerous acts of insubordination.

There is no record of any act of military insubordination committed by Bishop. Again, Bishop's reputation is being tarnished unjustly in this film. Why make a statement of that kind to defame the memory of one of our great Canadian aces? Why do that? Would Mr. Cowan appreciate an attack of that nature on his grandfather without any prior effort to ascertain what the facts really were, and without speaking to any member of his family?

Then we read on page 24 about von Richthofen and his habit to land and pick up I.D. numbers for his collection for the people he shot down.

von Richthofen had a collection of aircraft number plates or engine number plates—he did not have a collection of I.D. numbers of his victims.

Apparently the effect being attempted here is to suggest that people become heartless and soul-less as a result of exposure to war. That is the inference.

On page 26 we read the words:

> Bishop, it seems, is learning how to fight rather quickly, but more importantly Jack Scott is teaching him how to get ahead.

The fact is that Bishop's squadron commander, Jack Scott, was a very highly respected pilot and gentleman. He was also a barrister. There is no evidence whatsoever that he encouraged Bishop to perform other than correctly as a pilot and as a gentleman. This is another attempt in the film to show a pattern of collusion between Scott and Bishop which might have led to spurious "raids" that resulted in false aerial victories.

We see on page 35 of the shooting script—and this is one of the more serious points—this mysterious voice says:

> Yesterday, when I was at the Imperial War Museum, one of the tapes I listened to was by a pilot by the name of A. James. He said that he thought Bishop's record was fraudulent—that Bishop's record was fraudulent.
>
> —Fragile.

Another voice says:

> Fraudulent. A fraud.
>
> —Oh yes. Fraudulent.

This is uttered over and over again for maximum effect.

> He did not in fact have that number of kills. He thought that Bishop was a very ambitious man and was cheating on his kills and that people .. he said it was generally known in the RFC that Bishop was cheating.

These are remarks supposedly drawn together by Cowan.

There is no evidence available to support a claim that anyone in the RFC believed during the Great War that Bishop was cheating. There is much evidence from his remaining comrade that Bishop's record is no less valid than that of any other RFC, RNAS pilot, and just as valid as any of the German records, Austrian records, Italian records, French records or American records in the First World War.

Among those consulted by researchers on this point between 1983 and 1986 are Roger Neville, Bishop's pilot in 21 Squadron; Tim Hervey, an officer who served on Bishop's flight on 60 Squadron; and J.B. Crompton, another officer who served with Bishop on 60 Squadron.

The only 1917 contemporary of Bishop's who, according to Paul Cowan, now alleges that Bishop was fraudulent, is Wing Commander W.M. Fry M.C., who, significantly, stated in 1974 that everyone believed implicitly in Bishop's honesty. Mr. Cowan in fact does not quote Mr. Fry in this film, nor is he listed in the film credits.

So, it is alleged that Mr. Fry now says that Bishop was fraudulent. Mr. Fry is yet another absent and mysterious witness. Apparently Fry is too ill to travel or cannot make arrangements, or has other commitments and cannot come to Ottawa to testify. In any case, whatever Cowan's claims today, Fry in 1974 told the world that he believed implicitly in Bishop's honesty.

An individual who has studied 60 Squadron history extensively, retired Squadron Leader D.W. Warne, RAF, is said to have stated that he found that many of 60 Squadron's 1917 personnel doubted Bishop's word in 1917. He has not brought forward a shred of evidence of such doubt to the public. If he has brought it forward to Mr. Cowan, it is not identified in the film.

Mr. Warne, like Mr. Fry, is not quoted in the film, nor is he listed in the credits, despite the fact that Mr. Cowan acknowledges having received extensive anti-Bishop information from him. Without supporting evidence, Mr. Cowan defames Bishop's professional reputation.

Then we read on page 36 of this transcript:

> Bishop's squadron has now been positioned just opposite the Red Baron's. But Bishop is flying even more apart from his squadron—lone stuff he calls it.

The suggestion there is that he takes off alone because he can come back and claim kills that did not take place and add further to his total.

Now, what are the facts? The suggestion is that this was some sort of unilateral decision by Bishop to fly by himself. He was officially authorized as a roving commission. In other words, he could fly when and where he chose. His record was

such that he could do this. Such authority was very rare indeed.

In the advertising flyer for the film the National Film Board states that Bishop often flew on unauthorized missions. A case is attempted to show that Bishop acted without authority in the air, presumably to enable him to run up his score of victories. That is incorrect. They were totally authorized missions. On page 36, the shooting script says:

> In his first 60 days, he's had 60 fights and brought down 36 planes. The only dark spot is that some members of 60 Squadron are now whispering that Bishop's getting credit for a lot of kills for which there is no confirmation. This is perhaps due to jealousy over Bishop's decorations, but the rumours persist.

The latter part of the quotation is an extract from the film where the character, Bourne, is speaking. The fact is that the real Walter Bourne is not known to have made any such statement or expressed any such charge. So, there is no foundation in fact for any part of the statement. There was no Carlisle in 60 Squadron in 1917, nor in Bishop's 85 Squadron in 1918. That could have been ascertained easily with a minimum of effort on the part of the producers.

• (1530)

Along with the preceding observations, this is the heart of the concocted argument against Bishop. Major Scott, commanding officer, was, in some fashion, supposed to have been in collusion with Bishop to enhance Bishop's score. Bishop flew on unauthorized solo raids and he was being given credit for unconfirmed victories. This is the thrust of this discredited attack by Cowan.

Again, at page 40, we are told:

> Billy Bishop and Jimmy McCudden are now the RFC's leading scorers. Bishop writes: I'm quite famous now. Two French Airmen told me all sorts of lies they read about me in the French papers which of course can't be true.

We do not have a copy of those French papers either. The script goes on to state:

> And, he adds, I have a real hair-raising stunt in mind, one that could get me another decoration.

Again, honourable senators, listen to these words that are blatantly being put into Bishop's mouth. He is purported to have said:

> I have a real hair-raising stunt in mind, one that could get me another decoration.

Obviously, he is supposed to be planning the so-called false lone aerodrome attack. Meanwhile, we are told, "the doubts about Bishop are increasing."

> —the defence patrols have come back—six or seven machines, they hadn't seen anything—nothing. He goes out a little later, by himself; comes back in a couple of hours, you know, he's firing off his flare guns like it's bleeding Guy Fawkes Day, claiming he shot down one; two; three planes. Well he claimed he shot them down but it was the C.O. who was Major Scott, he's the one that gave it to him.

This is, supposedly, the voice of Bourne. They are words that Bourne never said and never claimed to have said.

Bishop's file of combat reports in Kew, London, reflects the fact that he made many more claims of victory than those with which he was officially credited, because they checked them out as carefully as possible. If there were any doubt, they would reject those claims. The simple fact is that of those claims made 47 were confirmed and recognized by the Royal Flying Corps in 1917. If Major Scott was in collusion with Bishop and granted him victories without confirmation, how would the skeptics explain those of Bishop's claims which were not recognized by Major Scott or higher authority?

Further to the preceding conclusion, this part of the film seems to be a deliberate attempt, without any evidence whatsoever, to use Walter Bourne to destroy Bishop's credibility. The film placed Bourne in an aerodrome setting, no doubt to reinforce credibility.

At page 42 we are told about the Red Baron who was supposedly in a weakened condition because of his accident. The script states:

> While the Red Baron tries desperately to get May, another Canadian, Roy Brown, puts one bullet into von Richthofen's back.

What a subject of sympathy! The weakened Baron von Richthofen, who came out of hospital too soon after his injuries—which had been moved a year to accommodate the script and apparently to arouse sympathy for the Baron—was shot in the back by a Canadian airman. Tell that to the Australians. The Australians claim that because the trajectory of the bullet was from the ground, he must have been hit from below by an Australian rifle. That did not bother Mr. Cowan or the National Film Board; they wanted that Canadian to shoot von Richthofen in the back—a nice, honourable way to kill an opponent, particularly one in a weakened, pain-wracked condition.

This script goes on to state:

> Just about all that's left intact of the Baron's Faulker are the twin spandau machine guns which have ended the lives of a hundred young men.
>
> The Red Baron's face remains intact, despite the crash. The remaining morsels are quickly devoured by souvenir hunters.

The effort here is to depict people who have been dehumanized by war as grabbing everything in sight, that is, all the souvenirs. The fact of the matter is that Baron von Richthofen's body was treated with the same degree of respect that was awarded to all enemy or friendly aviators in the war and the highest standards of civility and respect were observed.

Is this an attempt again to show the alleged inhuman, brutalizing nature of warfare? His conclusion, perhaps, is laudable, but his arguments to reach the conclusion are not historically valid.

We are told at page 50:

> Later there will be many doubts about the Estourmel raid, although no pilot in 60 Squadron will ever publicly discuss the incident. One of the most baffling questions

—so says this aeronautical "expert," Mr. Cowan, and his associates at the NFB who are so wise in the way of aircraft technology—

> is why Bishop's Newport returned with its Lewis gun missing.

Again, as in many instances, "Nieuport" is misspelled "Newport."

This is, again, the prelude to a monologue by Bourne concerning the gun, which is all imaginary, of course. Certainly, if one man could install the gun, one man could remove it. Removing it while also controlling the aircraft in the air, however, is another question. Bishop tells of having rotated the gun down through 90 degrees to install a new drum of ammunition on the flight in question. However, he could not install the new drum, so he threw it overboard. Then, because the gun was useless without ammunition and created a slowing effect because of its drag in the airstream, he unfastened the gun and also threw it overboard. At the time, he was being pursued by some German fighter planes.

This action may, in fact, have been less effective than it is now perceived to be, but it was not an unknown tactic in 1917. Certainly, it would have been known to the real Walter Bourne, although we do not have any statement on the subject from him. Because there is no statement from Bourne on the subject of the missing gun and because this particular facet of the Bishop story is critical, Mr. Cowan ought not to have introduced Walter Bourne in an effort to show that Bishop's action was very improbable.

Technicians and historians agree that it would not have been impossible for Bishop to have removed and discarded his Lewis gun in flight. Mr. Cowan's suggestion to the contrary is deliberately misleading. Is it introduced to further erode Bishop's honesty?

On page 51, Bishop's plane is described as returning in tatters. Here we have more "creative licence." This bald, dramatic statement in the film is so forceful that when the author places words in Bourne's mouth which Bourne follows up with his information about "17 bullet holes in the tail . . . all in a nice little group," the viewer is led to believe that there was no other damage to the aircraft. However, according to Major Scott's remarks in the Combat Report, two bays of the lower main plane had been shot away and there, obviously, would have been damage to the skin of the aircraft in the fuselage area.

If nowhere else in the film, the official record of the day, that is, a copy of the Combat Report which Bishop completed immediately following his lone raid, ought to have been introduced at this point, provided that the film producer wished to produce a balanced documentary, docu-drama, report, or however it may be described. Not to have introduced the official record of the day at this point leads inevitably to the conclusion that Mr. Cowan chose deliberately to mislead the viewer into a false conclusion about Bishop's fundamental honesty.

On page 52 of the script, we are told the following:

> The Germans keep meticulous records at all their aerodromes. Historians will later find Estourmel's records and there will be no mention of any raid. They will also scour the records of other aerodromes in the area with the same result. The brass who are waiting for Bishop, however, harbour no doubts. They will recommend him for the Victoria Cross, even though they can discover no confirmation whatsoever of the raid.

The Germans never had any doubt about his greatness. After the war, he was honoured by his former enemies who acknowledged his greatness, because they had met him in combat. The people who question his honesty, sadly, are those right in our own country in the person of Mr. Cowan and some of his gaggle of supporters at the National Film Board.

• (1540)

The fact was that no aerodrome records, as such, were ever kept by either side during the Great War. Squadron records, however, were very strictly maintained and were the basis of wing records, the next higher level, then of group, brigade and army records as the squadron activity information was passed along upwards.

At the conclusion of the Great War, many squadron diaries simply disappeared through destruction, loss and so on. However, some of the higher level records of group or army formations remain. In the 1930s, all of these records were concentrated in east Germany, except for those of the Bavarian squadrons, which were concentrated in Munich. During the action of the Second World War, most of the records of the German air force were lost through allied bombing action. What remains is now in Russian hands.

The German air force archival organization will not give any official information on Bishop, because it has none. Individually, as airmen, of course, they are aware of Billy Bishop and the generalities of the Great War career of the man they called the "White Knight". Honourable senators, Bishop was called "the White Knight" by the Germans who respected his incredible fighting qualities. Nevertheless, Mr. Cowan and the National Film Board call him a liar and a cheat.

Collectively, through their achival organization, the Germans have nothing to present to researchers. This applies to any and all researchers who have been working since 1930, including the "experts" cited by Mr. Cowan and Mr. Symansky, who was mentioned in the report.

In his testimony, for example, Mr. Cowan stated that a Mr. Ed Ferko told him that records of Jasta 20 are "extensive and quite complete." The same Mr. Ferko admits that his Jasta 20 notes failed to show much activity between May 27 and July 11, 1917, because "when Tornuss took the notes from the original Jasta 20 records, there was nothing of worth there other than personnel movement in and out of the unit."

We know that Jasta 20 was ordered from the second German army on the Somme on May 27 to the fourth German army at Flanders. We know that they would have staged

through an airfield in the Cambrai/Estourmel area and we know that the weather was not suitable for such a move until June 1. It is conjecture to assume that Jasta 20 was the outfit attacked by Bishop on June 2 near Cambrai, but it is entirely possible, even probable, that it was. That there was "nothing of worth" in the Jasta 20 diary during the period of May 27 to July 11, 1917, leads inevitably to the conclusion that the diary is either missing or was simply not completed during this period of transfer activity.

Certainly, in theory, the Germans kept "meticulous records." In practice, there are serious and extensive gaps in the German information on record for reasons of human failure, or because of loss or destruction of the records. These extensive gaps are acknowledged by the official German air force archival organization in Freiburg and by all leading historians of the Great War.

Mr. Cowan did not present any "hard copy" of evidence from Mr. Ferko which would show that Jasta 20 records are "extensive and quite complete." One is led to the conclusion that the records are neither extensive nor complete, or else they are missing, as is believed by the German air force archives and by leading Great War historians. Again, in Germany, this great Canadian ace is respected and honoured by his former enemies. Bishop was known as the White Knight in Germany. Today he is pilloried in Canada by an agency of government. That is shocking and unacceptable.

At page 54 of the script, the narrator states:

> On August 11th, 1917, Billy Bishop receives his Victoria Cross for the Estourmel raid, along with the Distinguished Service Order and Military Cross. The King said the one thing he's always wanted is to give the three awards at the same time—and the King generally gets what he wants.

Through the use of an almost frivolous set of circumstances, the viewer is led to believe that the King somehow promoted the simultaneous awarding of the V.C., the D.S.O. and the M.C. to Bishop not because of any merit due to Bishop, but on a whim of the King. The viewer is led to believe that Bishop's awards were "manufactured" to suit the King's expressed desire. Probably, when it became known to the King that he would be presenting the three awards to one individual on the same investiture parade, the King expressed his great satisfaction.

Of further interest, from the point of view of the structure of the film, is the fact that Mr. Cowan testified that he had used less than "seven or eight minutes" of John Gray's play "Billy Bishop Goes to War" in the film. Mr. Cowan stated that he had been contractually authorized to use 15 minutes or less of the play. In fact, there are some 22 minutes of the John Gray production in Mr. Cowan's film.

Honourable senators, there are a number of other inaccuracies in the script, but I will not cite further examples. I want to conclude by making some personal remarks. So it goes, honourable senators, line after line, paragaph after paragraph of invented, shaded and re-shaped "facts". The script is dripping with innuendo of the worst kind. Some words are manipulative; others are pure fiction, and still others are placed in the mouths of those such as Bourne—who never uttered them—to develop the case that Billy Bishop was a liar, a cheat and a scallywag. Oh, they will deny it; they will say that it is not as bad as it looks. Honourable senators, this damning with the faintest of praise! Professing to be objective, while aiming to destroy him. In that film, we have the allegation that Billy Bishop was more interested in achieving glory than in helping his comrades in that desperately cruel and difficult war.

There are those who suggest that the Senate is engaged in some kind of witch hunt, yet the burden of proof is clearly on Mr. Cowan and his defenders in the National Film Board and across the country. Their alleged proof is gossamer thin and just as insubstantial and elusive. Those they quote are either dead or profess to have memory lapses, travel problems or other things to do. They could not come here to testify. Members of Bishop's family were ignored apparently because they might have had some ideas or insights which would have endangered the damning scenario, yet the producer proclaims that his proof will "stand up." In a case of this kind, Mr. Cowan should be reminded that Billy Bishop, rather than being guilty until proven innocent, is innocent until proven guilty. The burden of proof rests not upon Bishop, who has made his honourable mark in history, but upon Cowan, the National Film Board and their shadowy coterie of alleged informants, who cannot be encouraged to come out into the open, into the light of day, where their negative mutterings can be tested.

Honourable senators, some have written about the quality of greatness. Longfellow wrote:

> The heights by great men reached and kept
> Were not attained by sudden flight,
> But they, while their companions slept,
> Were toiling upward in the night.

In the case of Billy Bishop, he was toiling upward in the night and in the morning. Carlyle said:

> No sadder proof can be given by a man of his own littleness than disbelief in great men.

Disraeli said:

> The defects of great men are the consolation of dunces.

Landor said:

> Great men too often have greater faults than little men can find room for.

I think that all of those statements apply to Billy Bishop.

As I have said, the burden of proof rests not upon Bishop, who has made his honourable mark on history, but upon Cowan and the National Film Board. In his desperate effort to register a protest against what he sees as the insanity of war, it seems to me that Cowan has clearly rigged the evidence against Bishop. I believe that this "rigging" has been blatant and cynical. Recognized historical sources have been bypassed and ignored; Bishop's descendants have been ignored, and

military historians have been ignored. At the very least, the taxpayer who put up the money for this film should not be asked to bankroll this masochistic frenzy—this effort to destroy the reputation of one who was honoured in his lifetime by the nation and honoured, as well, by his former enemies. Rather than retain the services of a qualified historian with some knowledge and sense concerning the events of 1914, I believe that Mr. Cowan and the National Film Board embarked upon a reckless, irresponsible course, and I think that the Senate report has been all too generous in its treatment of them. It makes reference to what is perceived to be sincerity. I do not think that truly sincere people write this kind of stuff.

If the case of Billy Bishop and Paul Cowan and the National Film Board were before the courts, Billy Bishop would be acquitted on all counts, with all costs assessed against the board and Cowan and with a formal apology to Bishop demanded by the court. If this were an aerial dogfight in the Great War, figuratively speaking, Cowan would be shot down in flames without a parachute.

If Mr. Cowan and the National Film Board were financed independently, one would be inclined to say, "Leave them to the discerning public; leave them to heaven." But there are public funds involved here. These are taxpayers' dollars, and the taxpayer has, in this case, financed defective goods which should, at the very least, be restored to some kind of marketable status so that he can rescue some of his investment.

The Senate recommendation should be the very minimum action to help right a grievous wrong. But I agree with the veterans across the country that the production should be withdrawn for extensive changes and revisions. I hope that never again will the National Film Board forget what its mandate is. It is a mandate to serve the national interest. It may be a mandate for creativity, but it is not a mandate to distort facts and injure the great people of this country.

• (1550)

Some Hon. Senators: Hear, hear.

Senator Petten: Honourable senators, if no other honourable senator wishes to take part in the debate at this time, I move the adjournment of the debate on behalf of Senator Steuart.

Hon. Jean Le Moyne: Honourable senators, I should like to ask a question through Senator Tremblay, if I may be allowed to do so.

[*Translation*]

Senator Tremblay, did you read the French translation of my speech?

Hon. Arthur Tremblay: Indeed, Senator Le Moyne, I read the French translation of your speech.

Senator Le Moyne: May I express my regret?

[*English*]

Honourable senators, I am very tempted to raise this matter as a question of privilege. That translation is unspeakable. It is not translation; it is putting one through the meat grinder. I am ashamed of it. It is always the same thing, whenever something has to be translated from English into French. This is unbearable. It is no more respected than this empty house, where we are close to a quorum almost every day. I do not think it is necessary to go further; but I hope that at some time some corrective action will be taken so that we need not be afraid, every time we raise our voice in this house, to be ridiculed by the translation and by its unspeakable mediocrity.

Some Hon. Senators: Hear, hear.

On motion of Senator Petten, for Senator Steuart, debate adjourned.

CORRECTIONS

DANIEL HAWE REPORT—MOTIONS FOR PRODUCTION OF SERVICE CONTRACTS AND STATEMENT OF EXPENDITURES ADOPTED

On the Orders:

Resuming the debate on the motion of the Honourable Senator Hastings, seconded by the Honourable Senator Denis, P.C.:

That there be laid before this House detailed statement of expenditures by the Correction Service of Canada with respect to the Daniel Hawe Report on Community Correction Services in Alberta.—(*Honourable Senator Roblin, P.C.*).

Resuming the debate on the motion of the Honourable Senator Hastings, seconded by the Honourable Senator Denis, P.C.:

That there be laid before this House copy of service contract between Task Force on Program Review and Daniel Hawe or Daniel Hawe and Associates Ltd. of Edmonton with respect to Study Team on Corrections.—(*Honourable Senator Roblin, P.C.*).

Resuming the debate on the motion of the Honourable Senator Hastings, seconded by the Honourable Senator Denis, P.C.:

That there be laid before this House copy of any service contracts that may now be in effect between Daniel Hawe or Daniel Hawe and Associates Ltd. of Edmonton, Alberta, and the Correction Service of Canada.—(*Honourable Senator Roblin, P.C.*).

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, on Orders 6, 7 and 8, Senator Roblin wishes to inform honourable senators that he has nothing to say on these items. Therefore I assume that we will have to consider them as having been debated.

Hon. Earl A. Hastings: I presume that His Honour the Speaker will simply put the motion.

Senator Doody: That is my understanding, and the department will then do whatever it has to do.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, these are motions and will have to be voted on.

The Hon. the Speaker: Honourable senators, is it your pleasure to adopt these motions?

Senator Frith: Honourable senators, we are not dealing with inquiries but with motions, and the motions will have to be adopted or not adopted. I believe they have to be voted on.

The Hon. the Speaker: Yes.

Senator Frith: We dispose of them by voting on them.

The Hon. the Speaker: It is moved by the Honourable Senator Hastings, seconded by the Honourable Senator Denis, P.C., that there be laid before this House detailed statement of expenditures by the Correction Service of Canada with respect to the Daniel Hawe Report on Community Correction Services in Alberta.

Honourable senators, is it your pleasure to adopt the motion?

Some Hon. Senators: On division.

Motion agreed to, on division.

The Hon. the Speaker: It is moved by the Honourable Senator Hastings, seconded by the Honourable Senator Denis, P.C., that there be laid before this House copy of service contract between Task Force on Program Review and Daniel Hawe or Daniel Hawe and Associates Ltd. of Edmonton with respect to Study Team on Corrections.

Honourable senators, is it your pleasure to adopt the motion?

Some Hon. Senators: On division.

Motion agreed to, on division.

The Hon. the Speaker: It is moved by the Honourable Senator Hastings, seconded by the Honourable Senator Denis, P.C., that there be laid before this House copy of any service contracts that may now be in effect between Daniel Hawe or Daniel Hawe and Associates Ltd. of Edmonton, Alberta, and the Correction Service of Canada.

Honourable senators, is it your pleasure to adopt the motion?

Some Hon. Senators: On division.

Motion agreed to, on division.

REGULATIONS AND OTHER STATUTORY INSTRUMENTS

FIFTH REPORT OF COMMITTEE—DEBATE CONTINUED

On the Order:

> Resuming the debate on the motion of the Honourable Senator Nurgitz, seconded by the Honourable Senator Murray, for the adoption of the Fifth Report of the Standing Joint Committee on Regulations and other Statutory Instruments (Statutory Instruments No. 32), presented in the Senate on 20th March, 1986.—(*Honourable Senator Nurgitz*).

Hon. Orville H. Phillips: Honourable senators, Senator Nurgitz has had to leave. I believe that Senator Frith had certain comments that he wished to make in this regard, and Senator Nurgitz asks that Senator Frith should proceed. If Senator Frith is satisfied, the motion can then be put.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I have read the intervention by Senator Nurgitz. The three points raised were as to the need to travel to obtain the information, the benefit that would come from travelling that could not come from making a study, and the question of the cost. On the first two items, I believe I was misinformed. Senator Nurgitz made it clear that it was not just a matter of taking a trip to study the performance of the committee in Australia, but that an invitation has been received to attend a conference at which all similar committees, both state and federal, will be participating. I believe that Senator Nurgitz made his case very well. At page 2322 of *Debates of the Senate* for April 17, in the third paragraph of the second column, he says:

> Briefly, with respect to costs, I should like to indicate that the funds required by the committee in this respect have been detailed in the joint committee's budget for the 1986-87 fiscal year. That budget, if it has not yet been presented, is about to be presented to the Standing Committee on Internal Economy, Budgets and Administration in the usual manner, so that senators will have the opportunity to examine what those proposed costs are.

He goes on to point out that the Senate's portion would be 30 per cent. So it seems to me that we are satisfied on all points except that; but, as Senator Nurgitz pointed out, technically we do not need the report of the Committee on Internal Economy before we deal with this, because the rule does not apply to a joint committee. However, as he also points out, we ought to comply with the spirit of that decision. I am sure he will have the figures for us next week, and then we can adopt this motion. I support it. But I would like to see the spirit of that decision we made regarding costs observed before we make the final decision. I will therefore adjourn the debate.

On motion of Senator Frith, debate adjourned.

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

CONSIDERATION OF TWENTY-SIXTH REPORT OF COMMITTEE—ORDER STANDS

On the Order:

> Consideration of the Twenty-sixth Report of the Standing Committee on Internal Economy, Budgets and Administration (Supplementarty Budget of National Finance), presented in the Senate on 17th April, 1986.—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, in this case we need not only the spirit but also the black letter of that earlier order, and in order to proceed with that we need to have the figures. We had better stand this.

Orders stands.

TRANSPORT AND COMMUNICATIONS

CONSIDERATION OF SIXTH REPORT OF COMMITTEE—ORDER STANDS

On the Order:

Consideration of the Sixth Report of the Standing Senate Committee on Transport and Communications (Transportation of Dangerous Goods Regulations), tabled in the Senate on 19th February, 1986.—(*Honourable Senator Langlois*).

Hon. William J. Petten: Stand until Wednesday next, April 30, 1986.

Order stands.

The Senate adjourned during pleasure.

At 4.30 p.m. the sitting of the Senate was resumed.

The Senate adjourned during pleasure

ROYAL ASSENT

The Honourable Gérard V. J. La Forest, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, having come and being seated at the foot of the Throne, and the House of Commons having been summoned, and being come with their Deputy Speaker, the Honourable the Deputy Governor General was pleased to give the Royal Assent to the following bill:

An Act to provide borrowing authority (*Bill C-99, Chapter 19, 1986*)

The House of Commons withdrew.

The Honourable the Deputy Governor General was pleased to retire.

The sitting of the Senate was resumed.

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

TWENTY-SIXTH and TWENTY-SEVENTH REPORTS OF COMMITTEE ADOPTED

On the Orders:

Consideration of the Twenty-sixth Report of the Standing Committee on Internal Economy, Budgets and Administration (Supplementary Budget of National Finance), presented in the Senate on 17th April, 1986.—(*Honourable Senator Frith*).

Consideration of the Twenty-seventh Report of the Standing Committee on Internal Economy, Budgets and Administration (Supplementary Budget of National Finance), presented in the Senate on 17th April, 1986.—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, to revert to Orders Nos. 10 and 11 on the order paper, dealing with the Standing Committee on Internal Economy, Budgets and Administration which, in turn, dealt with the supplementary budgets of the Standing Senate Committee on National Finance.

Honourable senators, when these orders were called during the proceedings, I was not sure of their status. In fact, they have met all of our criteria and as for the checking of budgets and going through the procedures with Internal Economy, they do not require special powers because they already have those special powers. Therefore, there is no reason why we should not adopt those two reports at this time.

Hon. Orville H. Phillips: On a point of order, I would like to ask whether the honourable senator was granted leave to revert to those items.

Senator Frith: I thought I asked for it.

The Hon. the Speaker: Was leave granted?

Senator Frith: The answer is no, I did not ask and I ought to have. I now do so.

The Hon. the Speaker: Honourable senators, I presumed that leave was granted.

Hon. C. William Doody (Deputy Leader of the Government): Yes, but we simply wanted to hear him ask for it.

The Hon. the Speaker: Honourable senators, it is moved by the Honourable Senator Frith, seconded by the Honourable Senator Petten, that these reports be now adopted. Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to and reports adopted.

The Senate adjourned until Tuesday, April 29, 1986 at 2 p.m.

THE SENATE

Tuesday, April 29, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

[*Translation*]

OFFICIAL REPORT

QUALITY OF TRANSLATION—QUESTION OF PRIVILEGE

Hon. Jean Le Moyne: Honourable senators, I wish to raise a very slight question of privilege. Towards the end of the sitting last Wednesday, I inexcusably lost my temper and was brusque and impatient, owing to a tremendous sense of frustration. I had first put a question to Senator Tremblay, and I hope my honourable colleague will accept my apologies and allow me to express my feelings of cordial respect.

[*English*]

Then, complaining about the translation of my speech of the preceding day, I lost my cool in a regrettable outburst. Of course, I remain very unhappy about that translation, but I could have expressed my grievance in a more restrained and even more equable way. So, I apologize to my honourable colleagues and to all concerned who might have been irritated or offended by my verbal intemperance.

Hon. Senators: Hear, hear.

[*Translation*]

THE SENATE

CLERK ASSISTANT—ISSUANCE OF COMMISSION TO MR. RICHARD G. GREENE

The Hon. the Speaker: Honourable senators, I have the honour to inform the Senate that by a commission under the Great Seal of Canada, Mr. Richard G. Greene, Clerk Assistant to the Senate, has been appointed Commissioner responsible for administering the oath of allegiance to Members of the Senate and for receiving their declaration of property qualification.

[*English*]

EMPLOYMENT EQUITY BILL

FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-62, respecting employment equity.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(f), bill placed on the Orders of the Day for second reading at the next sitting of the Senate.

[*Translation*]

CANADIAN ARSENALS LIMITED DIVESTITURE AUTHORIZATION BILL

FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-87, to authorize the divestiture of Canadian Arsenals Limited and to amend other Acts in consequence thereof.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(*f*), bill placed on the Orders of the Day for second reading at the next sitting of the Senate.

[*English*]

CANADIAN ARSENALS LIMITED DIVESTITURE AUTHORIZATION

REPORT OF BANKING, TRADE AND COMMERCE COMMITTEE ON SUBJECT MATTER OF BILL C-87 TABLED

Hon. Lowell Murray, Chairman of the Standing Senate Committee on Banking, Trade and Commerce, tabled the following report:

Tuesday, April 29, 1986

The Standing Senate Committee on Banking, Trade and Commerce has the honour to present its

FIFTEENTH REPORT

Your Committee, to which was referred the subject-matter of the Bill C-87, intituled: "An Act to authorize the divestiture of Canadian Arsenals Limited and to amend other Acts in consequence thereof", has, in obedience to the Order of Reference of Thursday, March 13, 1986, examined the said subject-matter and now reports that it recommends that the said Bill, when examined by the Senate, be favourably considered.

Respectfully submitted,

LOWELL MURRAY
Chairman

[*Translation*]

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

NINTH REPORT OF COMMITTEE PRESENTED AND PRINTED AS APPENDIX

Hon. Arthur Tremblay: Honourable senators, I have the honour to table the Ninth Report of the Committee on Social Affairs, Science and Technology. I ask that the report be printed as an appendix to the *Debates of the Senate* and the *Minutes of the Proceedings of the Senate* of this day and form part of the permanent records of this House.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

(*For text of report see Appendix p. 2378.*)

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Tremblay, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

TWENTY-EIGHTH REPORT OF COMMITTEE PRESENTED

Hon. Royce Frith, Deputy Chairman of the Standing Committee on Internal Economy, Budgets and Administration presented the Twenty-Eighth Report of the Committee, approving the supplementary budget of the Standing Senate Commitee on Banking, Trade and Commerce.

(*For text of report, see today's* Minutes of the Proceedings of the Senate.)

Senator Frith: Honourable senators, since these are figures, I suggest we dispense with reading the report, because, in any event, I intend to move the adjournment of the debate and present a motion for adoption of the report. Meanwhile honourable senators will have a chance to look at the figures the report contains.

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Frith, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

[*English*]

TWENTY-NINTH REPORT OF COMMITTEE PRESENTED

Hon. Royce Frith, Deputy Chairman of the Standing Committee on Internal Economy, Budgets and Administration, presented the committee's twenty-ninth report, approving the supplementary budget of the Standing Senate Committee on Energy and Natural Resources.

(*For text of report, see today's* Minutes of the Proceedings of the Senate).

He said: Honourable senators, I ask that we deal with this report in the same way as we dealt with the twenty-eighth report.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

The Hon. the Speaker: When shall this report be taken into consideration?

On motion of Senator Frith, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

CANADA-EUROPE PARLIAMENTARY ASSOCIATION

MEETING IN ITALY—NOTICE OF INQUIRY

Hon. Heath Macquarrie: Honourable senators, I give notice that on Tuesday next, May 6, 1986, I will call the attention of the Senate to the meetings of the Canada-Europe Parliamentary Association held in Italy from March 21 to 31, 1986.

NATIONAL POSTAL MUSEUM

ADVISORY COMMITTEE—NOTICE OF MOTION

Hon. Henry D. Hicks: Honourable senators, I give notice that, on Thursday next, May 1, 1986, I will move:

> That there be laid before this House a return showing the names, addresses and dates of appointment of those persons who are presently members of the Advisory Committee of the National Postal Museum.

TERRORISM

NOTICE OF MOTION FOR APPOINTMENT OF SPECIAL SENATE COMMITTEE

Hon. William M. Kelly: Honourable senators, pursuant to the new guidelines for the financial operation of Senate committees, adopted by the Senate on March 26, I give notice that, on Tuesday next, May 6, 1986, I will move:

> That a Special Committee of the Senate be appointed to provide a forum to examine, consider, evaluate, consolidate and synthesize available research, documentation and other information relating to terrorism as a real or potential threat to Canada and to Canadians;
>
> That the Committee identify any areas where further study, research or investigation is called for;
>
> That the Committee examine and make recommendations on the role of the media in reporting terrorist threats and incidents;
>
> That eight Senators, to be designated at a later date, act as members of the Special Committee; and
>
> That the Committee present its report no later than December 19, 1986.

● (1410)

Honourable senators, it is my intention to ask leave of the Senate to withdraw my previous motion, which stands at present in the name of Senator Sinclair, when that item is called later today.

ORDER OF CANADA

APPOINTMENT OF FORMER MEMBERS OF FEDERAL CABINET AND FORMER PROVINCIAL PREMIERS—ANSWER TO ORDER PAPER QUESTION—POINT OF ORDER

Hon. Charles McElman: Honourable senators, before proceeding to Question Period, may I be permitted to draw the attention of honourable senators to a grievous omission—"grievous" for a New Brunswicker—in a reply that was given to a question that had been placed on the order paper by the Honourable Heath Macquarrie? The reply to the question is at page 2288 of *Debates of the Senate* for April 16, 1986. The question was asked as to what former members of the federal cabinet and former provincial Premiers had been appointed to the Order of Canada.

For the information of honourable senators, this matter was drawn to my attention by a former colleague of ours, namely, the Honourable Muriel McQueen Fergusson, a former Speaker of the Senate.

The omission is that of the name of the Honourable Milton F. Gregg, V.C., which was left off that list. I have checked with Mr. Nantel, the Director of Canadian Orders and Decorations at Government House, and he has confirmed that Brigadier Gregg was indeed appointed to the Order of Canada in December, 1967, and was made an officer of that order in 1972.

I might say that I have spoken also to the Leader of the Government in the Senate with respect to this matter, and I believe that he concurs with me that the record of the Senate should be corrected.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I thank my honourable friend for bringing this matter to our notice. We obtained the information from the Chancellor of the Order, and, for some reason or other, this omission occurred. I am glad that my honourable friend has corrected the record so that it may now be complete.

(*See p. 2449 for revised reply*)

QUESTION PERIOD

[*English*]

CANADA-UNITED STATES RELATIONS

BILATERAL TRADE NEGOTIATIONS—AGRICULTURE—CONSULTATIONS WITH CANADIAN PRODUCERS

Hon. Dan Hays: Honourable senators, my question to the Leader of the Government is prompted by a release last week, by the Minister for International Trade, Mr. Kelleher, of the names of the heads of the consultative committees who would be advising on the upcoming free trade negotiations with the United States.

The name of the person who is heading the consultative committee dealing with agriculture, food and beverages, is Mr. Benoit Lavigne of Montreal. I am sure that Mr. Lavigne is a capable man, but I would ask the Leader of the Government if he would please take steps with his colleague or colleagues to ensure that any consultation in that committee shall include an adequate group of people from the producing sector. Mr. Lavigne himself is not from that sector.

I have in mind our experience with the Nielsen task force, where there was no representative of the producers' sector in a group of 10 people that formed the committee that was to advise Mr. Nielsen, with the exception of Mr. Runciman, who I believe was included because he was a former President of the United Grain Growers and, incidentally, had been a producer. In addition, in 10 pages of names of people with whom that group consulted, there was only one person listed as a farmer. There seemed to be minimal consultation with the producer groups.

My question to the Leader of the Government is: Will he please take steps to ensure that the consultative committee does, in fact, consult thoroughly and fully with the producer sector of Canadian agriculture?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I share my honourable friend's opinion as to the importance of agriculture's contribution toward the proceedings leading up to those negotiations. I shall see what I can find out for him as to the steps that are being taken to make sure that that very important segment of our economy is adequately consulted.

• (1415)

HUMAN RIGHTS

JAPANESE-CANADIANS—GOVERNMENT APOLOGY AND COMPENSATION

Hon. Jerahmiel S. Grafstein: Honourable senators, on the question of an apology and partial compensation to Canadians of Japanese descent for acts against them by the government of the day during World War II, last week a *Toronto Star* article appeared reporting that the government was now considering a fund for directing some $10 million toward multiracial problems of discrimination, but there would still not be any direct or partial compensation to citizens of Japanese descent whose rights were affected or diminished by the government during World War II, and without considering the views of Canadians of Japanese descent who have been actively lobbying the government on this question. Could the Leader of the Government in the Senate give us an update on the government's views on this question?

Hon. Duff Roblin (Leader of the Government): Honourable senators, the government's view is that reparations of some sort, an apology and perhaps some other measures, as well, ought to be considered in this case, which, of course, is a change from previous policy. That is a new approach to the matter, which the present administration has introduced. I know that my honourable friend would not expect me to comment on a newspaper report.

Senator Grafstein: Is the government now suggesting, despite the previous responses by the Leader of the Government in the Senate, that there will be some form of partial

reparation made directly to citizens of Japanese descent? Am I clear on that issue?

Senator Roblin: No. I hope I did not leave honourable senators with that impression. In my mind the word "reparation" does not refer exclusively to money. It refers to other acts of recognition of the plight or, at least, of the situation that arose in the case of Japanese Canadians during World War II. I am not announcing government policy on the matter. That will be done by the minister concerned in due course.

Senator Grafstein: Would the Leader of the Government in the Senate suggest to his colleagues in the cabinet that before their policy is announced, they take into consideration the views of Canadian citizens of Japanese descent who apparently are in the process of completing a report that might provide pertinent facts to the government's deliberations on this question?

Senator Roblin: The government wants to give the widest consideration to all who have a legitimate interest in this matter.

NATIONAL DEFENCE

PROPOSED WHITE PAPER

Hon. Gildas L. Molgat: Honourable senators, my question is for the Leader of the Government in the Senate. Could he tell us where the government stands now in the matter of the proposed white paper on National Defence? This white paper has been promised on a number of occasions by different ministers. Now the rumours are that we are not to get such a paper. Yet, the government is taking certain decisions in the field of national defence, some of them involving very substantial sums of money, and in fact, almost new directions insofar as some naval purchases are concerned. Are we going to get a white paper, and how soon?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I do not think I would agree with my honourable friend that the government has embarked on radically new changes of direction in terms of its defence policy. There may have been some changes, but they cannot be described in that way. This question was raised with the Minister of National Defence in the other place a few days ago, and he announced that he did not have in mind a date for releasing a white paper at the present time, but that he was giving some thought to the question as to when he would be able to do so.

CANADA-UNITED STATES RELATIONS

MEETING BETWEEN PRIME MINISTER AND PRESIDENT OF THE UNITED STATES—U.S. AGRICULTURE POLICY AS AGENDA ITEM—REQUEST FOR ANSWER

Hon. Hazen Argue: Honourable senators, I have a question for the Leader of the Government in the Senate. On March 20, I asked the Leader of the Government the following question, as it is recorded at page 2207 of *Hansard:*

> Can the Leader of the Government in the Senate inform us whether there was discussion at the summit meeting between Prime Minister Mulroney and President Reagan of the agricultural policies of the United States?

The Leader went on to say that he would make inquiries. I would like to know if he has found out anything and can inform us now whether or not the Prime Minister of Canada in fact discussed with the President of the United States the adverse effect of their agricultural products policy on Canadian grain markets.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have no answer to that question at the present time. I shall see what has happened to it. I can tell my honourable friend that during the recent meeting of the OECD in Europe that matter was raised by the Canadian delegation headed by the Secretary of State for External Affairs, and I can also tell him that it is on the agenda for the Tokyo Summit in Japan. So it is not being overlooked.

Senator Argue: Honourable senators, I think that reply of the Leader of the Government is very significant. I have been watching the responses in the House of Commons, and it seems to me that the official position or the operating position of the Government of Canada is to direct no criticism against the United States but to direct all the criticism at the EEC. I hope the minister will bring us a reply. It is my suspicion that the matter was not raised at all, and I see no indication whatsoever that the government has seriously criticized the American grain subsidy program or has asked them to cease and desist. Essentially, it is the Americans who set the price level on world markets and not the EEC, because the United States is the big player. I think the Government of Canada's emphasis is in the wrong place. The EEC is certainly troublesome, but our main trouble is with the United States.

• (1420)

Senator Roblin: That is a debatable assertion, I think, when one remembers that the American policy to which we have such objection is a response to the policy of the EEC. The policy did not originate with the United States; it is a response to the EEC policy. I think if the EEC were to follow a policy that was more rational in terms of its exports of farm products and that did not involve enormous subsidies, the question of the United States policy would not be before us now.

However, I am not prepared to decide who is the bigger villain. I think we must go after both of them.

Senator Argue: I think the U.S. policy is in error and is misplaced, and will not really achieve very much for the United States. All it will do is bankrupt thousands of producers because of the lowering of international prices. I would therefore plead with the minister to insist, if he can, within the government circles, that the Americans be called to account for leading the attack.

Senator Roblin: I think I would have to be even-handed in this matter and object to both the EEC and the American policy.

NUCLEAR DISASTER

UKRAINE—EFFECTS OF RADIATION

Hon. Joyce Fairbairn: Honourable senators, I am sure that all of us have heard with alarm the news over the last two days of a nuclear leak from the Soviet reactor in Ukraine. At noon today, there were reports that as many as 2,100 people may have died as the initial result of that leak, and that a call has been made for medical assistance from western countries with expertise in radiation diseases.

Could the Leader of the Government give us any information that the Canadian government may have on this leak, and whether this country has been asked for assistance? I also ask if any increase in the radiation level has been detected in the northern areas of Canada.

Hon. Duff Roblin (Leader of the Government): My friend raises a very important question, and I can give her some information with respect to it. As far as we know, there are 18 Canadians in the Kiev region where this disaster appears to have taken place. Our officials in Moscow tell us that they believe all 18 are safe and well, which I am sure is something for which we are all very grateful.

At the present time, to my knowledge, we have not received a request from the Soviet authorities to help them with this problem. If we do get a request, we will respond as constructively as we can. I would also say that, to the best of my knowledge, at the moment no harmful effects have been detected in Canadian territory. Indeed, the information we have is that the effects noted in Scandinavia, while worrisome and unpleasant, are not in a category that could be described as fatal. Therefore we live in hope that our territory will not be adversely affected.

Senator Fairbairn: I thank the Leader of the Government for that information. I have a supplementary question. Since the report of this accident has come in, have any efforts been made to increase the regularity of the measurement of radiation levels in the Arctic region of Canada?

• (1425)

Senator Roblin: Without being an expert on the subject, I suspect that we do not monitor them as regularly as some might wish.

In order to make sure that I have the facts of the matter, I will ask my colleague what the status of those tests is so that my honourable friend may know.

LIBYA

UNITED STATES AIR STRIKE—CONSULTATIONS BETWEEN CANADA AND THE UNITED STATES AND BETWEEN CANADA AND WESTERN ALLIES—CLARIFICATION OF STATEMENT IN OFFICIAL RECORD

Hon. Duff Roblin (Leader of the Government): Honourable senators, I wish to respond to a point raised with me last Wednesday by the honourable the Leader of the Opposition with respect to my statements about meetings between the President and the Prime Minister. The first day I made a statement which is reasonably interpreted as replying that they had, and then two days later I am quoted in *Hansard* as replying in the negative.

The Leader of the Opposition, I think quite naturally, asked me which was correct. At the time I said that I had not read *Hansard*, but I have taken the opportunity to do so in the interval.

I find that in the *Hansard* "blues" my statement is:

> I have already answered that one. I said that he hadn't. Look at my previous answer

That is also what appears in *Hansard*.

When one examines the "blues", however, one sees that the word "hadn't" is underlined and that there is a marginal note that says "Please confirm. Thank you."

I had the opportunity of speaking with the *Hansard* reporter about this incident, and he told me, I think quite fairly, that in the rather vigorous exchange of opinion that was taking place at the time between the Leader of the Opposition and myself, and the speed with which at least one of us was speaking, he had had some difficulty following the exact words that were said. He records as his first hearing of what I said that I used the negative "hadn't", but he put a line under it and raised the question because he was not sure that that is what I had said, or whether it was "had", which, of course, is what I think I said, and which was in conformity with my previous observation on the matter.

But in spite of the fact that it was underlined and the note appeared in the margin "Please confirm. Thank you," this matter was not brought to my attention and I did not, in that case, make the correction I would have made had it been brought to my attention.

I think that explains what was, I think, an unfortunate episode, but I think it also indicates that I am standing by the first answer that I gave in connection with that exchange of views.

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, the Leader of the Government used the word "meetings" when he began today—at least, I think he used the word "meetings"—but it was "conversations" that the original question was about.

Senator Roblin: You may be right.

Senator MacEachen: That is what I heard, at least what I think I heard—that is, "meetings". Presumably what the Leader of the Government intended to say today was "conversations", and he is confirming the accuracy of the original answer of Tuesday which stated that the Prime Minister did have conversations with the President on the matter, which was the air strike against Libya.

I take it the answer to that is yes?

Senator Roblin: I think my friend is right. His question had to do with "talks". I think that was the word he used.

Senator MacEachen: "Conversations".

Senator Roblin: Well, I see "What did they talk about?", so I guess it is "conversations". It did not include meetings, as far as I know. So, the word "conversations" is accurate.

Senator MacEachen: To be correct, actually the word "conversations" was used by the Leader of the Government in his reply.

Senator Roblin: I am going to read the *Hansard* "blues" of today carefully!

• (1430)

MARRIAGE (PROHIBITED DEGREES) BILL

THIRD READING, AS AMENDED

On the Order:

Resuming the debate on the motion of the Honourable Senator Stanbury, seconded by the Honourable Senator Petten, for the third reading of the Bill S-2, intituled: "An Act to amend and consolidate the laws prohibiting marriage between related persons",

And on the motion in amendment thereto of the Honourable Senator Flynn P.C., seconded by the Honourable Senator Bélisle, that the Bill be not now read the third time but that it be amended as follows:

1. Strike out paragraphs (a), (b) and (c) of subclause 2(2) and substitute the following:

"(a) lineally by consanguinity or adoption, or

"(b) as brother and sister by consanguinity, whether by the whole blood or by the half-blood."

2. Strike out subclauses 3(2) and (3) and substitute the following:

"(2) A marriage between persons who are related in the manner described in paragraphs 2(2)(a) or (b) is void,".—(*Honourable Senator Neiman*).

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I would like to point out to Senator Frith that this order concerns the bill to amend and consolidate the laws prohibiting marriage of related persons. When this was raised at the last sitting, I understood that Senator Frith was going to take advice from various people involved and might be in a position to tell us whether we could have third reading of this bill today.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, this order stands in the name of Senator Neiman, but I am asking if I may have leave to speak to it. I have spoken to Senator Neiman, who is not able to be with us this week. She supports the bill, as amended, and, therefore, unless someone has an objection to its going forward as amended, I suggest that the question be put now—

Hon. Allan J. MacEachen (Leader of the Opposition): Yes.

Senator Frith: —and that we proceed to pass the bill and send it along the corridor to the House of Commons.

[*Translation*]

The Hon. the Speaker: The Honourable Senator Stanbury proposes, seconded by the Honourable Senator Petten, that the bill be now read the third time.

In amendment, the Honourable Senator Flynn, P.C., proposes, seconded by the Honourable Senator Bélisle, that the bill be not now read the third time but that it be amended as follows:

[*English*]

Senator Flynn: Dispense!

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion in amendment?

Hon. Senators: Agreed.

Motion agreed to and bill, as amended, read third time and passed.

NATIONAL FILM BOARD

CONSIDERATION OF REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON FILM ENTITLED: "THE KID WHO COULDN'T MISS"—DEBATE CONTINUED

On the Order:

Resuming the debate on the consideration of the Eighth Report of the Standing Senate Committee on Social Affairs, Science and Technology, entitled: "Production and Distribution of the National Film Board Production "The Kid Who Couldn't Miss", tabled in the Senate on 15th April, 1986.—(*Honourable Senator Steuart (Prince Albert-Duck Lake)*).

Hon. D. G. Steuart: Honourable senators, in speaking to the report of the Standing Senate Committee on Social Affairs, Science and Technology concerning the National Film Board production "The Kid Who Couldn't Miss," I will be brief and try not to spend too much time on material that has already been covered in the report and in the many fine speeches that have already been delivered on this subject.

However, I do have some strong feelings about the role of the National Film Board in this production and the recommendation of the committee in this regard.

But before dealing with the National Film Board, I would like to spend a few minutes on the part played by Mr. Paul Cowan, the man largely responsible for the film.

Mr. Cowan told the committee that his original intention was just to make a film about Canada's great war hero, Billy Bishop. He said his original intention was just to make a film about a young man who went to war. He claimed he had no bias about Billy Bishop one way or the other.

During his research, Mr. Cowan informed us that he came across material that cast doubts on the official and accepted version of the exploits of Billy Bishop. According to Mr. Cowan, this material he uncovered cast doubts on the number of planes Bishop claimed he had shot down and even on the raid that won him the Victoria Cross.

According to Mr. Cowan, he was then faced with the choice of dropping the film entirely, or to complete it as originally planned, or to create a new version of the Billy Bishop legend.

Mr. Cowan did not want to drop the film, and according to him, to complete it as originally planned would be dishonest, and in effect, a lie. Now Mr. Cowan presented himself to us as a very honest man, a man extremely concerned with his artistic integrity and ready to fight for his artistic freedom.

Well, honourable senators, what did this honest man do when confronted with doubts about the integrity of Billy Bishop? According to the record, he proceeded to twist the facts of Bishop's record; he rearranged the history of Bishop's exploits; he selected material to bolster his case and to smear Bishop's honesty; he left out or ignored evidence that supported Bishop's claims; and he put his own words in the mouth of Bishop's mechanic, Walter Bourne, to clinch his case against the memory of Billy Bishop. All this from the honest Mr. Cowan, a man who in my opinion stands condemned by his own words.

But enough of Mr. Cowan. I think we have already given him too much publicity, or maybe notoriety is a better word.

I would only remind him and others like him that if it were not for people like Billy Bishop he would probably enjoy very little freedom today, artistic or any other kind.

I think a much more serious case can and should be made against the role of the National Film Board in the production and distribution of this dishonest smear on the record of a great Canadian.

The National Film Board gets a great deal of its money from the Government of Canada and from the public purse. I am convinced that this gives Parliament, and that includes us, of course, a right and a responsibility to keep a critical eye on how they spend that money and how they carry out their role in our society.

Now what is, or should be, the role of the National Film Board?

Well, among other things, I presume it is to encourage Canadian artists and to present to Canadians and to the rest of the world a view of Canada that is made in Canada, and not in the United States or any other foreign country. Now I do not believe that Canadians want, or that Canadians need, the National Film Board spending their tax dollars smearing Canada's outstanding men and women.

Let me remind honourable senators that the national press of this nation does an excellent job of that with no subsidies from the government, and if they miss anything we can always rely on the CBC, another tax supported institution, to do it every night either on the national news, or that other program that they have right after the national news.

If the National Film Board gets away with this, my question is: Where will they stop?

What about other Canadians, other Canadian success stories—the Dr. Bantings, the A.Y. Jacksons, the "Rocket" Richards, or the Terry Foxes?

Did A.Y. Jackson really paint all those pictures? Did "Rocket" score all those goals? Did Terry Fox really run all the way to Thunder Bay, or did he jump in the bus when we were not looking and get a ride for 200 or 300 miles? I believe that he did and they did what they set out to do. I believe that most Canadians feel the same way I do, but God help their memory and their record if the National Film Board turns another honest man like Mr. Cowan loose on them!

The question has been raised in this debate and at other times as to whether Parliament should be too critical of institutions like the National Film Board, or the CBC, or other crown corporations.

It is said over and over again that we should keep at arm's length from these organizations; some say that there should be no political interference, and that our crown corporations are almost a sacred trust.

I find this very interesting, because most organizations like the National Film Board say that they too want to keep at arm's length from the politicians and from Parliament—at arm's length. I find this extraordinary because they want to keep at arm's length—except when they come to the government for money! I suppose, honourable senators, it is impossible to keep at arm's length and get your hand in the taxpayers' pocket very deeply: it is almost impossible.

● (1440)

Honourable senators, I sincerely believe that the time is long overdue when Parliament, and that includes us, should be keeping an eye on all government-funded bodies. If they were in the private sector they would answer to their shareholders through a board of directors. I believe that Parliament should be fulfilling that function on behalf of the Canadian people.

Some people say that we are making too much of this issue. I do not agree with them. Canada is a nation of regions. It is a miracle that we have stayed united, and we have no guarantee that in the future we will continue as an undivided country. Let us make no mistake, part of the glue that holds us together is pride in our history. Again, make no mistake, it is people like Billy Bishop who helped create that history and reinforce that pride.

When the National Film Board produces a questionable film like "The Kid Who Couldn't Miss," it does itself and the country a great disservice.

I do not believe the recommendation of the committee went far enough. It gave the National Film Board a gentle slap on the wrist. I firmly believe that we should have applied something with a great deal more force to some other part of their anatomy. I think that would have been much more appropriate.

Some Hon. Senators: Hear, hear.

Senator Steuart: I hope that later in this debate, some senator who has been more closely associated with the whole controversy will bring in an amendment to the report that will leave no doubt about the serious view the Senate of Canada takes of this matter. The actions of the National Film Board should be condemned in no uncertain terms and if we do not

do it, I am afraid that no one else in this country will. I would support such an amendment, and I hope that the majority of senators on both sides of this chamber will agree with me.

Hon. Senators: Hear, hear.

On motion of Senator Hicks, debate adjourned.

YOUTH

REPORT OF SPECIAL SENATE COMMITTEE—DEBATE CONTINUED

On the Order:

> Resuming the debate on the motion of the Honourable Senator Fairbairn, seconded by the Honourable Senator Frith, for the adoption of the Report of the Special Committee of the Senate on Youth, entitled: "Youth: A Plan of Action", tabled in the Senate on 19th February, 1986.—(*Honourable Senator Gigantès*).

Hon. Philippe Deane Gigantès: Honourable senators, the other day Senator Murray, in speaking to the report of the Youth Committee, made certain remarks which, I am sorry to say, indicate that he had only skimmed the report and had not read it. Speed reading has its pitfalls. It may save time but it does terrible things to a factual appreciation of what happened. He said:

> The committee does not attempt to analyze, or to do a critique of the programs directed to youth that are now in place in the federal government.

Honourable senators, at the time we were writing this report, disturbing comments were being made about these programs. We did not wish to be partisan. Some of these programs were new; they were in their first months. Sometimes it is hasty to judge these programs until we have seen some results. A document published by the Department of Employment and Immigration, which voices some of those criticisms, has reached the public.

Moreover, there were doubts then, as there are now, as to the exact size of the programs. Some shuffling in figures was being done, so in order to produce a non-partisan report, we did not want to get into that. In answering this particular point made by Senator Murray, I will restrict myself because I do not want the non-partisan character of the report, which does not criticize anything the government is doing, to be spoiled. I urge honourable senators to take what Senator Murray said in this quotation and to look into the matter. They will see that your committee was right in not delving into this.

A few more remarks should be made about this particular point. These new government programs put the emphasis on increasing employment and training opportunities through the private sector. I have two comments to make in that regard. That is a recommendation in our report. We urge that this happen and we are glad the government is taking this initiative. Another point is that there are some parts of this country where there is not much of a private sector to speak of. The most extreme example, of course, is Bell Island in Newfoundland where, out of 154 young people between the ages of 15 and 24, only two have employment. There are no employers. There are other parts of the country where this is also true. In those instances it means that other than the private sector might have to be found to help these young people.

Further, in terms of these programs which were applied last year and which will be applied again, the government has decided to subsidize wages to encourage the private sector to hire people. It turns out that only 33 per cent of all jobs provided for young people through these government programs came from the private sector. It may be that the private sector will catch up and do more in this coming year but in the first year of the program it did not do more than 33 per cent. Had our committee delved into this, our report might have appeared to be too contentious on this issue. We were concerned about helping the young people, not getting into a political argument.

Returning to examples like Bell Island, other parts of the Maritimes and other disadvantaged areas of our country, Part III of our Constitution, compels us to fight regional disparity. This may not always be possible to do within the political time frame of about four years and by going through the private sector, so we left that aside.

There is a final issue I should like to mention which may be rectified by the government. What came to light regarding these programs Senator Murray wanted us to discuss is that although they were advertised as programs which would give young people skills, they turned out to be programs for broom pushers. We had a labelling problem. We heard of instances of this which made us a little unquiet about reporting it.

Further, when we were writing the report, we knew that Challenge '86 was about to be reduced compared to Challenge '85 and, frankly, with the problems of the young being such as they are, we felt we wanted to put the emphasis on the positive rather than highlighting the fact that government was not doing enough.

● (1450)

The second criticism made by my honourable friend, Senator Murray, was that some of the recommendations of the committee were put forward with little or no supporting arguments or documentation. Honourable senators, the transcripts of the hearings that were held, with the documentation, are available. The report has footnotes—little numbers beside certain words which are written just a little higher than the words themselves—and, at the back, there are notations that indicate where to find the document to which a particular statement has referred. That is the normal practice. We could not have dumped on senators' desks a report that included the transcripts of the entire evidence of 300 witnesses from whom we heard. This, then, is a strange and picky form of criticism, one which is not at all justified by the facts and one which could have been avoided had Senator Murray simply looked at the report, at the footnotes and at the table of references at the back. But he did not do so.

Our recommendations, with references, represent a combination of ideas put forth by the Canadians who appeared before us. We state very clearly in the report that we do not

ask that any community or any level of government adopt all of the recommendations, or even many of them. We offered a series of suggestions, some of which might be more workable in one context while others would be more workable in another context. Even Keynes, when he was first writing about stimulating the economy, made a very great point about leaving such decisions to the regions. It is the people of a town or a region who know best what their resources are, what their problems are and how best to deal with them. We gave to those people a series of recommendations, backed up by studies, with indications of where such things have been tried before and how they have worked. We told all of this story in the report, with the references to be found at the end of it.

On the suggestion for a youth channel, for instance, we indicate who supports it: the CRTC supports it; the Canadian Council on Children and Youth supports it; the Salvation Army supports it, and many of the witnesses who appeared before us support it. References can be found in the bibliography.

The committee heard testimony in every city on the idea of having youth serve on various administrative boards. On native youth, we gave statistics from the Department of National Health and Welfare. We heard from *ex officio* members and permanent members of the committee who are, themselves, native people. We heard from officials of the Department of Indian Affairs and Northern Development. We provided footnotes as to where this testimony can be found.

On education in Canada, we quoted copiously from the Johnson report and from people of the various universities who came to speak before us—administrators as well as professors and students. We suggested a task force for the co-ordination of educational qualifications. From page 47 to page 50 of the report, we explained the basis on which we made this recommendation. On the international "Right-to-Read" campaign, another of our recommendations, we provided the statistics that there are four million functionally illiterate Canadians. These are people who may be able to read a word painstakingly but who do not understand what it means. They cannot fill in a form with which to apply for a job. They are out of the mainstream of Canadian life. They are deprived of a chance to improve themselves because they are illiterate, and their illiteracy starts when they are young. Honourable senators, we insist that we must catch these young people while they are illiterate and make sure that they do not face the lifelong handicaps of all illiterates. We have given all of the facts in this regard.

Our recommendations on training through apprenticeship or co-operative programs include references to studies done by the OECD, by West Germany and by Austria. On the use of unemployment insurance funds or welfare funds in order to help people get a start in employment or in business, we give our references—we indicate who told us these things, where they have been tried and how successful they have been. All of this information can be found in the transcripts.

Honourable senators, I am pleased to say that the government in a briefing yesterday announced that this particular recommendation is going to be applied—although no credit was given to a Senate committee for it; perish the thought!—and that some amount of money from welfare or unemployment insurance payments will be used in the process of helping young people start a business of their own when they do not have employment.

On international youth co-operation, we gave statements and references to CIDA, CUSO and to various other sources. We heard from the Canadian Council on Children and Youth, the school counsellors' organization, the Universities of Manitoba, Lethbridge, Alberta, British Columbia, New Brunswick, Dalhousie, Prince Edward Island, the University of Quebec in Montreal, Malaspina College, Frontier College and various boards of education. We provided information and statistics about all of the problems associated with drug addiction.

Honourable senators, it would not have been necessary for Senator Murray to criticize the report in the terms in which he criticized it if he had taken the trouble to read it, but he did not do so, I regret to say. When members of this chamber, themselves, do not bother to read our reports before criticizing them, there is no wonder that sometimes people outside the house pay no attention to our reports.

The third issue is that the Senate cannot be asked credibly to endorse a report containing 26 proposals when senators have little or no idea of their individual or collective costs. The Macdonald report, which Senator Murray praises, has not costed most of its proposals. On one of its major proposals—which is, of course, on free trade with the United States—the best that the Macdonald report can come up with is a leap of faith. When the chairman of the royal commission was asked about this, he pointed out how very difficult it is to cost everything, to say which jobs would be affected, where, how and involving precisely how many people. These numbers are difficult to provide. We suggested a whole selection of programs and have done so because some people might be suitable in some situations while others would be suitable in other situations. A combination of two or three such situations might be good for one town but not for another. How the combination is to be put together is important in terms of costing the report.

There is an institution in Edmonton called the McMan group, which is made up entirely of volunteer business people. If that sort of route were to be followed, the cost would be different from that of following another route. The municipal government of Edmonton was not involved in financing this excellent group. I merely put this forward as an example of how difficult it is to cost such reports. So it is difficult to cost such reports, and what we suggested was not that they be adopted but that these particular recommendations be considered as possible sources for ideas as to what to do about our young people.

• (1500)

I come now to the fourth criticism. This really took my breath away, when I heard Senator Murray make this comment—because I know that he is a compassionate man; he is a decent man, a good man, and he cares. He said:

> I think it should be pointed out that the report, and the statistics adduced by the report, show that these behavioural problems—

Among the young—that is, alcoholism, drug addiction, et cetera:

> —are not of the epidemic proportions that are sometimes imagined by older people.

Well, multiple sclerosis is not of epidemic proportions, by most definitions of "epidemic"; cystic fibrosis is not of epidemic proportions; even cancer is not an epidemic, although it is a major killer. That does not mean that because the number of young people who are suffering from these problems do not represent a majority, or even a higher minority than they now represent, we need not discuss it and we cannot make recommendations because it has not yet reached epidemic proportions among the population.

Regarding alcoholism, do we want to wait until those young people who have started on the way to alcoholism have become old souses—or do we want to try to cure them while they are still young? It is an astonishing statement, that we have to wait until there are more of them suffering from these addictions before we take care of them. I was very surprised.

Referring to statistics on crime rates and suicide, Senator Murray said—again surprisingly:

> As for the statistics on crime rates and suicide, I find the statistics . . . inconclusive in differentiating, in any important way, the younger generation from their elders, or in relating the incidences of crime and suicide to the economic and social conditions in the country.

At no time have we tried to relate crime and economic statistics to social conditions and economic conditions in the country.

I have been reading all these studies of the social costs of unemployment for another subcommittee on which I work, and the link cannot be made. The evidence is circumstantial. Sometimes it is difficult to say whether somebody is sick because that person is unemployed, or whether that person is unemployed because of being habitually sick. The evidence is very difficult. What comes first, the chicken or the egg? So we are very careful not to make that link; and if one reads the report, one will see that that link was not made. We were careful to watch out for it.

This is the sort of thing that one would expect from the journalists that this chamber likes to criticize for their slovenly reporting, and not from one of our distinguished members who usually is so very careful with what he says.

Further, on page 2334, Senator Murray says:

> Youth unemployment is shown to decline by other forecasters.

He blames us for using the statistics of Professor Robinson. He says that in 1985 unemployment shown by Professor Robinson was 17 per cent, and we know that it was 9.8 per cent.

Well, Professor Robinson's curve in the Youth Committee report does not talk of unemployment. He talks of the percentage excess in availability of labour over demand for labour. That means that you take the official unemployed, you add to that number those that Statistics Canada says are discouraged and have stopped looking for work, and you add to those the 458,000 employable people on welfare, and you then do come up to 17 per cent, which is the gap between the available jobs and the number of people available for jobs. That is what the statistic shows. It is a significant statistic, but it is not a statistic on the official index of unemployment. A little careful reading would have avoided that mistake.

Senator Murray continues and gets back to the same theme with which he started. He said:

> I draw the attention of honourable senators to the job entry program, which, although based on an experimental program carried out under the previous government, is a new program.

I mean, it is an old program but it is new. He continues:

> It offers a combination of up to 52 weeks of skilled training and practical work experience.

Well, it turns out that so far the length of training that they have been given has been much less than 52 weeks. The youngsters were interviewed on a TV program, and they said, "They are asking us to push a broom, and we work six or seven weeks, and then we are out on the street again."

How can we hope to be listened to with some respect by people outside this chamber when a report produced by one of our committees—which is open to criticism, there is no doubt about it. Every report, like every human being, has feet of clay—is criticized, after cursory reading and on the basis of errors in the reading and misreading? That, I think, is deplorable, and I regret it.

On motion of Senator David, debate adjourned.

THE BUDGET

PROPOSALS—DEBATE CONTINUED

On the Order:

> Resuming the debate on the inquiry of the Honourable Senator Olson, P.C., calling the attention of the Senate to the proposals contained in the Budget Speech made by the Minister of Finance in the other place on the 26th February, 1986.—(*Honourable Senator Olson, P.C.*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I understand that Senator Balfour would like this order to stand in his name. In fact, he may deal with it today. In any event, I know that Senator Olson would like this order to stand.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

Hon. R. James Balfour: I thank the honourable senator.

Honourable senators, I am pleased to have this opportunity to participate in the debate on the budget resolution introduced by my honourable friend, Senator Olson. The budget introduced by the Honourable Michael Wilson at the end of

last February continues a strategy for economic renewal first set out by this government in November, 1984. All Canadians have benefited significantly from this strategy over the past 18 months, and I believe they will continue to benefit from the effective and constructive policies of the present government.

The budget affirms and expands the federal government's commitment to economic and fiscal responsibility, and to deficit reduction. The targets which have been set are reasonable, fair and attainable.

In May, 1985, the Minister of Finance forecast a deficit of $33.8 billion for the 1985-86 fiscal year, and that target was achieved. In this fiscal year the government has set another attainable target of $29.8 billion, and I predict that we will reach that target also.

Not only has the government halted the alarming rate of growth of the federal deficit, but it has reversed the flow and now projects smaller deficits in the future; and it has achieved this result without adversely affecting the national economy.

The strength of the economy and its vibrancy continues to fuel our economic recovery. Over the past 18 months over 580,000 new jobs have been created, 90,000 of which have been in the prairie provinces alone. The national unemployment rate is below 10 per cent for the first time in years, and unemployment rates in the prairie provinces now range from 8 per cent in Saskatchewan to 8.5 per cent in Alberta.

Inflation has held steady at around 4 per cent since the 1984 election—the most stable price environment since 1971. The Conference Board of Canada reports that consumer confidence is at near record levels. Housing starts were up 48 per cent this past December compared to December of the previous year.

• (1510)

Building permits in 1985 rose by 26 per cent, which represents an extra $3.7 billion in construction activity. During the last four and a half years of the previous government, total unemployment rose by more than 590,000 persons. Since the election total unemployment has fallen by 203,000 jobs. The economy of this country is turning around and this is being accomplished by striking a balance—a balance between the need for firm action to reduce the deficit and our goal to create a good climate for development.

Every Canadian has a stake in reducing the deficit and I will endeavour to state a number of reasons why. The huge cost of paying the interest on our debt leaves little room for undertaking costly new programs. How can we responsibly spend more when already a quarter of everything we spend goes toward paying interest on the debt? Second, if the deficit continues to spiral out of control, it will seriously impair the federal government's ability to maintain a wide range of important social programs. High debts mean higher interest rates. If we can reduce the deficit and therefore reduce the demand for borrowed money, interest rates for Canadians will come down. And finally, a large deficit deters investor confidence. This can put a damper on economic growth and job creation.

The small business sector, which is of significant importance to western Canadians and to the federal government, is provided with significant benefits through several tax changes. The low tax rate on active small business earnings will be reduced in stages from 15 per cent to 14 per cent effective July 1, 1987 and to 13 per cent effective July 1, 1988. The existing 12.5 per cent tax on dividend distributions by small businesses will be repealed effective January 1, 1987. The tax rules which provide deductions for allowable business investment losses incurred as a result of investments in small Canadian businesses will be extended. The lending ceiling of the Small Business Loans Act has been increased by $1.5 billion to $2.5 billion. Beginning in 1986 the $10,000 individual deduction against production revenue will be extended to those corporations taxable under Division One of the Petroleum and Gas Revenue Tax Act which do not elect to claim the $500,000 small producer credit. All of these measures will greatly enhance the financial viability of small businesses in western Canada and will encourage the entrepreneurial spirit of all Canadians.

However, honourable senators, in spite of these progressive and constructive measures contained in the February budget, it would be foolish to pretend that both western Canadian agriculture and the western Canadian energy industry are not confronted with very serious problems. In the agricultural industry, two years of severe drought coupled with falling prices for agricultural commodities have left western Canadian farmers with probably the toughest environment that they have faced since the years of the great depression. In my province of Saskatchewan, net farm income is expected to decline significantly again this year.

The budget included new measures that built on the initiatives that have already been taken to assist the farm community. It contained a farm finance package aimed at helping those farmers who need assistance through this difficult period. The policy goals in this area are clear: to strengthen the role of the Farm Credit Corporation as a more flexible farm lender, to target limited resources where they are needed most, to address cash flow and low equity problems which are two contributors to farm bankruptcies, to recognize that a farmer's ability to meet his or her credit obligations is tied to fluctuations in commodity prices, to give farmers facing insolvency the time, the opportunity, and the clout to work out fair alternatives with their creditors and to assist farmers in financial difficulty without penalizing those who are in better financial shape.

The government has committed $195 million over the next two years to address farm finance problems. This includes the cost of a $700 million commodity-based loan program to be administered through the Farm Credit Corporation. The new program will tie loan payments to fluctuations in commodity prices and it will give potentially viable farmers in low equity positions another chance. The program will carry fixed interest rates as low as 6 per cent with loan payments indexed to changes in the price of a particular farmer's commodity. There are two types of loans under the program: a full indexing option for FCC clients with 40 per cent or less equity, and a

partial indexing option for FCC clients with up to 55 per cent or less equity.

Here is how the program is intended to work. Assume a farm family produces wheat and beef. They choose to have their loan indexed to the price of their two major commodities. If they qualify for a fully indexed loan, their interest rate is fixed at 6 per cent for a ten-year term. The payments on the loan will rise or fall by the same percentage as the rise or fall in wheat and beef prices. In other words, if the family earns less they pay less. If they earn more they pay more. If they qualify instead for the partial indexing option, their interest rate is 6 per cent plus the difference between this rate and the going ten-year rate on FCC loans. Today that interest rate would work out to 9.18 per cent. Meanwhile, their loan payments would rise or fall by half of the percentage change in wheat and beef prices. Again, the less they earn, the less they pay.

We feel this program fulfills a number of our farm financing objectives. It is well targeted. It offers hope to farmers in low equity positions, and it deals directly with the cashflow problems caused by changing commodity prices. Other budget measures include additional capital financing for the Farm Credit Corporation. The result is that the corporation will not have to borrow as much in order to meet the demand for loans. Accordingly, the Farm Credit Corporation will have the flexibility necessary to hold interest rates at the lowest level possible.

The basic objective of this government's farm financing package is to create an environment in which Canada's farmers can remain in business. However, regrettable as it is, the fact is that some farmers are simply unable to do so. Therefore, a program is being developed by the Minister of Agriculture, in co-operation with his colleague the Minister of Employment and Immigration, to be known as the Canadian Rural Transition Program. The decision to leave farming, or indeed to make any career change, necessitated by economic conditions, is always a painful one. This program will be designed to make it somewhat easier. It will provide the counselling, retraining and financial assistance needed to ease such producers into a new way of life. Until such time as this new program is in place, the moratorium announced last September on Farm Credit Corporation foreclosure actions remains in effect.

Another program under development intended to assist farmers in economic difficulties is the proposal to create farm debt review panels. This program will give farmers facing insolvency a stay of proceedings. During this time they will be fully protected against action by their creditors. Farmers will then have the option of going to an impartial panel with producer representation in order to attempt to work out alternative arrangements with their creditors. Mutually agreeable solutions will be filed with the courts and become legally binding. A similar program is operating at the present time in my home province of Saskatchewan and I understand it is working well. It is our hope the federal program can and will give farmers across Canada who might otherwise face foreclosure the means to negotiate alternatives.

The farm financing package contained in the budget clearly demonstrates the high priority the present government places on Canadian agriculture. No other single sector claimed this kind of attention, this degree of special assistance. Indeed, this government's record on agriculture takes a back seat to no one. The government has acted to provide a $500,000 capital gains tax exemption on the sale of farm property. It has provided an $80 million interest rate conversion program, lower Farm Credit Corporation interest rates, and a shared-risk mortgage program in addition to the new initiatives included in the present budget. It promised amendments to the Western Grain Stabilization Act to trigger payments in time for spring seeding. It delivered to the tune of $522 million last year, most of it in the spring, and added to that $150 million in special drought assistance on the prairies and more than $700 million in crop insurance payments. It promised and provided duel labelling in metric and imperial for all farm chemicals. The list goes on.

Canada's farmers are facing difficult times. The government has responded with unprecedented action with more than 180 agricultural initiatives worth more than $3.8 billion.

• (1520)

In the energy sector, the federal cabinet has under active consideration for early implementation measures intended to provide relief to hard-pressed Canadian producers whose cash flows are being devastated by the free fall in international oil prices. In addition, consultations are being held at the federal-provincial government level in both Alberta and Saskatchewan, since provincial governments have a clear responsibility in this area, particularly in view of the prevailing high royalty rates levied by provincial governments against producers.

Early action is clearly called for, but I hope and trust that the action, when taken, will have been clearly and coherently thought through in order to avoid the "ad hockery" which was the hallmark of energy policy under the previous government during the era of rapidly-rising international oil prices of the 1970s.

When this government was elected in September 1984, it promised to restore the country to financial health, to release the creative spirit of individuals from the heavy hand of government, and to assist Canadians to adjust to a changing world. Honourable senators, that is what was promised and I submit that is what is being delivered.

On motion of Senator Frith, for Senator Olson, debate adjourned.

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

PERMISSION FOR COMMITTEE TO TRAVEL—ORDER STANDS

On the Order:

Resuming the debate on the motion of the Honourable Senator Gigantès, seconded by the Honourable Senator Lapointe, P.C.:

That the Standing Senate Committee on Social Affairs, Science and Technology, which was authorized by the Senate on October 29, 1985, to study and report upon the Consultation Paper on Training, and the document entitled: "Employment Opportunities: Preparing Canadians for a Better Future", or any sub-committee so authorized by the Committee, be empowered to adjourn from place to place within and outside Canada for the purpose of such study.—(*Honourable Senator Marshall*).

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I believe this order has been dealt with under a different heading. I think a budget was brought in and approved so I think that this order at this point is redundant and could probably be considered debated.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I think it is invalid to roll the subject matter of this order into the motion of Senator Tremblay that he has intimated will be taken into consideration tomorrow under "Reports of Committees".

Senator Doody: Senator Marshall agrees that this matter should be considered debated.

Senator Frith: Honourable senators, I wonder if that is right. It seems to me that the problem is that it is a motion and cannot simply be considered debated. It would need to be withdrawn, but I am not sure that what Senator Tremblay is doing is complying with the new rules whereby if the committee is asking for extra powers that involve the expenditure of money, then he must discuss the cost and the report of the Standing Committee on Internal Economy, Budgets and Administration. Perhaps, honourable senators, we had better leave this item on the order paper until we have had an opportunity to look at it again. Perhaps we could have it stand until then.

Order stands.

INTERNATIONAL TERRORISM

MOTION FOR APPOINTMENT OF SPECIAL SENATE COMMITTEE WITHDRAWN

On the Order:

Resuming the debate on the motion of the Honourable Senator Kelly, seconded by the Honourable Senator Marshall:

That a Special Committee of the Senate be appointed to examine, consider and make recommendations on the problems and issues of current and likely future terrorist activity in Canada, directed at Canadians or using Canada as a base for extra-Canadian activities;

That the Committee make specific recommendations on the Government of Canada's policies with respect to terrorism; the protection of Canadians and Canadian federal and provincial government representatives abroad; the role of the media in reporting terrorist threats and incidents; the ability of conventional law enforcement organizations in Canada to deal with specific terrorist incidents; and the need for an anti-terrorist organization in Canada, its role and reporting relationship;

That eight Senators, to be designated at a later date, four of whom shall constitute a quorum, act as members of the Special Committee;

That the Committee have power to report from time to time, to send for persons, papers and records, and to print such papers and evidence from day to day as may be ordered by the Committee;

That the Committee have power to adjourn from place to place within Canada;

That the Committee have power to retain the services of professional, clerical and stenographic staff as deemed advisable by the Committee; and

That the Committee present its report no later than October 1, 1986.—(*Honourable Senator Sinclair*).

Hon. William M. Kelly: Honourable senators, I ask leave, pursuant to rule 23, to withdraw this motion.

The Hon. the Speaker *pro tempore:* Honourable senators, is leave granted?

Hon. Senators: Agreed.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, the only problem that I can see is that this matter was adjourned in Senator Sinclair's name and since he is not here, I suppose it is technically a matter of les absents ont toujours tort. I suppose that Senator Kelly can tell us whether it is all right with Senator Sinclair.

Senator Kelly: Honourable senators, I am afraid I neglected to mention that the matter was discussed with Senator Sinclair and he has no objection.

Motion withdrawn.

THE SENATE

MOTION TO AUTHORIZE BROADCASTING OF PROCEEDINGS—MOTION IN AMENDMENT—DEBATE CONTINUED

On the Order:

Resuming the debate on the motion of the Honourable Senator Davey, seconded by the Honourable Senator Frith:

That the Senate authorize arrangements for radio and telelvision broadcasting of its proceedings and those of its committees,

And on the motion in amendment thereto of the Honourable Senator Phillips, seconded by the Honourable Senator Doody, that the motion be not now adopted, but that the subject-matter thereof be referred to the Standing Committee on Internal Economy, Budgets and Administration.—(*Honourable Senator MacDonald (Halifax)*).

Hon. Finlay MacDonald: Honourable senators, before I make a few brief remarks in response to the motion of Senator Davey which is, I think, now almost a year old, I would like to

draw the attention of the chamber, for those who are interested in this subject, to a recently published piece of research by the Research Branch of the Library of Parliament. It is dated April 15 last and is by Mr. Wolfgang Koerner. It is a very interesting piece of work, obviously commissioned by the Speaker of the House of Commons. It deals with the media, politics, the House of Commons, the effects of television, the ideological factor and structure of debates, recent developments and then there is a conclusion. I think you will find it very interesting.

I also draw your attention to a recent article in the *Vancouver Sun* reporting the remarks of the Speaker of the House of Commons, the Honourable John Bosley. It begins:

> Televising proceedings of the House of Commons has contributed to a growing decline in respect for Parliament, House Speaker John Bosley said Friday.

It continues:

> Statistics suggest there is a correlation between the introduction of television into the Commons and the decline in respect.

There is then a direct quote from Mr. Bosley:

> 'While this electronic medium has been a triumph in exposure, it has also been a failure in education. Television has acted as a selective editing process that has not done justice to the responsibilities of members of Parliament.'

The McGrath report on parliamentary reform said:

> The evidence of the past eight years suggests that television has caused only a few changes. For example, members now applaud instead of thumping their desks to signify approval. Members also tend to move around the chamber to sit behind the desk of the person speaking. Attempts to counter the impression that members are talking to an empty house are not really successful. No one is really fooled. The game of musical chairs simply adds an artificial element that would be unnecessary if there were greater public understanding of the reasons why members were not always in their seats in the House of Commons.

Honourable colleagues, I suggest that if they have that problem in the other place, it is entirely possible that we might have at least an equal problem here, and one that will not be solved by bringing in television cameras. I wonder whether the presence of a television camera would eliminate the criticisms we sometimes receive for our frequent adjournments when Parliament is in session; for the slim attendance of some of our members in this chamber, or for our apparent lack of initiative in attacking public problems, and so on. I realize that some of these criticisms are either unfair or they are understandable or they are incorrectable. Some are said to be of our own making. Some people say that, given the will, the Senate could go a long way to reforming itself. Be that as it may, I remain to be convinced that the advent of television in this chamber will be of any real assistance in this regard. In other words, I really cannot see how television coverage, *per se*, to quote Senator Davey, will make us better parliamentarians.

As I understand it, the legislative procedures have been improved a great deal since the 1920s, but according to a number of my peers it is doubtful that much more can be done in this direction as we are presently constituted. Therefore I really find it difficult to understand how a useful public educational purpose will be served by the television coverage of the proceedings of this chamber. I have, however, different views with respect to the television coverage of some of our committees.

I quote also the view of Mr. Jack Ellis, the Member of Parliament for Prince Edward-Hastings who, when speaking on parliamentary reform, said:

> What we have been discussing, with all due respect, has not been an electronic Hansard, but merely changing the rules sufficiently in the House of Commons to allow television to come in at committees.

• (1530)

As honourable senators may know, we have already made a modest start in that direction. I refer to the meeting of the Standing Senate Committee on Banking, Trade and Commerce some months ago when there was great interest focused on the failure of the two banks. The witness on that particular occasion was the Honourable Barbara McDougall. Her testimony created, of course, a great deal of public interest. Permission was asked of the Senate to allow television cameras to record the meeting. Permission was granted, and the meeting was held in Room 250 of the East Block, which is ideally suited for television coverage in that no obtrusive lighting is required; the lighting in the room is quite sufficient. The equipment was hidden behind the translation booth, and there were two fixed cameras, which caused no particular problems. All of the requirements that were set out by the chairman of the committee, Senator Murray, were met, and that stands out as an example of how easy it is to televise a committee meeting on certain occasions—that is, when there is public interest in a matter and sufficient notice is given.

I think we behaved rather well. Our worst fears were not realized. I think we are all quite pleased at the way it turned out.

It is also important to note, honourable senators, that this was done without any cost to the public. The television people will continue to make the determination as to what they feel the public wants to see or where the public interest is. Those same television people have a responsibility of maintaining their public licence and of reflecting this interest with their own facilities and at their own expense.

What is interesting to note is that that particular example—the coverage of that particular meeting—is now being studied as a model by the internal economy committee of the House of Commons. It is being used as a guide to help them decide how to go about the television coverage of committee meetings. Surely this lends additional support to the amendment of

Senator Phillips that this matter, similarly, should be referred to the Internal Economy Committee of this place.

We should not discourage coverage of our committee meetings. It is—as is commonly accepted—the Senate performing at its best.

In my short time here I have been most impressed by the collective experience of the members of this chamber working in committee. There are better expressions of individual opinion. For obvious reasons, there is no need for posturing and relatively little party complexion. Certainly there is not the same degree of partisanship which marks speeches in the House of Commons.

I do not want to be too gloomy on matters which I should, by tradition and background, be supporting, but I draw honourable senators' attention to a speech delivered by Peter O'Malley, one of the advocates years ago of the televising of the proceedings of the House of Commons. He was a former assistant to the leader of the New Democratic Party, and he delivered this speech to the Department of Political Science at Guelph University. He calls it "The Trivialization of Parliament: Television and the Canadian House of Commons," and he says, with great disappointment, the following:

> —what is the end result of bringing television into the Commons?
>
> In my view, the result is that night after sorry night, a nation of viewers is exposed to a portrayal of Parliament the dominant characteristic of which is perpetual, and often incoherent, partisan conflict. Consequently, and especially over time, the institution—and those in it—become simply wearisome, and their handling of issues, no matter how important the issue, appears trivial at best and counter-productive at worst.

Unquestionably, honourable senators, the time will come in an age requiring further information when all the proceedings of both houses will be available on a special channel. It is only a matter of time. In the United States they have what is called the "C-Span" network, which now provides full coverage—gavel-to-gavel coverage—of all legislative proceedings in Washington. That is some distance away. I simply suggest that we could make a start, and I suggest that one way is to take a look at the requests we will receive for the coverage of Senate committee meetings.

Indeed, Senator Davey said that. He said:

> I rather deliberately included in my motion reference to Senate committees, because so often that is where the Senate is at its very best.

But then he added, and I suppose that this is relevant to this discussion, the following:

> The cost would, of course, be substantial. It cost approximately $5 million to establish television in the House of Commons and about $1 million per year thereafter to operate. For the Senate the cost would likely be about half as much to establish, but it would cost about the same amount annually to operate. I would like to stress to honourable senators at this time that these are ballpark figures.

Well, they are ballpark figures. The *Globe and Mail* reports that the televising of proceedings of the Ontario Legislature will cost more than three times the original estimate, according to the consultants' report. I do not have the date of that particular article, but at that particular time the cost was estimated to be somewhere around $7.3 million.

Proceedings of the House of Commons were first televised on—and this will, of course, bring back memories to the honourable the Leader of the Opposition, Senator Allan J. MacEachen—October 17, 1977. The virtue of televising the proceedings of that House had been discussed off and on for 15 years, and, more importantly, had been the subject of three investigations. Honourable senators, I am not suggesting to you that we should devote that amount of time to this motion, but I am suggesting, with respect, that the motion deserves most serious consideration to determine, if implemented, whether it will really live up to the legislative expectations of Senator Davey, Senator Croll and others who share that view. Similarly, there are others in the Senate who have legitimate doubts. One cannot blindly accept the principle of this motion. I simply urge honourable senators to support the motion in amendment proposed by Senator Phillips, which reads:

> —that the motion be not now adopted, but that the subject-matter thereof be referred to the Standing Committee on Internal Economy, Budgets and Administration.

On motion of Senator Doody, for Senator Robertson, debate adjourned.

SMOKING PROHIBITION BILL

SECOND READING—DEBATE ADJOURNED

On the Order:

> Resuming the debate on the motion of the Honourable Senator Haidasz, P.C., seconded by the Honourable Senator Bosa, for the second reading of the Bill S-8, intituled: "An Act to prohibit smoking in certain work areas and on board certain modes of transport".—(*Honourable Senator Bosa*).

Hon. Stanley Haidaisz: Honourable senators, I should like to seek unanimous consent, now that Senator Bosa is in the chamber, to revert to Order No. 2, as I believe Senator Bosa would like to make a short remark.

The Hon. the Speaker *pro tempore:* Is leave granted, honourable senators?

Hon. Senators: Agreed.

Hon. Peter Bosa: Honourable senators, I do not intend to speak on this, but I believe that Senator Haidasz intimated that if I were not going to speak on the order he would like to refer this bill to the appropriate committee. I am prepared to consent to that.

• (1540)

Senator Haidasz: Honourable senators, I would like to thank Senator Bosa for allowing me to make a few remarks at the present time.

The Hon. the Speaker *pro tempore:* I wish to inform the Senate that if the Honourable Senator Haidasz speaks now his speech will have the effect of closing the debate on the motion for the second reading of this bill.

Senator Haidasz: Since this item has been on the order paper since February 19, and no one has spoken to it at this time, I believe that it is right that I make a few remarks in the hope that we will get second reading of Bill S-8.

The Hon. the Speaker *pro tempore:* But if you speak now, your speech will have the effect of closing the debate on the matter.

Hon. Royce Frith (Deputy Leader of the Opposition): On second reading.

The Hon. the Speaker *pro tempore:* Are you speaking, in any case?

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I have no wish to interfere with Senator Haidasz's motion, but there are some people on this side who have expressed a desire to speak. I will raise the question in our caucus this afternoon. If I may take the adjournment now, I will refer to the matter again tomorrow.

The Hon. the Speaker *pro tempore:* Is it a motion to adjourn the debate?

Senator Frith: In Senator Doody's name, yes.

On motion of Senator Doody, debate adjourned.

The Senate adjourned until tomorrow at 2 p.m.

APPENDIX

(*See p. 2363*)

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

NINTH REPORT OF STANDING SENATE COMMITTEE

CONSULTATION PAPER ON TRAINING AND DOCUMENT ENTITLED "EMPLOYMENT OPPORTUNITIES: PREPARING CANADIANS FOR A BETTER FUTURE"

Tuesday, April 29, 1986

The Standing Joint Committee on Social Affairs, Science and Technology has the honour to present its

NINTH REPORT

Your Committee, which was authorized by the Senate on October 29, 1985, to study and report upon the Consultation Paper on Training, and the document entitled "Employment Opportunities: Preparing Canadians for a Better Future", respectfully requests that it, or any subcommittee so authorized by the Committee, be empowered to adjourn from place to place within and outside Canada for the purpose of such study.

Pursuant to Section 2:07 of the "Procedural Guidelines for the Financial Operation of Senate Committees", the budget submitted to the Standing Committee on Internal Economy, Budgets and Administration and the report thereon of that Committee are appended to this report.

Respectfully submitted,

ARTHUR TREMBLAY,
Chairman.

APPENDIX (A) TO THE REPORT

THE STANDING SENATE COMMITTEE ON SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

SUBCOMMITTEE ON TRAINING AND EMPLOYMENT

APPLICATION FOR BUDGET AUTHORIZATION FOR THE FISCAL YEAR APRIL 1, 1986-MARCH 31, 1987

Authority

1. Extract from the *Minutes of the Proceedings of the Senate,* Tuesday, 29th October 1985:

"Pursuant to the Order of the Day, the Senate resumed the debate on the motion of the Honourable Senator Bonnell, seconded by the Honourable Senator Cottreau:

That the Standing Senate Committee on Social Affairs, Science and Technology be authorized to study and report upon the Consultation Paper on Training, issued by the Department of Employment and Immigration, tabled in the Senate on 11th December, 1984, and the document entitled "Employment Opportunities: Preparing Canadians for a Better Future", tabled at the First Ministers' Conference held in Regina, Saskatchewan, on 14th and 15th February, 1985; and

That the Committee be empowered to engage the services of such professional, clerical and technical personnel as may be required for the purpose of the said examination.

After debate, and—
The question being put on the motion, it was—
Resolved in the affirmative."

CHARLES A. LUSSIER,
The Clerk of the Senate.

2. Extract from the *Minutes of proceedings of the Subcommittee on Agenda and Procedure of the Standing Senate Committee on Social Affairs, Science and Technology*, Wednesday, November 6, 1985:

"That a Subcommittee be formed to study and report upon the Consultation Paper on Training, issued by the Department of Employment and Immigration, tabled in the Senate on 11th December, 1984, and the document entitled "Employment Opportunities: Preparing Canadians for a Better Future", tabled at the First Ministers' Conference held in Regina, Saskatchewan, on 14th and 15th February, 1985; and

That the Subcommittee be empowered to engage the services of such professional, clerical and technical personnel as may be required for the purpose of the said examination, and

That the Subcommittee report from time to time to the Committee or the Subcommittee on Agenda and Procedure.

After debate, and—
The question being put on the motion, it was—
Resolved in the affirmative.

That as required, the Subcommittee request the Research Branch of the Library of Parliament to assign Research Officers to the Subcommittee and to co-ordinate all Subcommittee research.

That if so requested by the occupant of the Chair, the Research Officers and other expert assistants as required by allowed to take part in the questioning of witnesses.

That the Chairman, on behalf of the Subcommittee, and as required, direct the research staff in the preparation of studies, analyses and summaries.

The question being put on the motion, it was agreed to.

That the Subcommittee print 1,000 copies of its *Minutes of Proceedings and Evidence.*

The question being put on the motion, it was agreed to."

ANDRÉ RENY,
Clerk of the Committee.

3. Extract from the *Minutes of the Proceedings of the Standing Senate Committee on Social Affairs, Science and Technology*, Tuesday, November 26, 1985:

That the Subcommittee on Training and Employment be composed of the Chairman and Deputy Chairman of the Standing Senate Committee on Social Affairs, Science and Technology, and 3 other members of the said Committee, and

That the Subcommittee be composed of the following members, in addition to the Chairman and the Deputy Chairman: The Honourable Senators Gigantès, Marsden and Robertson.

The question being put on the motion, it was agreed to.

That the Honourable Senator Gigantès be the Chairman of the Subcommittee.

The question being put on the motion, it was agreed to.

That the Honourable Senator Robertson be the Deputy Chairman of the Subcommittee.

The question being put on the motion, it was agreed to.

DENIS BOUFFARD,
Clerk of the Committee.

Professional and Special Services	$31,200
Transportation and Communications	$8,500
Other Expenditures	$1,500
TOTAL	$41,200

The foregoing budget was approved by the Committee on——

The undersigned or their alternates will be in attendance on the date that this budget is being considered.

Date Chairman of the Standing Senate Committee on Social Affairs, Science and Technology

Remarks:

Date Chairman of the Subcommittee on Training and Employment

Remarks:

Approved by:

Chairman of the Standing Senate Committee on Internal Economy, Budgets and Administration.

Date:

EXPLANATION OF COSTS

A. PROFESSIONAL AND SPECIAL SERVICES:

Research Assistant—52 weeks at $ 600 contract	$31,200

B. TRANSPORTATION AND COMMUNICATIONS

Inside Canada

1. Halifax

Air travel for 2 including tax	$ 542
Hotel for 2 for 1 night	$ 150
Per diem for 1 ½ days for 2	$ 120

2. Nanaimo

Air travel for 2 including tax	$1,060
Hotel for 2 for 5 nights	$ 500
Per diem for 5 days for 2	$ 400

3. Toronto

Air travel for 2 including tax	$ 174
Hotel for 1 night for 2	$ 160
Per diem for 2 days for 2	$ 160

4. Montréal

Train travel for 2	$ 60
Hotel for 1 night for 2	$ 160
Per diem for 2 days for 2	$ 160

Outside Canada

1. Boston

Air travel for 2 including tax	$ 702
Hotel for 2 for 2 nights	$ 400
Per diem for 2 days for 2 in Canadian funds	$ 300

2. Vienna

Air travel on DND plane	Nil
Hotel for 3 for 6 nights	$1,620
Per diem for 6 days for 3 in Canadian funds	1,080
Train travel from Lahr to Vienna in Canadian funds	$ 700

3. Contingency to provide for variation in exchange rates (the exchange rates for trips to Boston and Vienna were calculated using the rates of 3/4/86)	$ 52
Total	$8,500

C. OTHER EXPENDITURES

Attendance at conferences by staff members	$1,000
Working lunches	$ 500
TOTAL	$41,200

FOR INFORMATION PURPOSES ONLY

Budget approved for 1985-86	$10,800
Budget forecast 1987-88 (April 1, 1987-December 31, 1987)	$32,900

APPENDIX (B) TO THE REPORT

Thursday, April 24, 1986

The Standing Committee on Internal Economy, Budgets and Administration has examined and approved the supplementary budget presented to it by the Chairman of the Standing Senate Committee on Social Affairs, Science and Technology for the proposed expenditures of the said Committee with respect to its study of the Consultation Paper on Training, and the document entitled "Employment Opportunities: Preparing Canadians for a Better Future ", as authorized by the Senate on October 29, 1985. The said supplementary budget is as follows:

Professional and Other Services	$31,200
Transportation and Communications	8,500
All Other Expenditures	1,500
	$41,200

ATTEST:

GUY CHARBONNEAU,
Chairman.

THE SENATE

Wednesday, April 30, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

LIBYA

UNITED STATES AIR STRIKE—CONSULTATIONS BETWEEN CANADA AND THE UNITED STATES AND BETWEEN CANADA AND WESTERN ALLIES—FURTHER CLARIFICATION OF STATEMENT IN OFFICIAL RECORD

Hon. Duff Roblin (Leader of the Government): Honourable senators, before we deal with Presentation of Petitions, I should like to draw attention to the fact that yesterday an exchange took place between me and the Leader of the Opposition about the accuracy of the original answer of Tuesday, April 15. I want to make it perfectly clear that I am confirming the accuracy of all of the answers that I gave on that particular Tuesday, and not one in particular.

Hon. Hazen Argue: That is one of your better answers—very expansive.

Senator Roblin: I aim to oblige.

STANDING RULES AND ORDERS

EIGHTH REPORT OF STANDING COMMITTEE TABLED

Hon. Gildas L. Molgat: Honourable senators, I have the honour to table, in both official languages, the Eighth Report of the Standing Committee on Standing Rules and Orders, which reads as follows:

Wednesday, April 30, 1986

The Standing Committee on Standing Rules and Orders has the honour to present its

EIGHTH REPORT

On March 18, 1986, the Senate referred, for consideration and report, the following motion:

That the *Rules of the Senate* be amended by adding, immediately after Rule 77(7), the following:

"(8) Smoking is prohibited at all meetings of Senate Committees"

Your Committee met on April 24, 1986 to consider the matter.

Your committee reports that the motion is appropriate.

Respectfully submitted,

GILDAS MOLGAT
Chairman

Honourable senators, as I believe was the intention of the Senate, the request to the Rules Committee was not that it should discuss the substance of the motion—that is, whether or not smoking should be allowed in committees—but, rather, whether this was the type of rule which would permit that decision by the Senate.

It was the view of the committee that only the Senate could, in the final analysis, make the decision as to whether or not it wanted to ban smoking. The report merely states that it would be in order to pass such a rule and that it would be in that form.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, on a point of order, the proceedings on March 18, 1986, when the reference was made to the Standing Committee on Standing Rules and Orders, provided:

> That the motion be not now adopted, but that it be referred to the Standing Committee on Standing Rules and Orders for consideration and report.

As a result of that, it is not at the moment on the order paper.

We have two choices. I can move the motion again, which seems to me to be a silly way to do it, or I can ask for leave to have the motion reappear on the order paper, so that we can continue to discuss it in conjunction with this report. I therefore ask that it so reappear.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS

NATIONAL FINANCE COMMITTEE AUTHORIZED TO STUDY SUBJECT MATTER OF BILL C-96

Hon. C. William Doody (Deputy Leader of the Government), with leave of the Senate and notwithstanding rule 45(1)(e), moved:

> That the Standing Senate Committee on National Finance be authorized to examine the subject-matter of the Bill C-96, intituled: "An Act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977", in advance of the said Bill coming before the Senate or any matter relating thereto.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

QUESTION PERIOD

[*English*]

CANADA-UNITED STATES RELATIONS

MEETING BETWEEN PRIME MINISTER AND PRESIDENT OF UNITED STATES—ACID RAIN—STATUS OF AGREEMENT

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I have a question for the Leader of the Government in the Senate. Perhaps he will make a note, because I do not want to read all this material into the record.

On March 20, 1986 there was an exchange between Senator MacEachen and Senator Roblin on the subject of acid rain and on the implementation of the understanding that was said to have been reached between the Prime Minister and the President of the United States during the so-called second Shamrock Summit.

Recently, at a Congressional hearing the Energy Secretary of the United States, John Herrington, apparently raised doubts about whether the report's major recommendation—that is, the $5 billion program that was discussed in the proceedings to which I have referred—would ever materialize in full. Apparently, he said before that committee that the administration has no budget proposals for spending the proposed $5 billion—of course, as the Leader of the Government pointed out, quite correctly, during the exchange, though Congress is required to approve the budget, the President must present it—in co-operation with industry as the envoys suggested. There is a reported statement that a Democrat, Henry Waxman, whose proposed acid rain bill was the focus of the hearing to which I have just referred, apparently said before the committee, "We really fooled those Canadians."

Senator Doody: Now you know why Newfoundlanders are sensitive!

Senator Frith: Will the Leader of the Government inquire of the appropriate minister—who, I assume, would be the Minister of the Environment—whether he will look into those observations and the evidence that was given before that Congressional committee and bring us some news as to whether we should take those observations seriously and as to whether the whole Shamrock Summit acid rain proposal is really that dead?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I shall.

[Senator Doody.]

AGRICULTURE

WHEAT—TWO-PRICE SYSTEM—EFFECT OF PRICE INCREASE

Hon. Hazen Argue: Honourable senators, I would like to direct a question to the Leader of the Government in the Senate, which arises out of the Prime Minister's important announcement affecting certain agricultural policies. First, I might say that I welcome the proposed reduction in the levy on fuels for farmers. However, I want to make particular reference to the announcement that commencing August 1 the Canadian Wheat Board will be able to raise the price level for domestic wheat going to the flour milling industry to $11 per bushel.

My question is this: Does this proposition in any way limit or affect the ability and the responsibility of the committee of the House of Commons that is touring Canada to recommend a two-price wheat system in excess of the suggested $11 ceiling?

I point out to the Leader of the Government that the announced drop in the initial price for wheat as of August 1 for the high-milling grades is approximately 80 cents per bushel. I also point out that this proposal, if in fact it does come into effect on August 1, would mean, by my calculations, an increase in the price to the millers of seven or eight cents per bushel. I think this represents a very small part of the major reduction in the initial price that has taken place. I would therefore like to know just what effect this has on the inquiry that I believe is now under way.

Hon. Duff Roblin (Leader of the Government): It does not limit the ability of the committee to make their recommendations.

Senator Argue: I am certainly glad to hear that, because in my judgment, while this is a welcome announcement in that the price is increased, it is a very inadequate increase, perhaps 20 or 25 cents a bushel compared to the 80-cent drop. For what it is worth, I would suggest to the government leader and, I would hope through *Debates of the Senate* to the task force, that they should consider increases in the price of wheat in the range of up to $20 per bushel. I know that there will be those who say that the consumers would have to pay too much, but this is a crisis in a very important industry. The cost of food in Canada in relation to the consumer's budget is approximately 16 per cent, down from some 22 per cent a few years ago. My calculation is that, if the flour-milling industry and the bread-baking industry were not allowed to gouge the consumer, then my suggestion would amount to an increase of some 25 cents on a loaf of bread. I would think that that is a rather legitimate request to the consumers of Canada at this time on behalf of the grain industry.

Senator Roblin: I invite my honourable friend to appear before the committee and make his case. It sounds like an interesting one.

Senator Argue: Perhaps we should go together.

Senator Roblin: The problem is that I like the Americans and you do not.

Senator Argue: I do not like what the Americans are doing to us through their farm policy.

CANADA-UNITED STATES RELATIONS

BILATERAL TRADE NEGOTIATIONS—CANADIAN USE OF LOBBYIST—GOVERNMENT POSITION

Hon. Keith Davey: Honourable senators, on April 17 I asked the Leader of the Government a series of questions with respect to the lobbying in Washington of Michael K. Deaver on behalf of the Government of Canada. Many of the questions I asked, on which the government leader took an order for return, are now matters of public record. The Government of Canada's contract for one year expires on June 30, 1986. The government paid Mr. Deaver $100,000 salary plus $5,000 expenses.

According to Dalton Camp:

> —the Prime Minister's chief policy adviser, Fred Doucet, originally proposed that Deaver represent Canada's interests in Washington.

Also, honourable senators, at that time I asked a supplementary question about why the United States Office of Government Ethics was investigating Mr. Deaver's activities on behalf of the Government of Canada. The government leader was not very forthcoming, and suggested I would have to ask the American authorities. However, Mr. Deaver's activities on behalf of Canada have now become an international cause célèbre and I am sure the government leader will agree with his friend Dalton Camp who wrote in the *Toronto Star* yesterday about Mr. Deaver:

> —as a client, we

—that is, Canadians—

> can be allowed to have an interest.

In that spirit, I wonder if I could ask the government leader why the Government of Canada, and specifically Ambassador Gotlieb, is refusing Canadian co-operation in connection with the several inquiries which have now begun.

Hon. Duff Roblin (Leader of the Government): This is rather a pleasant occasion when I find my honourable friend quoting Mr. Dalton Camp with apparent approbation. I think I will have a copy of *Debates of the Senate* sent to Mr. Camp to make sure he knows he has more than one friend in this chamber.

In answer to the question, may I say that the Government of Canada is co-operating with the inquiry into Mr. Deaver's activities in the United States by providing the authorities there with information respecting our relationship with Mr. Deaver, his contract and cognate matters. Therefore, we are not at all loath to give them the information that we feel might be of use to them.

With respect to the Government of Canada's appearing before a United States inquiry committee, which is what my honourable friends thinks we ought to do, I have to say that it has not been the custom of most sovereign nations to accept this kind of policy for their nationals and for their activities, any more than we would expect to summon any member of the American administration to appear before an inquiry in Canada into a matter of this sort.

• (1410)

So, I think it is a question of Canada's adhering to established international procedure. It has certainly been the policy of Canadian governments throughout the years not to accept invitations of the kind my honourable friend has extended.

Senator Frith: It cost us $100,000 to be fooled.

Senator Davey: I am grateful for that answer from the Leader of the Government. He may wish to get in touch with *Newsweek* magazine, the current issue of which says that the Canadian government is refusing to co-operate with the investigation. Of course, I take the word of the Leader of the Government in the Senate rather than that of *Newsweek* magazine.

My supplementary question is: The basic problem is that the American Ethics In Government Act of 1978 forbids former government officials from seeking to influence their former departments or agencies on behalf of private clients for a year. It forbids a former official from lobbying for two years on issues that that official participated in personally and substantially while in government.

I accept the leader's position that it would be unusual for us to appear before the committee, but I would suggest—

Senator Flynn: You can go yourself!

Senator Davey:—it is unusual for us to retain a lobbyist in the first place. In any event, it is very clear that Mr. Deaver's activity on behalf of Canada began just weeks after he left the White House. I am wondering if the Leader of the Government would agree that this whole tacky affair makes us look like a banana republic or the receiver of stolen goods. Is this the image that Canada wants to portray to the United States and to the rest of the world?

Senator Frith: We were easily fooled!

Senator Roblin: My honourable friend knows that Mr. Deaver himself has requested an investigation of his affairs by the appropriate authorities in the United States. I am not willing to hang him here by proxy or *in absentia*, and I certainly do not think that we would be well advised to take that attitude in respect of the matter. Until all the facts are clear, I think my friend should reserve his judgment.

Senator Flynn: He can appear before the committee. He knows all about it.

ENERGY

OIL AND GAS INDUSTRY INCENTIVES—GOVERNMENT POLICY

Hon. Dan Hays: Honourable senators, my question for the Leader of the Government in the Senate arises out of the Prime Minister's press conference of today in which he announced some very welcome news for the energy sector. I think we are all pleased to see that the Government of Canada

is now going to increase the exemption from the PGRT enjoyed by oil companies from $500,000 per year to $2 million per year effective May 1, and, in addition, that there will be zero PGRT on production from Syncrude and Suncor as of May 1. That news is very welcome in western Canada.

My question is along the line of exchanges we have heard between the Leader of the Government and Senator Olson. We have been told that when there is a change in policy an announcement will be made. I am wondering whether this is a change in policy and in the bottom line. The energy sector is very stressed and has been asking for some special incentives, in particular incentive pricing on a minimum amount of production for each company.

Can we expect more announcements, or is this an indication, as was suggested in yesterday's *Globe and Mail*, that this is the policy of the government? And is the policy that there will be no change?

Hon. Duff Roblin (Leader of the Government): I accept the rather back-handed compliment offered by my honourable friend and note that he approves of what we have done so far. It is quite possible that this may not be the last statement. I certainly have nothing to say about it today. This is our policy at this moment. As my honourable friend knows, as circumstances change and time develops, there may be other changes, but I am not holding out to him any undertakings with respect to the matter one way or the other.

Senator Hays: Honourable senators, I have a supplementary question for the Leader of the Government. Again prompted by an article in this morning's paper to the effect that oil analysts F. H. Deacon Hodgson Incorporated indicate that it is their opinion that oil revenues could fall by as much as $10 billion in 1986 over 1985—going back to a time immediately prior to the last election and the talk of the energy sector being an engine of growth creating, as I recall, some 30,000 jobs for every billion dollars it was spending—has the government taken any position on whether it can be an engine of contraction to the same degree?

Senator Roblin: Well, I must say my honourable friend had to work hard for that one, so I will give him credit for it. I can say to him, however, that we did our part with respect to our election promises by removing the National Energy Policy which, at the same time, removed tens, maybe hundreds of millions of dollars of taxes from the oil industry. At that time my honourable friend, I think was—certainly some of his colleagues were—slating us very severely, indeed, for having made that move. I myself am glad that we did because it has made the problem somewhat less grave than it would otherwise have been.

No one pretends that the oil industry is in good shape. It is in a very trying and difficult position and will require the best efforts of all concerned, starting with the industry itself—and I know that I can say with confidence that they will respond in as constructive a manner as they can—and also the best efforts of the two governments concerned.

[Senator Hays.]

In view of the position of the Government of Canada, I think that the move that my friend refers to is a good move, and I am glad that we made it.

THE CABINET

CONFLICT OF INTEREST GUIDELINES—GOVERNMENT POLICY

Hon. Ian Sinclair: Honourable senators, my question is for the Leader of the Government in the Senate. In view of the concern of Canadians about self-dealing and conflicts of interest, could he inform this chamber whether the conflict-of-interest attitude of the government extends throughout a household?

Hon. Duff Roblin (Leader of the Government): I know that my own wife considers herself to be a free-standing, independent person.

Senator Steuart: Do you stay at arm's length from her at all times?

Senator Frith: Only through a "blind trust"!

Senator Sinclair: In view of the answer of the government leader that wives are "independent" and "free standing"—and he having a lot of experience in this area—I wonder if he feels that it is a normal situation for somebody to borrow something in excess of $2.5 million on his assets without telling him?

Senator Roblin: If my honourable friend is talking about wives, I presume he means wives and husbands—in other words, spouses. So, it works both ways. I think I would rather answer Senator Steuart's question than my honourable friend's.

Senator Steuart: Go ahead. I do not want a national explanation.

Senator Flynn: Do you want to get into the debate?

Senator Sinclair: Honourable senators, I think when somebody borrows $2.5 million on assets they should tell people about it. It seems to me that it is quite a leap of faith to accept the situation that somebody would borrow $2.5 million on somebody else's assets without telling them. I was asking the government leader if he would consider that a leap of faith.

Senator Roblin: As far as I am concerned, the question is hypothetical.

Senator Sinclair: Well, let's make it factual, then. Let us assume that the story in the *Globe and Mail* is accurate. I am sure that the *Globe and Mail*—having a great reputation for accuracy, a reputation that has been outstanding for so long—would not publish anything without careful investigation. The article in the *Globe and Mail* states that the "cash-starved York Centre Corp.," which is owned by Mr. Stevens, had, as one of its subsidiaries, a real estate arm. That real estate arm borrowed $2.5 million on favourable terms after having dealt with somebody who had had access to public largesse.

In light of that circumstance—and I would ask the Leader of the Government to accept this article in the *Globe and Mail* as a factual story—would he believe that the borrowing of that

$2.5 million on someone else's assets should be brought to the attention of the person who owns them?

● (1420)

Senator Roblin: As far as I am concerned, I find the question to be hypothetical.

With respect to the particular incident my friend speaks of, it has been answered, I think, completely by the Prime Minister in the other place. I have nothing to add to what he said.

Senator Sinclair: I have in my hand, honourable senators, a letter from the Prime Minister dated September 9, 1985 addressed to the Right Honourable John N. Turner which, in part, states:

> As I believe it is imperative in a democracy that public office holders have the trust and confidence of the people they serve,—

That was the basis of the action taken.

My question is: Would this kind of deal, which was reported in the *Globe and Mail* and to which I have referred, result in confidence and trust on the part of the people of Canada?

Senator Roblin: What is the question?

Senator Sinclair: That is the question. Is it the opinion of the Leader of the Government in the Senate that it is government policy that that kind of action is in accordance with bringing about the trust and confidence of the people office holders serve?

Senator Roblin: My friend knows that I do not give opinions here.

Senator Flynn: Silly.

Senator Frith: It is not silly at all. The answer is silly.

NUCLEAR DISASTER

UKRAINE—EFFECTS OF RADIATION—GOVERNMENT KNOWLEDGE AND ACTION

Hon. Joyce Fairbairn: Honourable senators, yesterday the Leader of the Government undertook to try to get information that would bring us up to date on knowledge the government may have and action the government may be taking regarding the leak of the nuclear reactor in the Soviet Union. Can he report to us today?

Hon. Duff Roblin (Leader of the Government): There is really no new information available to us apart from that I gave yesterday. We have been seeking it but it has not been made available.

I can deal a little further with a question raised between my honourable friend and myself yesterday about monitoring in the Arctic. I can tell her that that is taking place. All the weather stations up there are monitoring this particular situation to make sure that there is no adverse fallout in the air over Canada.

While it is probably too soon to get any positive information because of the time taken for this material to disperse over the world, we are monitoring it very carefully.

NUCLEAR ENERGY

SAFETY OF CANADIAN REACTORS

Hon. Stanley Haidasz: Honourable senators, in view of the fact that there are 100 nuclear reactors in the U.S.A., not far from us, and 28 under construction, and 18 in Canada and one under construction, could the Leader of the Government in the Senate tell us whether the government intends to undertake a cost effectiveness and safety analysis, at least of the Canadian nuclear reactors, to make sure that they are foolproof from explosions?

Hon. Duff Roblin (Leader of the Government): I think we already do everything we can in this respect.

NUCLEAR DISASTER

UKRAINE—SAFETY AND HEALTH OF CANADIAN NATIONALS—GOVERNMENT ACTION

Hon. Jerahmiel S. Grafstein: Honourable senators, respecting the nuclear disaster in the Soviet Union, it was reported today that the Government of Finland has instructed Finnish citizens located in the affected areas near Kiev in Ukraine to be evacuated immediately in order to avoid harmful effects of radiation on their health. Reports of similar actions taken by other European countries have appeared in the media today.

Yesterday, Senator Roblin, in his response to Senator Fairbairn's question, said that the 18 Canadians in that area were safe and well and Mr. Clark, the Secretary of State for External Affairs, stated that Canada has not advised Canadians to leave.

Could the Leader of the Government in the Senate explain why the Canadian government has refused to act to help those Canadians in the affected areas whose health could very well be jeopardized and in great danger?

Hon. Duff Roblin (Leader of the Government): Of course, the premise of my honourable friend's question is completely false. Who said that the Canadian government is unwilling to act to help our people if they need help? Of course, that is not the case. We are willing to help them should help be required.

Senator Grafstein: Honourable senators, it has been reported that Mr. Clark has said that he is taking no action to evacuate or advise those citizens, whose health may be in jeopardy and who may not be informed of the circumstances in the Soviet Union, of the status of their health, whereas Finland, an adjacent nation, has withdrawn or evacuated its citizens.

Senator Roblin: My friend knows that there are 18 Canadians in the area of Kiev, where this disaster has taken place. He also knows that our representatives in Moscow have been in touch with those people and that they are in good shape.

Senator Grafstein: Can the Leader of the Government in the Senate then tell us whether the Government of Canada has sought to obtain from the Soviet Union—either in concert with other nations such as Sweden, which has made these requests, or multilaterally through the International Commission on

Atomic Energy in Austria or through the United Nations—the full and complete disclosure of the consequences of this disaster, which appear to be growing, in order to safeguard the health of the persons beyond the borders of the Soviet Union who may be affected by this disaster?

Senator Roblin: Where does my friend want me to stop? I mean to say that we can start with Poland, we can move through eastern Europe, perhaps to western France; where does he want me to stop? We are trying to find out from the Government of the Soviet Union as much as it will tell us about this disaster to see whether there are any further steps we need to take. We have offered help if there should be a request for help. We will do what we can in all respects, not only to concern ourselves with the safety of people outside the Soviet Union but also to concern ourselves with the safety of people inside the Soviet Union. We are going to do everything we can to be useful in this disaster, should we be requested to do so.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I thought the question was—

Senator Flynn: Yes; you explain it to us.

Senator Frith: In view of the fact that the Swedes and the Finns have apparently suggested that their people leave, and are taking steps to evacuate them, I thought the question was: Is the government going to ask them what information they might have that led them to that conclusion? That is all; the Leader of the Government is not being asked to ask everybody.

Senator Roblin: The answer is that we will get the information from any source we can.

Senator Frith: Good.

NUCLEAR ENERGY

SAFETY OF CANADIAN REACTORS

Hon. Robert Muir: Honourable senators, I have a question supplementary to that which was posed by Senator Haidasz. The nuclear reactors to which Senator Haidasz referred—he can correct me if I am wrong—were constructed under the previous administration, were they not? Would they not have had safeguards in place? Can I have the assurance from the Leader of the Government that those safeguards are still in place, if, in fact, they have not been improved upon?

Hon. Duff Roblin (Leader of the Government): I think I can return an affirmative answer to my friend's question.

CANADA-UNITED STATES RELATIONS

BILATERAL TRADE NEGOTIATIONS—FISHERIES—IMPOSITION OF U.S. TARIFF—CANADIAN GOVERNMENT ATTITUDE

Hon. L. Norbert Thériault: Honourable senators, I have a question for the Leader of the Government in the Senate which arises from statements made yesterday by the Minister for International Trade and the Minister of Fisheries. In response to questions in the other place which arose due to the imposition of a new tariff against whole fish from Canada, the answers implied that the Government of Canada was grateful that duties had not been imposed on all fish products from Canada. Does that indicate that the present government is prepared to accept a situation where duties are imposed on all fish products from Canada?

Hon. Duff Roblin (Leader of the Government): Of course, the answer to that question is no. If my honourable friend had read all of the material on this subject, he would know that consideration has been given to appealing the present decision to GATT to see whether it comes within the terms of reference of that body.

Senator Thériault: It is true that that was part of the answer. But the part of the answer I am worried about—and I am sure the fishermen are worried about—is that dealing with attitude. The government seems to be saying, "Thank you for not imposing duty on the rest of the fish products." If that is the kind of attitude that Canada is carrying into the trade discussions with the U.S., then God help Canadians!

Senator Roblin: That is my honourable friend's interpretation of government policy, but it could not be further from the facts. The fact is that we are deeply concerned about the protectionist activities in the United States today on many fronts, and not just on the front concerning fish. The whole thrust of our trade policy is to do something to shield our country from the protectionist tendencies that exist right now. That is what we are concerned about. We are going to find that those protectionist forces in the United States will continue to be active. It will take all that we can do to shield our economy from them. That is one of the main thrusts of our trade negotiations with that country.

• (1430)

Senator Thériault: Honourable senators, it seems strange to me—since the Prime Minister has announced his determination to follow through on free trade negotiations with the Americans—that monthly, and sometimes weekly, we hear of countervailing tariffs being imposed by the Americans. Is that just a coincidence, or are the Americans telling us, "You are going to do what we want you to do, or else!"?

Senator Roblin: Honourable senators, I think my honourable friend's interpretation is completely wrong. Many of those issues have been in the mill for many a long year, as he well knows. He also knows, or he ought to know, that we have had the same problem with some American imports into Canada. So those things are mutual aggravations in the realm of trade. The honourable senator can be assured that it is our policy to save the country as far as we can from protectionist influences in the United States, which did not start yesterday.

Senator Thériault: It is getting worse.

THE CABINET

CONFLICT-OF-INTEREST GUIDELINES—GOVERNMENT POLICY—SENATOR'S ARM'S LENGTH RELATIONSHIP

Hon. Philippe Deane Gigantès: Honourable senators, to pass from the piscatorially deplorable and the nuclearly

unthinkable, to the uxoriously unutterable, would the Leader of the Government oblige me—and this is the question—by telling the minister in the other place that I too have similar problems with my spouse? Whenever we go to a restaurant, and she wants to find out how much we have paid, I keep her at arm's length and will not tell her.

Senator Flynn: How cute! You are very funny.

NUCLEAR DISASTER

UKRAINE—EFFECTS OF RADIATION—GOVERNMENT KNOWLEDGE AND ACTION

Hon. M. Lorne Bonnell: Honourable senators, I have a couple of supplementary questions, but everyone else seemed so anxious to ask their questions that I let them go ahead and I have left mine until the last. With regard to the nuclear accident in Ukraine, my concern is for Canadians. What are we doing in Canada to monitor radiation in the air in the northern regions of Canada and to protect Canadians in the north?

Hon. Duff Roblin (Leader of the Government): Environment Canada is monitoring the situation with respect to the possibility of fall-out from this disaster, as I have announced three times in this house. I am glad to tell my friend again that we are doing that. There are 28 posts all over the country at which that monitoring takes place, and if anything is detected that is worthy of report, we will all be notified.

Senator Bonnell: Do I take it from that answer that nothing took place worthy of report?

Senator Roblin: That is a logical deduction, and my friend is nothing if not logical.

Hon. Stanley Haidasz: Honourable senators, I have a supplementary question for the Leader of the Government. Yesterday, a professor of physics at the University of Toronto said that the most comprehensive and best method of monitoring nuclear radiation is done by Sweden. I would ask the Leader of the Government whether it is the intention of the government to upgrade Canada's monitoring system.

Senator Roblin: Honourable senators, I am afraid that I cannot really pass judgment on an expression of opinion by the professor or scientist of whom my honourable friend speaks; so there is no way that I can answer the question.

THE CABINET

CONFLICT-OF-INTEREST GUIDELINES—GOVERNMENT POLICY

Hon. M. Lorne Bonnell: I have a further supplementary question for the Leader of the Government. Yesterday, in the House of Commons, the Honourable Erik Nielsen repeatedly insisted that the guidelines do not apply to spouses of MPs, who should be free to pursue independent careers.

Some Hon. Senators: Hear, hear.

Senator Argue: Let's hope so!

Senator Bonnell: I agree with the Prime Minister and the Deputy Prime Minister that many of them are better businessmen, or, I should say, businesswomen—

An Hon. Senator: Business persons.

Senator Bonnell: —business persons than men. I agree that many of them give very good advice to their husbands.

Can the Leader of the Government advise me whether he received a letter from the Prime Minister advising him that not only he but also his spouse and his family must be considered? Therefore, under the terms of that letter which he received from the Prime Minister—if, indeed, he received one—is he breaking the guidelines as set out by the Prime Minister?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I received the letter, as did other cabinet ministers. If my honourable friend will take the trouble to read all of it, he will find that the guidelines have not been broken.

Senator Bonnell: Did the Prime Minister say anything to you about your spouse and your children?

Senator Roblin: I do not report to my friend on what the Prime Minister says to me about my spouse and my children.

Senator Flynn: You read it.

Senator Bonnell: Since the letter is in the public domain and I do not have a copy, would the Leader of the Government table the letter?

Senator Roblin: If it is in the public domain, then my honourable friend can get it for himself. That is the tradition in Parliament. The government does not make itself responsible for providing information of that kind. I will make sure that I am correct in saying that it is in the public domain, because if I am not, then it is another matter. I will check that.

Senator Frith: Why not table it?

Senator Bonnell: Would the Leader of the Government do me the courtesy of advising me, if he thinks the letter is in the public domain, whether it states in that letter that not only he but also his wife and children should be considered?

AGRICULTURE

WHEAT—TWO-PRICE SYSTEM—EFFECT OF PRICE INCREASE

Hon. M. Lorne Bonnell: Honourable senators, my third question follows that asked by Senator Argue with regard to the announcement by the Prime Minister today concerning the price of wheat.

I agree that agriculture in this country has reached a crisis. I have been saying that for some time. There is a crisis in the east and in the west, and something has to be done about it. But there is also another crisis, and I refer to the poor of this country, to the low-income and middle-income people. If that is the case, is it right to increase the price of bread? Would it not be better to assist farmers in some direct way, perhaps to assist them with their financial loans and by other methods, rather than raise the price of bread for low-income and

middle-income Canadians? Once again, those people are getting it in the neck.

Hon. Duff Roblin (Leader of the Government): My honourable friend might like to appear before the committee that is dealing with this matter and give it the benefit of his views. They sound interesting to me.

PUBLIC WORKS

PRINCE ALBERT, SASKATCHEWAN—AWARDING OF CONTRACT FOR FEDERAL BUILDING

Hon. D. G. Steuart: Honourable senators, a very wise man, whom some of you will remember—the Right Honourable John Diefenbaker—once advised me "Never ask a question that you don't know the answer to, if you are talking in the House or the Senate."

My question, which goes against that advice, is one to which I really do not know the answer and, therefore, I ask the Leader of the Government to find the answer. Briefly, the Canadian government is building a federal building in Prince Albert, a city of some 35,000 people. Now, they need that federal building in the city of Prince Albert like they need a hole in the head, because they have all kinds of federal buildings and all kinds of other space. However, they are building it, and almost all of the people of Prince Albert are delighted that this building is being built—especially Conservatives!

An Hon. Senator: And the NDP.

Senator Steuart: When they built this building, which in my opinion, and in the opinion of many other objective observers, is a political building and not a really necessary building, they stopped short of going all the way. When they asked for architects to submit tenders, bids or proposals to build this building, they missed the one large architectural firm in Prince Albert. There are several small architectural firms in Prince Albert and one large one—Mr. Tomporowski, a good Ukrainian chap, or perhaps he is Polish, which is even better; Mr. Moore, who was Hungarian but changed his name; and a fellow named Taylor, who is an Anglican. That covers the whole spectrum, and two out of three of them vote Conservative—put a little bid in, but they were not even considered. They are considering firms from Saskatoon who sent, for some strange reason, two good Progressive Conservatives here to Ottawa.

● (1440)

My question and my plea to the Leader of the Government is: Will he go back and talk to the Minister of Public Works, or whatever they call him now, and ask him to reconsider—since the building is, in my opinion, totally unnecessary and the whole thing is political to begin with. Ask him why he will not go all the way, do it right, and at least consider the Prince Albert architectural firm. If they are no good, then he can reject them, but at least give them a chance. Will the leader find that out for me?

Hon. Duff Roblin (Leader of the Government): Honourable senators, when it comes to the question of buildings in Prince Albert—

Senator Marshall: It is a specialized area.

Senator Roblin: —whether they are political or otherwise, I respect my honourable friend's status as an expert.

Senator Argue: He put in an airport.

Senator Steuart: Honourable senators, I do not know what the leader means by that comment. He respects me and I respect him, but will he get me an answer? To hell with respect! Will he get me an answer so I can answer the letter I got from them?

Senator Roblin: I suggest to my honourable friend that he send me the letter and I will answer it.

THE CABINET

CONFLICT-OF-INTEREST GUIDELINES—GOVERNMENT POLICY

Hon. Ian Sinclair: Honourable senators, I rise to help the Leader of the Government in the Senate.

Senator Doody: Oh, oh!

Senator Flynn: This is Question Period.

Senator Sinclair: I have turned up a facsimile of the letter he received and which was made public. I would like to read part of it.

> Because of a wish to continue the practice of avoiding the imposed subordination of the interests and independence in the affairs of one family member to those of another, this Code, as was the case with the previous Guidelines, does not apply to the spouses or dependent children of public office holders. However, I wish it to be understood clearly by all Ministers that they have an individual responsibility to prevent conflicts of interest, including those that might arise out of activities of their spouses or dependent children or the dealings in property or investments which are owned or managed, in whole or in part, by their spouses or dependent children.

My question is: Is that still government policy?

Hon. Duff Roblin (Leader of the Government): Honourable senators, the answer is that the situation to which my honourable friend refers has been referred to the officials in charge of conflict of interest, and they have declared that there is none.

Senator Sinclair: Honourable senators, I do not want to press anything, but I asked a very simple question. I read an extract and I asked whether that is still government policy.

Senator Roblin: I think I have answered the question.

Senator Sinclair: I shall have to check the "blues."

Senator Flynn: Try again tomorrow.

Senator Frith: What is the point?

Hon. M. Lorne Bonnell: Honourable senators, I have a different question concerning the same matter. The Leader of the Government has said that it referred to somebody-general. Is it his job, every time somebody's spouse wants to make a deal, to approve it or reject it? I thought that all he did was, as each minister of the Crown advised him of his or her outside interests, accept the submissions on assets and conflicts. He does not sit down with each submission and say, "This is a conflict." "This is not a conflict." "You can't do this deal." "You cannot do that." "You cannot buy this." "Your wife cannot do this." That is not his job. I understood that his job was simply to accept what is submitted and take your word for it. He does not get you to take an oath, to swear, nor does he look at every one of the deals and ask, "Is this a good one?" or, "Is this a bad one?" You do not have to submit something every time one of your children or your wife makes a deal. If that is the case, that everybody—wife, children, spouse—must submit to this general you are talking about, every deal they make on property, real estate or whatever, to have it okayed, then did he say it was okay in this case?

Senator Roblin: What is the question?

Senator Bonnell: The question is: Do you, your spouse and your children have to submit details on every property deal, real estate deal and so forth made during the four years while you are a member of the government?

Senator Roblin: My eligible assets have been placed in a blind trust.

Hon. Stanley Haidasz: Honourable senators, I have a supplementary question. I would like to ask the Leader of the Government in the Senate whether the Prime Minister's new guidelines for conflicts of interest apply also to his ministerial assistants and to his Parliamentary secretaries?

Senator Flynn: That is a very important question.

Senator Roblin: There are guidelines in respect of all senior people in government.

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have three delayed answers.

CORRECTIONAL SERVICE

COMMISSIONER'S OFFICE—INCREASED COST OF ADMINISTRATION

Hon. Duff Roblin (Leader of the Government): Honourable senators, the following reply is in response to a question raised in the Senate on April 16, 1986, by the Honourable Earl A. Hastings, regarding the Commissioner's Office of the Correctional Service, and the increased cost of administration.

(*The answer follows:*)

Operating Expenditure allocations to the "Office of the Commissioner" have remained relatively static at approximately $750,000 per annum and three (3) person-years for the forecast period. These resources include both direct costs (salaries and other operating costs) as well as a provision of approximately $450,000 for special projects deemed essential by the Commissioner.

However, as operational requirements are identified, the resources for special projects are reallocated by the Commissioner to the managers conducting the special projects. The associated expenditures are then reflected in the manager's budget as part of the cost of their operations. For the fiscal year 1985-86, these resources were utilized to fund 21 special studies emanating from the "Report of the Advisory Committee to the Solicitor General on the Management of Correctional Institutions" and directions from the Ministers of the Treasury Board. In addition, an in-house study to articulate the "Report on the Statement of CSC Values" was undertaken.

In fact, the direct costs of operating the Commissioner's Office, in concert with the Government's restraint measures, have declined from $318,000 for fiscal year 1984-85 to a forecast of $256,000 in 1985-86, a decrease of 19.5 per cent. The current forecast indicates that the direct costs will not vary substantially in 1986-87.

With respect to the staffing level displayed in Part III of the Estimates, the person-year allocation has remained constant while the actual utilization from one fiscal year to the next has varied slightly.

CANADA-UNITED STATES RELATIONS

MEETING BETWEEN PRIME MINISTER AND PRESIDENT OF THE UNITED STATES—U.S. AGRICULTURE POLICY AS AGENDA ITEM

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a reply to a question raised in the Senate on April 29, 1986, by the Honourable Hazen Argue, regarding the meeting between the Prime Minister and the President of the United States—U.S. agriculture policy as an agenda item. The first reply was tabled in the chamber on April 15, 1986, and I am just confirming it.

Senator Argue: Thank you.

(*The answers follows:*)

Canadian concerns over certain provisions of the 1985 U.S. Food Security Act (Farm Bill) were raised by the Prime Minister during discussions with President Reagan, Secretary of State Shultz, Secretary of Agriculture Lyng, U.S. Trade Representative Yeutter and with the leadership of the Senate. Prime Minister Mulroney noted the problems affecting farmers on both sides of the border, indicating that the recently announced reduction in the 1986 loan rate for wheat and other crops receiving price support would only worsen the current situation of low world prices for these commodities. He also pointed out Canadian concerns about the high level of agricultural export subsidies contained in the legislation and about

possible restrictions on the movement of Canadian livestock products to the United States. The Prime Minister asked for U.S. understanding and co-operation regarding Canada's desire to ensure that conditions in the international trading environment did not further deteriorate. The U.S. response in the discussions was to observe that many of the export programs were aimed at the European Community not at Canada, but that Canadian concerns would be noted and all possible done to not harm friendly trading nations such as Canada. The United States and Canada share many objectives in regard to the upcoming multilateral trade negotiations in the GATT and both countries are looking for an improved set of rules and procedures for trade in agricultural products.

TRANSPORT

POSSIBLE SALE OF CN ROUTE—GOVERNMENT ACTION

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a reply to a question raised in the Senate on April 17, 1986, by the Honourable Edward M. Lawson, regarding Transport and government action on the possible sale of CN Route.

Hon. Charles Turner: May we have that reply read?

Senator Roblin: Yes. The minister said in the House of Commons on April 18:

> —the CN management and board have agreed in principle to a proposal to sell CN Route. Within the context of that agreement there will be provision for certain job guarantees. Indeed, those details are being worked out at the present time. Of course, the Hon. Member should be aware that the final package will have to be approved by the Governor-in-Council and the CTC. Until such time as all of these details can be worked out with the unions and all other parties affected, we are not in a position to say just what the full package will look like.

He went on to say:

> —in the past CN has been very generous in its severance arrangements and early retirement packages. These kinds of arrangements are being negotiated with the unions within the context of the purchase agreement which has been put together.

In his press release of April 17, 1986, Mr. LeClair stated:

> Canadian National and the purchaser will ensure any affected managment and staff are treated fairly and equitably through early retirement and other measures. This will require negotiations with the unions involved.

Hon. L. Norbert Thériault: Honourable senators, may I ask the Leader of the Government a question arising from that answer? I did not hear the first part of the answer. Is it a guarantee that there will be job protection for all employees involved in that CN Route sale?

Senator Roblin: Honourable senators, perhaps my honourable friend should read the answer in *Hansard*, and if he has any further questions, no doubt he can raise them.

Senator Thériault: You are very obliging today!

Hon. Royce Frith (Deputy Leader of the Opposition): Oh, Duff, you did that all the time when you were given answers. It is a practice that you started, and I do not know why you will not let Senator Thériault do it.

Senator Flynn: You are not obliged to protect him.

Senator Frith: I am not obliged to protect anyone. Honourable senators, on a point of order, when—

An Hon. Senator: Order!

An Hon. Senator: The clerk is trying to read the first order.

Some Hon. Senators: Order!

Senator Frith: Order is right. I am trying to raise a point of order. A point of order can be raised at any time.

An Hon. Senator: It takes precedence over all other business.

Senator Flynn: Go ahead.

Senator Frith: With reference to the question just asked by Senator Thériault, he was merely asking the leader to read again the first part of the question so that he could ask the leader a question about it. When the Leader of the Government occupied the seat I now occupy, he frequently asked questions arising out of delayed answers. That is why I have asked and am asking now, why he would not extend the same courtesy to Senator Thériault.

Senator Roblin: On the point of order, several senators during the recent past have raised questions arising out of delayed answers, and I have answered them on the spot. My problem with the question asked by my honourable friend, if I understood him correctly, is that he is asking me to interpret what was in that statement, which is a statement by the Minister of Transport, and I am not able to do that. If he gives me a question, I will take it as notice, because I cannot really answer it on the spur of the moment. However, if he wants to give me a question for me to take as notice, there is no reason why he cannot do so even now, as far as I am concerned.

• (1450)

Senator Thériault: Honourable senators, I have always had a lot of respect for the Leader of the Government in the Senate. This is the first time that he has treated me in this way. However, it seems to me that my question was most appropriate. The fact is that I did not quite hear whether or not the Leader of the Government said "all the jobs". That was the question I asked, because I am presently doing some research on that subject matter and I thought I could perhaps have the small point cleared up right now of whether the Leader of the Government had said "all jobs will be protected," or "some jobs will be protected." That was my question. I did not think I was asking for an interpretation.

Senator Roblin: I think if my friend is able to read the answers which have now left my hand, he will see, if my memory is correct, that there was no guarantee that all jobs would be preserved but rather that the people who were put

out of work would receive proper treatment with respect to their situation.

Senator Thériault: I would like to thank the Honourable Leader of the Government in the Senate.

Senator Roblin: However, let me just add a proviso. That is what I think is said in there, but in view of the way some people are treating me in respect of the answers they get to questions, I want to issue the warning that I will not be bound by this answer and I intend to look at it.

Senator Thériault: Honourable senators, it may be all right for the Leader of the Government in the Senate to take revenge because of the way that some people have treated him but I think I can stand here and say to honourable senators and to him that I have always treated him with all the respect that his position deserves. I would also say to him that if he wants to make accusations, he should not include me.

Senator Roblin: I am glad to exclude my friend, and I exclude most senators.

SMOKING PROHIBITION BILL

SECOND READING—DEBATE CONTINUED

On the Order:

> Resuming the debate on the motion of the Honourable Senator Haidasz, P.C., seconded by the Honourable Senator Bosa, for the second reading of the Bill S-8, intituled: "An Act to prohibit smoking in certain work areas and on board certain modes of transport".—(*Honourable Senator Doody*).

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I yield to Senator Flynn.

The Hon. the Acting Speaker: Honourable senators, is leave granted?

Hon. Senators: Agreed.

Hon. Jacques Flynn: Honourable senators, I will not detain you very long.

[*Translation*]

I have had a look at Bill S-8 and I can appreciate the good intentions of Senator Haidasz with respect to the prohibition of smoking.

Still I would not want this measure to be given second reading without a few senators—I, for one—being afforded an opportunity to express concern.

I can see where the adoption of such a bill by the House of Commons would be the laughing stock of all Canadians, for there is more to it than saying that smoking is a bad habit.

As a result of the adoption of the report of the Committee on Standing Rules and Orders chaired by Senator Molgat, we decided to add a rule to ban smoking in committee rooms. In this respect, I pointed out that our rules do not even include a prohibition against smoking in the Senate itself. It is only because of custom and propriety that we frown upon smoking here. I would have nothing against a decision to ban smoking in a place like this and in committee rooms.

If you read the bill and if we were to adopt it as is, you will see that no person shall smoke in any indoor place of work provided by the Senate or the House of Commons, the government of Canada, or a federal work undertaking or business within the meaning of the Canada Labour Code. In other words, honourable senators, we would be endorsing the principle whereby smoking is prohibited outside the Senate, in the lobby and hallways. So far I agree, but the ban would even extend to your offices because they are indoor places of work provided by Parliament, the Senate, the House of Commons, or the Government of Canada. That is what it would amount to.

For example, we would be up against a rather ridiculous situation in the sense that smoking would be banned when we are reading newspapers in the reading room. Perhaps the ban would be lifted whenever His Honour the Speaker gives a reception because, all of a sudden, that room is no longer a place of work.

In fact, I fully understand the suggestion of Senator Haidasz. I wish had have made this a notice of inquiry to discuss whether we can eventually ban smoking. Of course the bill is limited to parliamentary jurisdiction, meaning places of work provided by the Government of Canada, the Senate or the House of Commons where smoking would be prohibited. The ban would not extend to places to work provided by provincial governments.

One would have to be very careful when going from one place to another and make sure that one is no longer under federal jurisdiction should one be tempted to light up.

I find this formula amusing. For instance, a train passenger who has reserved a roomette would not be allowed to smoke there because it would be prohibited under this bill. There might be exceptions—indeed, exceptions could be made—but still the bill is going too far.

I have no objection if the underlying theme of the speech delivered by Senator Haidasz is to refer the bill to a committee. On the other hand, I am sure we cannot seriously entertain the suggestion that the bill might eventually be adopted by the Senate and reported by a committee with a favourable recommendation.

If honourable senators feel that the bill should be referred to committee, I agree. But I think it would be somewhat childish if, under the pretense of debating the problem of smoking hazards, we were to adopt the principle of such an excessive bill. Personally, I will say "on division". In fact, I would suggest the Senate would be unwise to pass this measure. I think it would be better if Senator Haidasz were to agree to withdraw his bill and replace it by a notice of inquiry under which the Senate or a committee—for instance, the Senate Standing Committee on Social Affairs, Science and Technology—would be asked to study the hazards of smoking, and to what extent individual freedoms in that respect can be restricted in both Houses, senators' offices, train roomettes, or in other such exaggerated situations as described in the bill.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, if I correctly understood Senator Flynn's intervention, he emphasized certain aspects concerning the wording of this measure which casts a very wide net. Among other things he mentioned offices which will be covered under this legislation. I agree with him. He also mentioned other places as examples, and we could think of a few more.

In my opinion, if we can accept the principle of the bill on second reading, we can also refer it to committee, as he said, to change the wording and improve it. At the same time the committee could debate the various aspects of the principle of the bill.

For that reason I support the second reading motion, given the commitment of the sponsor of the bill that it will be referred to committee for further consideration in the usual way. Then we can wait for the committee report.

● (1500)

[*English*]

Hon. John M. Godfrey: Honourable senators, this brings to mind a matter I brought up a few years ago. At that time I said that I felt strongly that we should not always think we have to give second reading to a bill in order to refer the bill to a committee. We did refer a bill to a committee before second reading three or four years ago, but I have forgotten the exact bill the Senate was dealing with then. I think this is a case where the Senate might refer a bill to a committee before it receives second reading, and after the committee has reported, the Senate can then decide whether it wants to approve the bill in principle by giving it second reading.

That is something that should be looked into. Therefore, I wish to adjourn the debate to refresh my memory as to the other occasion on which we adopted that course.

On motion of Senator Godfrey, debate adjourned.

EMPLOYMENT EQUITY BILL

SECOND READING—DEBATE ADJOURNED

Hon. Brenda M. Robertson moved the second reading of Bill C-62, respecting employment equity.

She said: Honourable senators, it is with great pleasure and a certain amount of pride that I rise today to introduce Bill C-62, respecting employment equity.

This is an historic piece of legislation. For the first time in the history of our country we have a piece of legislation that enshrines the principle of equality in the workplace. Bill C-62 guarantees that the barriers to women, native people, disabled persons and visible minorities will start to fall. This bill reinforces the principles many of us fought for under section 15 of the Charter of Rights and Freedoms. It puts into practice the ideals in our Constitution.

This bill recognizes that the realization of the goal of employment equity takes more than treating people in the same way. It requires that special measures be taken to improve the employment opportunities of certain groups and

that appropriate accommodation be made in the workplace for differences.

Initially it was assumed by legislators, employers and the public that equality in the workplace could be attained by treating everyone the same. But this legislation reflects the conviction that evolved as a result of the report of Judge Rosalie Abella on equality in employment—that equality can only be attained by recognizing differences and making reasonable accommodation for those differences.

The purpose of this bill is "to achieve equality in the workplace so that no person shall be denied employment opportunities or benefits for reasons unrelated to ability and . . . to correct the conditions of disadvantage in employment . . ." experienced by these groups.

This legislation is the major component in a series of measures undertaken by the government to achieve greater social justice in the field of employment.

As an indication of its commitment to equity, and as an example for private sector employers, this government has built into the Canadian Jobs Strategy the requirement that these same groups be targeted for special consideration regarding training programs and job opportunities.

The government's record on this is undeniable. If we examine the 574,000 new jobs that have been created in the past 19 months, we see that women account for 243,000 of these.

Government recognized the need for an employment equity program of its own months before a decision on Bill C-62 was made. I am pleased to report that Treasury Board instituted a mandatory program of employment equity for all public service hirings more than a year ago, and that the government's provisions for contract compliance for companies of more than 100 employees who bid on contracts valued at over $200,000 are set and ready to be instituted.

These are the reasons that the inclusion of the federal public service under the terms of Bill C-62 would have been a redundancy in the legislation.

All of these initiatives will become the cornerstone for the establishment of equity throughout the Canadian labour market. It is now time for the private sector to embrace the philosophy and basic tenets of employment equity.

Employers must work with the government to eliminate discrimination and to open up competition for employment opportunities to all Canadians.

Honourable senators, the Canadian people have given this government a mandate to bring about economic renewal and to ensure that all Canadians participate fairly in the process. It is moving ahead quickly and decisively on both counts. Growth and equity must go hand in hand. It is a matter of fairness and it is a matter of sound management.

In the past, certain groups have been excluded from the workplace or under-utilized because of systemic or attitudinal barriers. We simply cannot afford to waste any of our valuable human resources. It is not only unfair, it is inefficient, because equity in the workplace is a key to economic growth.

Bill C-62 will ensure that in addition to economic growth, renewed confidence and lower unemployment, there will be a fair distribution of the jobs created.

This legislation will cover federally-regulated employers in the fields of banking, transportation and communications. It will ensure that employers accept the responsibility for establishing equal access in the workplace. They must identify barriers to target groups and remove them. They must adopt special measures that will involve senior level commitment and management accountability. They must begin immediately hiring and training target group members in all levels of the organization. In fact, it will ensure that employers prove their commitment to this goal by providing data recording their progress.

Bill C-62 focuses on results, and I think that is very important. As long as the results are there, employers are permitted the flexibility to adopt the approach that best suits their organization.

Employment equity is not a numbers game to be played by filling quotas. Quotas are rigid and, therefore, inflexible and often unhelpful. Goals that have been set are flexible and establish standards against which achievements can be measured. The government believes that, in the light of the American experience and the complexity and diversity of Canada and its economy, the way to achieve change is not to institute a set of rigid procedures. Rather, to get results, this bill requires that employers disclose to the government and to the public, data that has never been available before, data that will verify their progress towards employment equity.

The other fundamental principle underlying Bill C-62 is the crucial role of enforcement. By this I mean the collection of data by employers on the hirings, promotions, terminations and salary ranges of members of designated groups. This is data which we have never had before. If the results are not forthcoming, honourable senators, if the data indicate a failure to comply with employment equity, the government intends to exert the strongest possible pressure.

This bill puts information about the status of target groups on public record, holding the performance of individual employers up to public scrutiny. They will be compared unfavourably with their competitors in the same industry. I do not know of any employer who would be willing or foolish enough to take this risk.

● (1510)

But if they do, the full power and authority of the Canadian Human Rights Commission will be brought to bear. It will have the data it needs to initiate investigation.

The use of the Canadian Human Rights Commission—in an expanded capacity—to police this piece of legislation saves us from creating another level of bureaucracy. It means that this piece of legislation will be overseen by an organization with the experience to make it a most effective tool in combating the inequalities in our system.

I believe that the majority of employers will co-operate fully. Most corporations will make good use of the data themselves to identify problems and correct them without going through a complaint and risking the terms of their compliance dictated by tribunals or courts.

The commission will use its power to initiate a complaint under the Canadian Human Rights Act only if it is warranted. But let there be no doubt that Bill C-62, in conjunction with the Canadian Human Rights Commission and public opinion, will provide a very formidable enforcement system for employment equity.

However, we are seeing evidence that many businesses are already moving to establish employment equity timetables and goals even before they are required to by law. And they are committed to it.

Companies, such as the Royal Bank of Canada, state that "True equal opportunity is a way of doing business. It reflects excellence in human resource management and we are determined to continue our efforts in this area."

I am quoting now from the President of Westinghouse, who states:

> We see the program as supportive of our strategic objectives. By supporting employment equity, we feel we are contributing to a fundamental social change.

Companies are realizing that factors such as sex, race, disabilities or skin colour are really irrelevant in today's labour market. The only question when staffing should be: Can the candidate do the job? That is the only criterion by which potential employees should be assessed, and with this legislation, it will be.

Honourable senators, we need this bill. It is long overdue. Canadians have a right to equal access to employment opportunities and past governments have been remiss in not recognizing that right with legislation.

With business showing an increasing understanding and acceptance of the bill and with the Canadian Human Rights Commission confident and eager to enforce the bill, it would seem wise for us to proceed with the study of this bill as soon as possible.

This bill represents nearly two years of consultation with more than 120 groups and organizations across the country, scrutiny and amendment in the legislative committees—and I do not have to remind you of the very long debate in the House of Commons.

Upon passage, it will finally provide Canada with a framework for employment equity. It is an end to the years of government inaction and it offers Canadians the employment equity legislation that they deserve—a special blend of what is necessary, what is fair, and, more importantly, what is workable.

Some Hon. Senators: Hear, hear.

On motion of Senator Marsden, debate adjourned.

CANADIAN ARSENALS LIMITED DIVESTITURE AUTHORIZATION BILL

SECOND READING

Hon. William M. Kelly moved the second reading of Bill C-87, to authorize the divestiture of Canadian Arsenals Limited and to amend other acts in consequence thereof.

He said: Honourable senators, I rise today to speak to Bill C-87, which is a bill to authorize the government to divest itself of the shares of Canadian Arsenals Limited—which I would like to refer to for the rest of this discussion as CAL—to a private sector purchaser, thereby completing the privatization of CAL announced in the budget speech on May 23, 1985.

CAL is the last government owned munitions enterprise in Canada. Its privatization, therefore, means that Canada's munitions business is now conducted totally in the private sector.

As we all know, the government has agreed in principle to sell CAL to the SNC Group of Montreal; a large, widely-held engineering company with worldwide experience.

Before getting down to some of the specifics of the bill before us and the terms of the sale to SNC, I thought it might be instructive to review briefly CAL's history and current position.

CAL was created in 1945 in order to consolidate the government-owned and operated munitions facilities that had sprung up during the war. These facilities at that time were located across Canada, but primarily in Ontario and Quebec. During its early years in business, CAL progressively consolidated its operations and closed down several redundant or inefficient facilities.

In 1951, CAL leased its gun division facilities at Longueuil, Quebec to Sorel Industries. The facilities were disposed of completely by the end of the 1950s.

In 1963, CAL closed down its general ammunition division at Lindsay, Ontario.

In 1964, the Instrument and Radar Division at Leaside, Ontario, was closed down. The assets were either sold or transferred to the private sector under the direction of the Department of Defence Production.

In 1965, the Explosives Division at Valleyfield, Quebec was sold to CIL. The plant is now owned by Expro Chemical Production Incorporated and supplies CAL with almost 100 per cent of its propellant and explosives requirement.

In the mid-1960s CAL discontinued the manufacturing of munitions below 30 millimetre. It sold its plant located in Valcartier to IVI, Industrie Valcartier Inc., of Quebec. IVI was purchased by SNC in 1980 and continues to produce munitions of 30 millimetre and below for sale largely to the Department of National Defence.

In 1976, CAL divested itself of its small arms business located in Mississauga to Diemaco Ltd. of Kitchener, Ontario, leaving CAL with only its Le Gardeur plant in Quebec.

Also in 1976, the Government of Canada ordered a reorganization to enhance efficiency. Revised letters patent were issued to allow CAL to expand the scope of its operations into related military products and to export munitions. The government also committed itself to substantial modernization of CAL's facilities, ultimately to a total of $3.7 million spent between 1977 and 1982.

In 1978, CAL moved its headquarters from Ottawa to Le Gardeur, northeast of Montreal.

In 1980 and 1981, the Auditor General's Annual Reports to Parliament were critical of the organization of CAL's facilities at Le Gardeur, claiming that they were disjointed and inefficient. Equipment was owned by the Department of Supply and Services; land and buildings were owned by the Department of Public Works, and other assets fell under CAL's own administration. Consequently, in 1982 everything but title to the land was transferred to CAL. The land ownership still resides with the Department of Public Works and will be transferred to CAL before completion of the sale to SNC.

In 1984, CAL completed installation of a new cartridge case manufacturing facility at St. Augustin, near Quebec City, at a total cost of $13 million.

CAL's operations are now centralized at Ville Le Gardeur and St. Augustin in Quebec. It employs some 750 people at Le Gardeur and 50 more at St. Augustin.

CAL's financial performance has steadily improved since 1979. In 1979 sales totalled $14.2 million with a profit of $181,000. In 1985 sales totalled $103 million with a profit of $11.3 million.

Yet, there remains room for improvement. One priority is to expand and modernize facilities at Le Gardeur. More importantly, since 1978 CAL's mandate had been to promote exports. Management, however, in spite of valiant attempts, has been unable to increase exports above 7.3 per cent of total sales. Privatization will assist CAL immeasurably in these two areas.

● (1520)

Pursuant to the Minister of Finance's budget announcement in May, 1985, the Department of Supply and Services set up an interdepartmental privatization panel for CAL, consisting of representatives of the Department of Supply and Services, Treasury Board and the Department of Justice.

The government also commissioned the firm of Arthur Andersen and Associates to perform a valuation of CAL. Arthur Andersen estimated the value range for CAL to be from $80 million to $98 million.

Next, the privatization panel solicited bids from private sector firms and consortia. In return for a $100,000 deposit from each, nine bidders obtained commercially confidential information on CAL as well as access to CAL's facilities. Eight of these nine firms submitted their first formal bids by August 9, 1985.

A process of negotiations with the bidders ensued, during which the government's policy for the operation of CAL in the private sector crystallized. The six bidders that agreed to meet all of the government's policy conditions were asked to submit their final offers by November 19, 1985. Obviously, by this

time, price was the only material difference amongst bids and bidders were informed that price would be the determining factor.

On the basis of the final bids submitted, SNC was the successful bidder. On December 2, 1985, the Minister of Supply and Services announced agreement in principle to the sale of CAL as a going concern to SNC. The major reason for selling CAL as a going concern rather than selling the assets was to ensure that all of CAL's liabilities as well as its assets followed CAL into the private sector. I might say that this was, as much as anything, to avoid the Ontario government's problem in the privatization of UTDC where substantial liabilities remain with the government.

The major terms of the sale are as follows:

First, SNC agreed to pay a total of $92,224,941 to the Government of Canada for all of CAL's issued and outstanding shares. The price paid included $4,724,541 to repay the outstanding debt of CAL to the Government of Canada. The net price paid to the government was $87,500,000.

Second, SNC agreed in principle to sign a "Reciprocal Pension Transfer Agreement" with the Government of Canada whereby CAL's current employees may transfer their government pension credits to a newly-created CAL pension plan that is materially the same.

Third, CAL entered into a new labour agreement with its employees just prior to the final bids being submitted. SNC has agreed to abide by that agreement until it is able to reach a new agreement with the employees after the purchase is consummated.

Fourth, although it is not a formal undertaking, SNC has agreed to maintain the current level of employment at CAL.

Fifth, SNC has plans for the expansion and development of the two plants in Quebec.

Finally, CAL is largely what economists call a "monopsony"—one buyer and one seller for the products produced. The buyer of over 90 per cent of CAL's munitions is, of course, the Department of National Defence. CAL is treated as a preferred supplier to DND in order to guarantee a secure Canadian source of munitions supply, and the price paid by DND was negotiated on the basis of cost, business risk and fair and reasonable profit.

CAL's preferred supplier status will persist under SNC's ownership. During the bidding process, there was concern that the government, as principal purchaser of CAL's product, would, in effect, be subsidizing the purchase price: The higher the purchase price, the higher the price paid by DND for CAL's products.

To guard against this eventuality, the government has agreed with SNC that the cost base—I spent a lot of my time working for a utility, so I would call it the "rate base"—is fixed at the net book value of CAL at the time of sale, regardless of the purchase price. I am told that the net book value of CAL is roughly $52.5 million, so the additional $30 million premium paid by SNC is not part of what I call the "rate base."

In my view, CAL's acquisition by SNC makes good sense. SNC, through its subsidiary IVI, now manufactures smaller ammunition—up to .33 mm—not produced by CAL. There will, therefore, be a high degree of synergy and economies of scale between the two operations.

SNC has been in existence since 1903 and has become one of Canada's leading engineering, construction and manufacturing firms. Its assets are in excess of $100 million. Its 1984 revenues exceeded $200 million. SNC's size and experience will allow it to enhance CAL's research and development activities. Its international network and reputation will allow CAL to broaden its export activities.

SNC is an employee-owned company. It has roughly 4,000 employees across Canada of whom 500 are also SNC shareholders. The vast majority of SNC's shareholders are resident Canadians. CAL will, therefore, continue to be a Canadian owned and operated company. I also understand that SNC is contemplating a public issue of shares in the near future, thereby combining employee ownership with a wide public shareholding.

I shall turn to the specifics of the bill now before us. As I mentioned earlier, this bill is enabling legislation which, when passed, will authorize the minister to divest of CAL "on such terms and conditions as are approved by the Governor in Council." This bill is modelled on—in fact, it is virtually identical to—the bill passed last year to privatize Northern Transportation Company Limited.

Express Parliamentary authority is required to privatize a parent crown corporation pursuant to subsection 100(1)(d) of the Financial Administration Act. Some of you might wonder why the de Havilland privatization did not require legislation. The reason is that de Havilland was not a parent crown corporation, but was, instead, a subsidiary of the CDIC.

Honourable senators, one point I should like to make in this regard is that I cannot for the life of me understand why the NTCL and CAL bills were drafted as enabling legislation. In both cases the buyers had been selected and the terms and conditions of the transactions agreed upon before the legislation was tabled. Why then, instead of enabling legislation, does not the government seek Parliamentary approval for the actual sale? Surely that was the intent and the spirit of the Financial Administration Act.

Otherwise, C-87 is a relatively straightforward bill. Clause 5 requires the new owners of CAL to prepare proposed articles of amendment for CAL within four months and submit them to the Minister of Supply and Services for approval. This enables the government to ensure that the amended articles are consonant with the terms and conditions of the sale.

Clause 6 requires the articles of CAL to retrict non-resident Canadian ownership of CAL to an aggregate maximum of 25 per cent of the voting shares. This arrangement will persist in perpetuity unless a government and Parliament at some future date consent to an amendment.

Clause 8 enables the government to make the necessary adjustments to the public accounts to reflect CAL's sale. I do

not profess to be particularly knowledgeable in accounting—especially in government accounting—but I understand, however, that the transaction will be reflected as follows: First, the "value" of CAL is currently carried in the government's books—the Public Accounts of Canada—at $4.7 million. This is the amount of outstanding debt owed by CAL to Her Majesty. The fact that CAL records shareholders' equity of roughly $50 million in its own books is apparently of no consequence.

Second, the gross sale price of $92.2 million will be paid by SNC into the Consolidated Revenue Fund and recorded as "budgetary revenues." The amount of $4.7 million of that will be absorbed by cancelling out the $4.7 million value of CAL currently recorded in the government's books. This obviously leaves a total of $87.5 million that will be recorded as a net budgetary revenue and will reduce the deficit accordingly.

As co-chairman of our party's crown corporations task force prior to the election, I was often either amazed or totally baffled by the government's accounting practices and policies for crown corporations.

Clauses 9 and 10 remove crown corporation status from CAL as well as agent of Her Majesty status. Removal of agent status removes from the corporation all of the immunities that apply by virtue of its ownership by the Crown. Such privileges and immunities are, however, inappropriate for a private sector corporation. One of the more significant immunities resulting from agent status is exemption from a range of federal and provincial taxes and fees. Under SNC's ownership, CAL will become a fully taxable entity with, we hope, positive results for the treasuries of Quebec and Canada.

Honourable senators, during debate on this bill in the other place, there was some concern expressed that a privately-owned CAL with an avowed intention to increase exports might drag Canada into the international arms business, with all the risks and moral issues that that would raise. I simply point out that CAL will continue to need export permits from the Government of Canada for any munitions sold abroad. That mechanism will provide the Government of Canada with an effective safeguard against munitions sales that embarrass Canada or are inconsistent with our foreign policy objectives. I am told that Canada's safeguards in this respect are among the most restrictive in the world. Furthermore, the minister's office has informed me that there are only six firms in Canada that produce munitions for export. It is therefore, in terms of size, a relatively easy industry to regulate.

● (1530)

Honourable senators, that concludes my remarks. As I said, this is a relatively simple and straightforward bill. I am sure that SNC, CAL management and employees and the government look forward to its expeditious passage.

Hon. Henry D. Hicks: Honourable senators, I have listened with interest to Senator Kelly's remarks in moving second reading of Bill C-87, having to do with the divestiture of Canadian Arsenals Limited. I am tempted, but I shall try to do it only in an abbreviated way, to talk a little bit about the general philosophy relating to crown corporations, their operation as government agencies, and their disposition. I do not suppose that this is really germane to the present debate. The government of the day has decided, as a matter of policy, that it is going to dispose of some crown agencies. Generally speaking, I agree with this, although my own view as to which corporations might be sold first is probably different from that of the present government. For example, it would seem to me that it would be more logical for the Government of Canada to divest itself of Petro-Canada than Canadian Arsenals. I can see no reason why the Government of Canada needs to be in the service station business, but, technically speaking, honourable senators, that issue is not before us today.

If the government is going to retain some crown corporations and sell others, decisions have to be made by the government of the day as to which ones are going to be sold. The present government has decided that it is going to sell Canadian Arsenals.

Canadian Arsenals in particular, in recent years, has been a reasonably profitable company. Here I just interject one other thought having to do with my general philosophy about governments being in business, in competition with private enterprise, and it is that if governments are going to be in this kind of business, then they ought not to be required to restrict themselves only to those enterprises which cannot operate at a profit or which operate at a loss. As I say, if government is going to be in business, it ought to retain profitable businesses as well as some of those that are not profitable. Therefore, it is with some reluctance that I see the government divesting itself of Canadian Arsenals, which has been earning a few million dollars a year for it and which, according to the financial prognostications, is going to earn more money in the years ahead. That, I am sure, is a factor not lost sight of by SNC, the purchasers of Canadian Arsenals.

Senator Kelly has given us an interesting corporate history of Canadian Arsenals Limited and has said something about the purchaser, SNC. Therefore, I must say that, notwithstanding the general philosophical reservations to which I alluded previously, I have no objection to this bill. I do not propose that we should hinder the passage of Bill C-87.

As Senator Kelly has told us, the sale to SNC was a sale to the highest bidder after the government's stipulations had been met by SNC and by some other bidders, as well. The company is an employee-owned company with a good history of proven competence. It must be said that the acquisition of Canadian Arsenals Limited goes well with SNC's small arms ammunition manufacturing business, which it already owns, some of which it acquired directly or indirectly from Canadian Arsenals itself.

Honourable senators, there are a couple of other points that I wish to refer to. Canada is not bound, as Senator Kelly correctly tells us and as is provided for in the agreements which I have looked at, to buy exclusively from SNC, so that the question of putting SNC in a monoply situation that might prove costly or even embarrassing to the Government of Canada need not arise. At the same time, it must be admitted

that, if the Government of Canada did have to go offshore to buy medium and large sized ammunition and to do so over the heads of SNC, this would be most unfortunate and might, indeed, be embarrassing to the government of the day. Be that as it may, however, the government has protected its position in providing ammunition for its armed forces. This, I think, should be satisfactory.

It is the hope of SNC that its export market will increase, and I hope that it may, again subject to the restrictions which the laws of Canada quite properly provide as to the export of armaments to other countries.

I have one further comment to make, and that has to do with the employee pension entitlement. When the negotiations with SNC were first commenced, the position of the employees of Canadian Arsenals was left completely unattended to by the officials of the Government of Canada who had to deal with it. I am told that, had something not occurred to improve this situation, some employees might have lost their status under the Public Service Superannuation Act and had their pensions under the new arrangements reduced by many thousands of dollars per year. This, I am informed—it is, indeed, on the authority of the union representing the employees itself—has been entirely corrected, so that the pension arrangements of the employees of Canadian Arsenals Limited will be protected and will continue within and at the same rates provided under the Public Service Superannuation Act. The pensions of new employees of SNC, as they are engaged, will be a subject for determination between the union representing those employees and the company, SNC.

Honourable senators, this bill has already received the attention of the Standing Senate Committee on Banking, Trade and Commerce, and, I believe, has been reported for the favourable consideration of this house. I do not propose and do not request that the bill be referred once again to that committee or, indeed, to any other committee of this house.

Motion agreed to and bill read second time.

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

On motion of Senator Kelly, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

[*Translation*]

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

NINTH REPORT OF COMMITTEE ADOPTED

Leave having been given to proceed to Order No. 9:

The Senate proceeded to consideration of the Ninth Report of the Standing Senate Committee on Social Affairs, Science and Technology (Budget).

Hon. Arthur Tremblay: Honourable senators, I hope I will not abuse Senator Hicks' trust in Senator Gigantès and myself. However, I must raise a point that I would not have raised otherwise if it were not the first report—

The Hon. the Acting Speaker: Senator Tremblay, do you wish to move adoption of this report?

Senator Tremblay: Mr. Speaker, in a way I am raising a point of order.

It seems to me that this order does not appear in the correct place on the order paper. I suppose this is because it is the first time a report on committee financing is submitted according to the new procedure adopted around the end of March.

Mr. Speaker, with your permission, I will explain. The fact is that the purpose of this debate should not be merely consideration but also adoption by the Senate of the contents of the report, in other words, of the authorization to travel for the sub-committee chaired by Senator Gigantès.

So either we ignore the order's present placement on the order paper, and I move that the report be adopted, or I ask for leave to have yesterday's motion amended accordingly.

Mr. Speaker, what would be the best procedure?

• (1540)

[*English*]

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, as Senator Tremblay has pointed out, I believe this is the first report presented under the new procedural guidelines covered by section 2:07. The committee has gone through all the necessary steps, and now that the committee has followed the necessary requirements and has had its budget submitted and approved by the Internal Economy Committee, I believe that the next step would be to move the adoption of the report, so that the Senate can give the authority that was being requested.

We found on another occasion—I believe that Senator Flynn did it on a previous occasion—that during the consideration of a report it is in order to move its adoption or concurrence.

Senator Flynn: With leave.

Senator Frith: Perhaps with leave. I don't think you asked for leave at that time. In any event, if leave is sought, we certainly will agree.

[*Translation*]

Senator Tremblay: With leave of the Senate, I move the adoption of the Ninth Report of the Standing Senate Committee on Social Affairs, Science and Technology, which respectfully asks that the committee or any sub-committee so authorized by the committee, be empowered to adjourn from place to place within and outside Canada for the purpose of such study.

On motion of Senator Tremblay, report adopted.

[*English*]

NATIONAL FILM BOARD

CONSIDERATION OF REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON FILM ENTITLED: "THE KID WHO COULDN'T MISS"—DEBATE CONTINUED

On the Order:

Resuming the debate on the consideration of the Eighth Report of the Standing Senate Committee on Social Affairs, Science and Technology, entitled: Production and

Distribution of the National Film Board Production "The Kid Who Couldn't Miss", tabled in the Senate on 15th April, 1986.—(*Honourable Senator Hicks*).

Hon. Henry D. Hicks: Honourable senators, I have only a few points to add to the debate on the report of the subcommittee studying the question of Billy Bishop and the film produced by the National Film Board entitled "The Kid Who Couldn't Miss". This inquiry was prompted by Senator Molson, and I believe he is to be commended for what he has done. Furthermore, I believe that the speeches that have already been delivered in the Senate have dealt with the matter in a very adequate manner, starting off with the excellent tone set by Senator Everett's speech, and carrying right through to and including Senator Davey Steuart's remarks yesterday, when he made his points with his usual rapier-like thrusts and his usual engaging sense of humour.

Special reference should be made to the somewhat more tedious—I do not mean that in any derogatory sense—and detailed analysis of the film, "The Kid Who Couldn't Miss", by Senator Perrault. He pointed out, and put on the record, the many factual errors contained in the film.

I wish to point out—because it relates to my few concluding remarks—that those errors virtually—I say "virtually," but I really believe without exception—were all against rather than supportive of Billy Bishop and his reputation; and if this does not show a prejudice on the part of the National Film Board—which Senator Perrault documented for us so meticulously and so carefully the other day—then I do not know what, indeed, would show that.

I want also to make reference to the speech made by Senator Le Moyne. Certainly the Senate does not want to put itself in the position of a board of censors to the National Film Board. While Senator Le Moyne was supportive of the action and attitudes taken by the Senate report in this matter, he was particularly careful to point out that the Senate should not be the censor for the National Film Board.

At the same time, I believe that Senator Le Moyne conceded—or certainly it was implicit in his remarks—that the National Film Board does have a certain responsibility for what it does in the production of films of this kind. It is, after all, a public body, operating with public money, and it should operate, one should think, in support of the Canadian ethic, in support of Canada as a nation, and in support of our national pride in those heroes who have contributed to the history of this country; and generally it should be a cohesive and supportive agency for Canada.

When, as a senator, I spoke in this chamber very early in my career, I did so in connection with similar criticism of the Canadian Broadcasting Corporation. I quoted a friend of mine who unfortunately has since died, namely, the very distinguished professor W.A.C.H. Dobson, then of the University of Toronto, who said of the Canadian Broadcasting Corporation at that time that sometimes it seemed to him that the CBC actually had a death wish for Canada. When I look at films like "The Kid Who Couldn't Miss", produced by the National Film Board, I ask honourable senators whether one might not speculate that the National Film Board has a death wish for Canada itself—and this, in my view, is not good enough for a national agency like the National Film Board, which uses many scores—nay hundreds—of millions of dollars of taxpayers' money.

In the April 28 issue of *Maclean's* magazine, a columnist named Barbara Amiel referred to the National Film Board, and I would suggest that those who run the National Film Board and direct its activities should take her observations very seriously. She refers to a selection of films produced by the National Film Board, the first being "In The Best Interests of the Children". The quotation from the National Film Board's description of the film is:

> This forceful film about the issue of child custody for lesbian mothers is a loving portrait of women and children and will destroy many stereotypes.

She then refers to: "Marriage: Is It a Health Hazard?", which is the name of another film by the National Film Board. Another is: "The Dream of a Free Country", which is an exposition of the Sandinista National Liberation Front in Nicaragua. "Growing Up Female"; "China: A Land Transformed". Many members of the National Film Board, and we might also say of the Canadian Broadcasting Corporation, seem to be in love with Maoism and all of the related philosophies.

• (1550)

Finally: "This is Only a Test". This film has to do with the National Film Board's handling of the cruise missile testing in northern Canada.

Ms. Amiel then goes on:

> These films are arbitrarily selected, but they are representative of themes at the NFB. Although the NFB makes hundreds of films about apolitical subjects, insofar as it tackles issues, it does so from a particular bias. Thus the NFB catalogue will list films about the dangers of nuclear power rather than its advantages, techniques of union busting rather than the abuses of union power, pursuit of peace through disarmament or neutrality rather then strength or alliances.
>
> Although the NFB distributes other countries' films, it will stock Shirley MacLaine on China rather than Britian's Lord Chalfont on totalitarianism. Surely the time has come to take a look at what is going on at the NFB.

She then continues:

> It seems a good idea to have an NFB—or indeed a CBC and possibly a National Theatre as well. Nothing in this column is intended to attack the *idea* of such institutions. If they are well run and fulfil their mandates, they are money well spent, and a country as rich as Canada can afford them. The question is: what should be their mandate and is it being fulfilled?
>
> In the case of the NFB, broadly speaking, the mandate probably has two areas. There is a significant archival function, which as far as I know, it does very well. This

involves recording and cataloguing films about Canada. The second part of the mandate should be to provide an opportunity for the best film-makers to mirror the realities and aspirations of Canadians. Does the NFB do this?

She then goes on to suggest that it fails rather miserably in the doing of that. Her reference to the mandate relating to the archival function of the NFB prompts me to relate that to the handling of the film "The Kid Who Couldn't Miss". This film was first produced and issued as a documentary, and as a documentary, as I have already said and as other speakers have documented in much more detail than I have done, it contains a great many errors. I believe that it was only during the hearings before the Senate that representatives of the National Film Board tried to find an escape and said that the film was not intended to be a documentary and, so far as I was concerned, they coined a word that I had never heard before. They said it should not be referred to as a documentary; that it was a "docu-drama". According to their definition, a "docu-drama" did not have to be honest; it did not have to portray anything that had actually happened, except that it had to give effect to the prejudices of the particular producer of the particular film. It seems to me that this is exactly what was done from the beginning of his activities by the producer of the documentary—subsequently classified as a "docu-drama"—"The Kid Who Couldn't Miss".

Honourable senators, I think that it is not good enough for the National Film Board to display and to dramatize only what I have previously referred to as a death wish for Canada. It seems to me that, in authorizing the Senate committee to investigate this film and examine witnesses to disprove the historical allegations contained in the documentary—excuse me, "docu-drama"—"The Kid Who Couldn't Miss," the Senate has done a real service to the people of Canada. I suggest—and I do this in the most generous spirit—that the Senate committee may have done a real service to the National Film Board itself. I hope that the National Film Board will ponder on some of these things and, in the future, it should not put itself in the position where anyone can say that it has a death wish for Canada, its heroes and its history.

On motion of Senator Petten, for Senator Sinclair, debate adjourned.

YOUTH

CONSIDERATION OF REPORT OF SPECIAL SENATE COMMITTEE—DEBATE CONTINUED

On the Order:

> Resuming the debate on the motion of the Honourable Senator Fairbairn, seconded by the Honourable Senator Frith, for the adoption of the Report of the Special Committee of the Senate on Youth, entitled: "Youth: A Plan of Action", tabled in the Senate on 19th February, 1986.—(*Honourable Senator David*).

Hon. Dan Hays: Honourable senators, this order stands in the name of Honourable Senator David. However, with the Senate's permission, I would like to participate in the debate at this time.

Hon. Orville H. Phillips: Honourable senators, as Senator Hays has said, this order stands in the name of Senator David, who is presently at a meeting of the Standing Joint Committee on Official Languages. He has requested that the Senate give permission to Senator Hays to proceed.

The Hon. the Acting Speaker: Honourable senators, is leave granted?

Hon. Senators: Agreed.

Senator Hays: Thank you, honourable senators.

In speaking to the committee report on Youth, I first want to congratulate the chairman, the deputy chairman and the members of the committee on their perceptive observations into the serious problems facing the young people of our country, and on their progressive and enlightened recommendations on how to work toward and find solutions to some of these difficult and threatening problems.

Our society is in a state of rapid transition from the Industrial Age, a by-product of which is pressure on and changing expectations for families, churches, schools and other institutions which have traditionally provided our children with more satisfactory direction and support during their formative years than is now the case. The committee has found that a large segment of Canada's youth faces an uncertain and not very promising future. It is tragic that so many Canadians are entering adulthood without the social skills and education they need to function in today's world; that so many of them are not equipped with the skills they need to set and achieve their goals; that so many of our youth are developing an attitude of cynicism, negativism and apathy. What an unacceptable waste of the most valuable source of productive potential for our country.

We have had, and will have more, I hope, excellent interventions from honourable senators on various aspects of the committee's report. For my parrt, I wish to comment on that part of the report dealing with what is probably the most valuable asset anyone can have—an education—and the important role played by the school in conferring that asset on our children. The school continues to serve all children, but whereas in previous years its main function was to teach the three Rs, it is now expected to provide for the needs of the "whole" child. This is a large expectation and a difficult one to fulfil because teachers are not equipped with all the skills they require to be all things to each child, nor do they have the necessary support to meet all the expectations of the community.

Professor Norman Henchey of McGill University has said:

> Public education in Canada is being challenged by a variety of forces: declining enrolments, shrinking systems, limited resources, public disillusionment and criticism, and fragmentation of expectations. The rise of private schools in many areas, the popularity of alternative schools within the public sector and of religiously-oriented institutions, demands for special programs such as French

> immersion and computers, are all reflections of the breakdown of consensus about the functions and orientations of public schools.

This challenge, referred to by Professor Henchey, prompts us to examine our current system of education and ask ourselves if it meets our needs and if it can survive in its present form. From all indications in the committee's report, it does not and cannot. This report is not unique to Canada. No matter where one looks, other than perhaps in Japan, one finds the same crisis. It is simply a result of the rapidly changing times in which we live.

● (1600)

Professor Henchey suggests, and I quote:

> —that there needs to be much more profound and sensitive conversation between educators and policymakers in political, cultural and economic institutions about such questions as how the Information Society is changing the context of learning, setting new goals and providing new opportunities; how the resources of the society can be used to promote learning in schools, colleges, universities and in other settings; and what the next generation of Canadians will need to learn in order to live and work in an interdependent, pluralist, and high-technology society.

There are still functions that the school systems can provide and should be able to perform very well, no matter what new directions education takes.

I agree with the view in the report that it is the first responsibility of the school systems to educate our children by producing students who are critical, literate thinkers; who have a sound knowledge of math and science; who can analyse a problem and make informed decisions; who can understand and appreciate our present problems, based on history; who have learned to accept responsibility for themselves and for others, and who respect their own rights and the rights of others. Once this solid base is established, the school systems should be preparing students for the work world by teaching technical skills. This view is supported by Monique Simard quoted in the Macdonald commission report. She emphasizes the fact that for worthwhile vocational training to occur, students must first have sound general grounding. The provinces have a responsibility to develop the concepts of education and training to complement each other and, thus, my strong support for the committee's recommendation for a task force on the co-ordination of educational qualifications.

From all indications in the report, the school systems in many instances are not able to provide for the special needs of a vast number of our youth. There are a great number who are caught in the grey area between those who go on to university and those who pursue a vocation. Even for those who go on to university, job opportunities are limited upon graduating. But for those who are caught between the two, they become bored, discouraged, disillusioned and leave school because they see little relevance in the courses they are taking as they lead to neither a guaranteed job nor higher education. As Brent McKinnon, Director of the Edmonton Inner City Youth Project, pointed out:

> School is always seen as the route to happiness, if part of being happy is having a job. In actual fact, the perception of school by too many young people as being a viable place to be is ending. Many young people do not feel that school is offering them what they have been promised. It is certainly not offering them jobs—nor involvement with the community in a realistic way.

Many of the witnesses told the committee of the difficulties they have had learning to read and write and of the problems of the illiterate in Canada. Many spoke of the severe difficulties faced by those with learning disabilities and other handicaps as they grow up and try to enter the labour market. It is frightening to read that the committee identifies illiteracy as the biggest single problem in Canada today. In his book *Illiterate America*, Jonathon Kozol estimates that one-third of all adults in the United States are not functionally literate. The Youth committee believes that there are four million Canadians in this category. Mr. Kozol states in his book, and I quote:

> —that in broad terms, that means 60 million American adults are substantially excluded from the democratic process and the ordinary commerce of the print society.

This means that they cannot read the warning on a can of Draino, look up a telephone number, fill out a tax form or understand a lease. They are unequal before the law because they do not understand the law. It seems incredible that in many prosperous countries, the literacy levels rank below those of some Third World countries which we support with our foreign aid programs. According to one UNESCO study of illiteracy in Canada, 29 per cent of Canadian adults have achieved less than a grade nine education. If 29 per cent of the adult population had measles, I am sure we would declare this a national epidemic! It is important to note that, as stated in the report:

> Many educators are finding that today's youth are reaching high school without the basic skills they should have acquired in the younger grades.

Also, it is important to realize that because a person has spent nine years in school, there is no guarantee he will have achieved a minimum of schooling at a grade nine level.

Who are the illiterate? According to Tracy Carpenter, Co-ordinator, Independent Studies Program, Frontier College of Toronto, they are the people who are disadvantaged in at least one way because of learning disabilities, mental or physical handicaps or other kinds of conflicts either with the law or their families. This "disadvantage" manifests itself immediately in the form of not being able to read or write.

It is a common perception that the illiterate are those who fall into the economically disadvantaged groups, but there is still a significant percentage of illiterates from the traditional middle-class environment, many of whom have high school diplomas. There is evidence to show that students from vocational schools are having a much higher incidence of accidents

on the job because their reading skills are not adequate to allow them to read and understand safety regulations or operating manuals.

There are many causes of illiteracy, but one specific cause which contributes significantly—it is estimated to the extent of 15 to 20 per cent—is learning disabilities. What is the cost of learning disabilities to the lives of individuals and to the nation as a whole? The tragedy of illiteracy goes far beyond the lack of reading and writing skills. It affects a person's whole life.

Because of the high correlation of illiteracy with unemployment, poverty, substandard job performance, welfare and crime, estimates of the annual cost of illiteracy in the United States range from $100 billion to $220 billion. In the United States, studies indicate that 80 per cent of the prison population is illiterate. In Canada, the estimate of the prison population who are illiterate ranges from 40 per cent, according to the Nielsen task force report, to 80 per cent illiterate which is the figure for the United States. If we accept the fact that 15 to 20 per cent of our young adult population is learning disabled, then we must consider the possibility that a similar number of Canadians may not be gainfully employed or are employed in substandard jobs for that reason. Further, we should question just how many individuals who are welfare recipients are in fact also functionally illiterate and the relationship between the two.

The committee learned from the Canadian Association for Children and Adults with Learning Disabilities that learning disabled people have all the prerequisites for learning. They have average to above average intelligence. They are not blind or deaf. They are not emotionally disturbed. They simply cannot learn through traditional teaching techniques. Learning disabilities are not a new phenomenon. Historically, learning disabled people have always been part of our society but their specific needs often went undetected. They were the ones who dropped out of school and joined the ranks of the unemployed or underemployed. There were very few professionals who were able to recognize the symptoms of this invisible handicap, let alone know how to treat it. Most often, the learning disabled were thought to be lazy, retarded, immature or spoiled. In today's world, as we move away from the assembly lines and rapidly into the technological revolution of the Information Society, the difficulty of recognizing and treating the learning disabled has reached crisis proportions. School systems are caught in the dilemma of slowly responding to the demands of parents and advocates of learning disabled children to provide appropriate education programs for them. This is a monumental task because:

1. there is a need to identify children who are just beginning to encounter difficulties and, at the same time, deal with a huge backlog of students whose special needs have gone unrecognized for too long;

2. professionals, such as psychologists, medical practitioners and the teachers in the school systems do not have the knowledge and the expertise they require to properly identify the learning disabled as distinct from emotionally disturbed children. Therefore, in many special education classes, there is a mixture of differing special needs children who require different teaching approaches;

3. teachers do not have adequate knowledge and support in providing for learning disabled students in their regular classes or even in the special education classes.

It appears that not enough effort is being made to rectify these problems. According to David Cruickshank, a noted civil libertarian and Professor of Law, University of Calgary, special education programs are instituted at the discretion of school boards, and while some have established such programs, others have pretended that learning disabilities are not legitimate problems and have refused to help them. He maintains that this is a political problem which requires a political solution. This view was supported in the testimony to the Youth Committee of Ms. Judy Pelletier, representative of the Atlantic Conference on Learning Disabilities.

• (1610)

Dr. Melvine Levine, of the Harvard Medical School, in an address to the Alberta Association for Children and Adults with Learning Disabilities Conference in Calgary, 1984, stated:

> we're paying a hefty price for not having identified and treated learning disabilities. We're paying in the form of increased insurance premiums and in the cost of maintaining jails, mental health institutions and drug and alcohol abuse treatment centres.

Ms. Nona Thompson, of Vancouver, who operates the Step-up Program for learning disabled young offenders, supports this view. She has found that once her students have experienced success in her program, very few of them ever break the law again.

Centres such as Foothills Academy in Calgary that have demonstrated expertise in identifying and assisting the learning disabled population, continue to operate in a difficult environment because of unresponsive governments' lack of funding and lack of school boards' co-operation. We need the political will to address the illiteracy issue on a realistic, concerted basis.

Programs such as those at Foothills Academy, have shown Canadians that, with proper intervention, learning disabled young people can succeed with their academic and social careers to become happy, productive and contributing members of our society. Early and appropriate assistance is not necessarily costly nor does it require a tremendous amount of advanced education.

What these programs do require are concerted efforts and recognition that illiteracy, and one of its leading causes, learning disabilities, do exist and that they can be rectified. This nation spends billions annually on incarceration, drug abuse programs, social welfare and unemployment assistance. These programs are only dealing with symptoms. It seems reasonable to me that our money might be better spent in a pro-active, rather than a reactive, manner.

Canadians are quick to claim that they care deeply about and recognize children as our most important resource. Lip

service is not enough. A national strategy for assisting our young people must commence immediately. It is not enough to say that federal politics have little to do with provincial education matters. Illiteracy is a national crisis. Recognizing this crisis is a first step.

I would recommend as a second step, that the mandate of a national task force on co-ordination of educational qualifications, as recommended by the Youth Committee, pursue the following: 1. Establishment of (a) a national body of experts from each province to offer identification of regional centres of expertise in the education of learning disabled and/or illiterate youth; (b) strategies for co-operation between centres across the country to lead to a network of programs to meet more adequately the needs of Canadian youth; and 2. Establishment of federal incentives to the provinces to implement programs to address the educational and social needs of youth through the joint co-operation of the Departments of Health, Employment and Immigration, Justice and Youth, with the corresponding provincial departments, such as the Departments of Education and Advanced Education.

In conclusion, honourable senators, I put it to you that the youth of Canada cannot wait. We can no longer assume that the problems facing our youth today will be solved by solutions of yesterday. This country must be energetic and creative in its approach to the problems identified in the Youth Committee report and the important step of implementing the plan of action set out in the report should commence now.

Hon. Senators: Hear, hear.

On motion of Senator Doody, for Senator David, debate adjourned.

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

CONSIDERATION OF TWENTY-EIGHTH AND TWENTY-NINTH REPORTS OF COMMITTEE—ORDERS STAND

On the Orders:

Consideration of the Twenty-eighth Report of the Standing Committee on Internal Economy, Budgets and Administration (Supplementary Budget of Banking, Trade and Commerce), presented in the Senate on 29th April, 1986.—(*Honourable Senator Frith*).

Consideration of the Twenty-ninth Report of the Standing Committee on Internal Economy, Budgets and Administration (Supplementary Budget of Energy and Natural Resources), presented in the Senate on 29th April, 1986.—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, although I wish Orders Nos. 10 and 11 to stand, I want to give a little pré avis.

The Standing Committee on Internal Economy, Budgets and Administration at its meeting when we approved these, asked that before their adoption I explain to the Senate that we are running out of funds for committee activity. On the basis of present approvals, let alone anticipated applications, our budget is just about exhausted.

There will be a meeting of the committee tomorrow and I want to take that opportunity to find out from the committee exactly what it is they want me to say and how much detail I should give.

I therefore request that Orders Nos. 10 and 11 stand.

Orders stand.

The Senate adjourned until tomorrow at 2 p.m.

THE SENATE

Thursday, May 1, 1986

The Senate met at 2 p.m. the Honourable Martial Asselin, P.C., Speaker *pro tempore*, in the Chair.

Prayers.

FINANCE

RESTRUCTURING OF FINANCIAL INSTITUTIONS—SIXTEENTH REPORT OF BANKING, TRADE AND COMMERCE COMMITTEE TABLED

Hon. Lowell Murray: Honourable senators, I have the honour to table the sixteenth report of the Standing Senate Committee on Banking, Trade and Commerce.

The Hon. the Speaker *pro tempore:* Honourable senators, when shall this report be taken into consideration?

On motion of Senator Murray, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

CONSIDERATION OF THIRTIETH REPORT OF COMMITTEE—DEBATE ADJOURNED

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I have the honour to table the thirtieth report of the Standing Committee on Internal Economy, Budgets and Administration.

The Hon. the Speaker *pro tempore:* Honourable senators, when shall this report be taken into consideration?

Senator Frith: Honourable senators, I am going to ask the Senate to take it into consideration now. May I have leave to do so?

The Hon. the Speaker *pro tempore:* Is leave granted, honourable senators?

Hon. Senators: Agreed.

The Hon. the Speaker *pro tempore:* With leave of the Senate, and notwithstanding rule 45(1)(f), it is moved by Honourable Senator Frith, seconded by Honourable Senator Petten, that this report be adopted now.

Is it your pleasure, honourable senators, to adopt the motion?

Senator Frith: Honourable senators, the report, which is quite short, reads as follows:

> The Standing Committee on Internal Economy, Budgets and Administration has the honour to present its Thirtieth Report.
>
> Your Committee is presently undertaking a review of the budgetary situation pertaining to Senate Committees.
>
> Notwithstanding the *Procedural Guidelines for the Financial Operation of Senate Committees* adopted on March 26, 1986, your Committee recommends the following:
>
> That, for any Committee budget for the financial year 1986-87 submitted to and approved by the Internal Economy Committee, your Committee be authorized to release no more than 3/12 of those approved funds until the end of June 1986.

Honourable senators, this question came up at a meeting of the Internal Economy Committee this morning. This report is prompted by the fact that we have to review the amount of budget provided for committee work in light of budgets presently submitted and, in some cases, approved budgets and anticipated budgets that we expect to be filed very shortly. We shall have some difficulty with future budgets until we have had a full review, which we propose to have, both within the committee and with committee chairmen. In the meantime, some committee budgets have been approved and, as a result, expenditures are being made or are required to be made. Therefore, the suggestion is that when they have been approved by the Internal Economy Committee, though not yet approved by the Senate—because I do not want to ask for approval for some of these other budgets until the review has taken place—the administration be authorized to release funds for the three-month period ending in June.

Hon. Lowell Murray: May I ask the Deputy Leader of the Opposition whether the intention is to be completely rigid in the application of that suggested formula? In the absence of the chairman of the Standing Senate Committee on Foreign Affairs, I find myself speaking on his behalf with regard to a budget that he has placed before the Internal Economy Committee concerning the sending of a delegation to Washington, New York and Toronto in connection with our study of the international debt problem. I am not sure that three-twelfths of whatever budget he submitted would cover that expense which will be incurred within the next 30 days or so.

Senator Frith: Honourable senators, the Standing Committee on Internal Economy, Budgets and Administration did not ignore the point raised by Senator Murray. In fact, I have already drafted a letter, as requested by the committee, to all of the chairmen of committees urging them to bring forward their budgets as soon as possible so that we can deal with them. I might say that the particular committee mentioned by Senator Murray has not presented a budget, and I am encouraging them to do so as soon as possible. We will then

need to look at the question of whether or not the proposed visit to Washington, New York and Toronto will be covered by the three-twelfths portion in that context.

Senator Murray: I might say that the Foreign Affairs Committee has had a budget before it, and unless I am seriously mistaken, we approved the budget the other day. However, there may be a failure in communication, or some delay in getting copies to my friend, the Deputy Leader of the Opposition.

Senator Frith: Honourable senators, the chairman of the committee told me earlier this week that he was in the process of establishing a budget and having it approved by the committee, but it has not yet come to the Internal Economy Committee. Honourable senators, those are the reasons for the report, and I ask honourable senators to adopt it now so that that interim program can take effect.

The Hon. the Speaker *pro tempore:* With leave of the Senate and notwithstanding rule 45(1)(f), it is moved by the Honourable Senator Frith, seconded by the Honourable Senator Petten, that this report be now adopted. Is it your pleasure, honourable senators, to adopt the motion?

Some Hon. Senators: Agreed.

Hon. M. Lorne Bonnell: I am not so sure that we should adopt this report so quickly. I am not the chairman of any committee, but there could be some chairmen who are not here today and who might possibly like to look at this report. One gets the impression that perhaps the Internal Economy Committee is putting this report through without giving proper notice, and I think that they can wait until Tuesday next. Therefore I propose that we wait until Tuesday next before adopting this report.

Senator Frith: Honourable senators, the Internal Economy Committee has no trouble with that suggestion. We can wait for weeks. I am asking that this report be adopted now, not for the sake of the Internal Economy Committee, but for the sake of the chairmen of the committees that are the concern of Senator Bonnell. The purpose of the exercise is so that they can have their expenditures authorized. If we put the matter off, it means that in the meantime they cannot make any expenditures.

However, I want to make it clear that the Internal Economy Committee itself is not in any hurry, if the Senate wishes to take more time. The reason I am asking for the report to be adopted now is so that those committees that have had their budgets approved can get some funds. Therefore it is the chairmen of the committees I am concerned about, not the Internal Economy Committee.

The Hon. the Speaker *pro tempore:* Senator Bonnell, is it your wish to adjourn the debate?

Senator Bonnell: I move the adjournment of this debate.

The Hon. the Speaker *pro tempore:* It is moved by the Honourable Senator Bonnell, seconded by the Honourable Senator Cottreau, that debate on the motion be adjourned until the next sitting of the Senate.

[Senator Frith.]

Is it your pleasure, honourable senators, to adopt the motion?

Senator McElman: Nay!

The Hon. the Speaker *pro tempore:* Is the motion adopted, on division?

Senator Frith: Honourable senators, it is a question of whether we should have a vote on the matter or just simply state that it is adjourned on division. It is entirely up to the Senate. In other words, the only question is the adjournment. It is a question of whether or not Senator McElman wants a vote since he raised the question with his "nay" vote.

Senator Bonnell: I think it would take more than one "nay".

Hon. Duff Roblin (Leader of the Government): Honourable senators, I think it is appropriate to make a comment on the proposal that the adjournment be agreed to. I would be reluctant to see the Senate oppose this motion, because it has been our custom to grant willingly adjournments of debates, even if sometimes it seems a little awkward to some of us. I would hope that we would allow the adjournment motion to be put without a division, or certainly without a standing vote.

• (1410)

Senator Frith: Agreed.

Senator McElman: It is my vote that it is now in question. I wanted to register my vote against the motion by Senator Bonnell, because he has clearly shown the Senate that the reason for his motion is the wrong reason, as explained by Senator Frith. I was trying to assist him, but apparently he does not need assistance.

The Hon. the Speaker *pro tempore:* Is it agreed that the debate be adjourned until the next sitting of the Senate?

Hon. Senators: Agreed.

On motion of Senator Bonnell, debate adjourned.

ADJOURNMENT

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(g), I move:

> That when the Senate adjourns today, it do stand adjourned until Tuesday next, 6th May, 1986, at two o'clock in the afternoon.

The Hon. the Speaker *pro tempore:* Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

QUESTION PERIOD

[*English*]

THE CABINET

CONFLICT-OF-INTEREST GUIDELINES—GOVERNMENT POLICY

Hon. Ian Sinclair: Honourable senators, I have a question for the Leader of the Government. Yesterday I asked certain questions concerning the conflict-of-interest guidelines and the material that was sent out by the Prime Minister to ministers and others holding public office.

I have one further quotation that I should like to draw to the attention of the Leader of the Government. It is taken from the conflict-of-interest document that was made public in September 1985. It is principle 7(a) on page 3 of the document. I shall omit a few words, but it reads as follows:

> 7. Every public office holder shall conform to the following principles:
>
> (a) public office holders shall . . . so arrange their private affairs in such a manner that public confidence and trust in the integrity, objectivity and impartiality of government are conserved and enhanced;

Honourable senators, yesterday the Prime Minister made the following statement, as reported in today's *Globe and Mail*:

> We don't axe people or their wives or their children based on unfounded speculation in newspapers.

My question is: In view of the public concern, will the government leader say whether it is the view of the government—or will he undertake to bring it to the attention of the government—that this whole question should be referred to a committee, where the facts can be established without controversion?

Hon. Duff Roblin (Leader of the Government): Honourable senators, the quotation read by my honourable friend from the guidelines issued some time ago indicates the basis on which the conflict-of-interest compliance measures were to be framed. Working on the basis of those principles, compliance measures were framed and have been put into effect; and we believe that the minister in question is in compliance with those compliance measures.

Senator Sinclair: Honourable senators, may I repeat the question, to see whether I can get an answer to the point that I have raised? The public generally, and business people in particular, are under considerable pressure as to whether, in the public view, their actions are such that would merit the confidence of the public generally. But here is a public servant, a person holding public office—namely, the honourable the minister—of whom the press and others have raised the question of integrity, and whether, in the view of the public generally, the position held is being enhanced.

I am asking whether the government is prepared, and if the honourable minister in this chamber is prepared to recommend to the government, to have this matter considered by a committee so that this issue can be put to rest and so that that confidence can be enhanced.

Senator Roblin: No, I am not, honourable senators.

CANADIAN ARSENALS LIMITED DIVESTITURE AUTHORIZATION BILL

THIRD READING

Hon. William M. Kelly moved the third reading of Bill C-87, to authorize the divestiture of Canadian Arsenals Limited and to amend other acts in consequence thereof.

Hon. Henry D. Hicks: Honourable senators, there was one question arising out of the remarks which Senator Kelly made on his motion for second reading of this bill which I intended to comment upon and to question, but which I neglected to do in my remarks on second reading.

He stated, I believe, that the proceeds of the divestiture, or sale, of Canadian Arsenals Limited, would be placed in the Consolidated Revenue Fund of Canada and would, therefore, go to reduce the current deficit or the contemplated deficit for the fiscal year 1986-87.

I am sure that his facts were right, but the question which occurs to me is as follows: Was not Canada's interest in and holdings in Canadian Arsenals Limited shown as an asset of the Government of Canada in the Public Accounts of Canada, and why, therefore, should not the proceeds of the sale of Canadian Arsenals Limited be placed against that asset, and hence diminish the capital, and not the current indebtedness of the Government of Canada? It seems to me that if we are going to sell off all of our crown corporations and put the proceeds into a current account only, we are diminishing the assets of the Government of Canada in a way we ought not to do.

The Hon. the Speaker *pro tempore:* Is there an answer, Senator Kelly?

Senator Kelly: I didn't understand. Is that a question, Senator Hicks? I wasn't sure.

Senator Hicks: I would welcome your comment, if you have it, but I am quite prepared to put my remarks on the record anyway. But, if you can say anything in elucidation of it, I would welcome listening to your views, sir.

Senator Kelly: Honourable senators, I agree with the logic that has been offered in Senator Hicks' remarks. He is totally correct. The fact is that the government, for as far back as anyone can discover, has never accounted for capital assets in the way we are accustomed to it in business.

As I mentioned yesterday, the value of Canadian Arsenals Limited on the books of the country, the Public Accounts of Canada, is listed as $4.7 million, which is merely the amount of money owing by Canadian Arsenals Limited to the Government of Canada. The book value, the balance sheet—

Hon. Royce Frith (Deputy Leader of the Opposition): What is that? Is that secured by debenture or something of that kind, or is it just an indebtedness?

Senator Kelly: I gather it is probably nothing more than some form of note.

The government operates its books on a cash basis. CAL, on the other hand, carries a book value of $50 million which, in your terms and mine, should normally appear in that form on the balance sheet of the Government of Canada, but it does not. This is a problem that has been raised many times by Mr. Dye, most recently, and by previous auditors general, namely that perhaps the state of the business, the state of the country, could be much better described if they did get into what I would consider more conventional balance sheet accounting. But the fact is they do not. That is why I said yesterday that that total selling price, the $92 million plus a little will go directly to the Consolidated Revenue Fund and will be offset only to the extent of the $4.7 million shown as owing. The rest, in the system of their accounts, will flow through to reduce the budgetary deficit for the year. I agree that your logic is mine.

• (1420)

Senator Hicks: Honourable senators, there seems to be very little disagreement between Senator Kelly and myself and I certainly did not put forth this inquiry or express this view with any intention of delaying the passage of the bill.

I cannot say that I am satisfied with his explanation, but I am satisfied that he is correct in what he has said and I have no further comments to make.

Senator Frith: Honourable senators, I should like to ask Senator Kelly a question flowing from his answer.

When he said that the Auditor General and other auditors general had raised this question, does that relate to this recent program, plan or suggestion developed by the Auditor General in Canada and his counterpart in Washington, copies of which we received, trying to put the accounts of the government on a balance sheet basis that would be more readable? Was he referring also to that document?

Senator Kelly: Honourable senators, the answer to the question is: Yes, to an extent that is dealt with in that document.

Motion agreed to and bill read third time and passed.

ROYAL ASSENT

NOTICE

The Hon. the Speaker *pro tempore* informed the Senate that he had received the following communication:

RIDEAU HALL
OTTAWA
K1A 0A1

1 May 1986

Sir,

I have the honour to inform you that the Honourable Gerald E. Le Dain, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber to-day, the 1st day of May, 1986, at 4.30 p.m., for the purpose of giving Royal Assent to a Bill.

Yours sincerely,
A. P. Smyth
Deputy Secretary, Policy and Program

The Honourable
The Speaker of the Senate
Ottawa

SMOKING PROHIBITION BILL

SECOND READING—DEBATE CONTINUED

On the Order:

Resuming the debate on the motion of the Honourable Senator Haidasz, P.C., seconded by the Honourable Senator Bosa, for the second reading of the Bill S-8, intituled: "An Act to prohibit smoking in certain work areas and on board certain modes of transport".—(*Honourable Senator Godfrey*).

Hon. Douglas D. Everett: Honourable senators, may I have leave to make a few remarks regarding this bill? Then the debate could be adjourned again in Senator Godfrey's name. Incidentally, Senator Godfrey has agreed to proceeding in this way.

The Hon. the Speaker *pro tempore:* Is it agreed, honourable senators?

Hon. Senators: Agreed.

Senator Everett: Honourable senators, as you will likely know, this order concerns Bill S-8, a bill introduced by Senator Haidasz, seconded by Senator Bosa and which, if it were made law, would prohibit smoking in a number of areas controlled by the federal government.

This short bill, in clause 2 states:

(1) No person shall smoke in any indoor place of work provided by

(a) the Senate or the House of Commons;

(b) the government of Canada; or

(c) a federal work, undertaking or business within the meaning of the *Canada Labour Code*.

The bill in clause 4, states:

(1) No person shall smoke in

(a) an aircraft operated pursuant to a licence issued under Part II of the *Aeronautics Act*;

(b) a ship registered under the *Canada Shipping Act*;

(c) a railway car operated by a company to which the *Railway Act* applies; or

(d) a motor vehicle operated pursuant to a licence issued by a provincial transport board under the authority of the *Motor Vehicle Transport Act* . . .

This creates a global prohibition of smoking in any work area indoors, which would include the Senate, the House of Commons, any building owned by the Government of Canada, any federal work undertaken by the Government of Canada or any business that comes under the jurisdiction of the Government of Canada. It would include, for example, all banks. It also proposes to prohibit smoking indoors and on board any aircraft, any ship, in any railway car and any motor vehicles—presumably those involved in interprovincial trade.

Honourable senators, I agree with Senator Flynn that this is a very bad bill. No matter where you stand on the subject of smoking—and undoubtedly some may be against it—I do not see how any reasonable person could be in favour of this kind of global regulation. As far as I can tell, it would mean that if someone were in his office, he would not be allowed to smoke. If someone were on a train, as Senator Flynn has pointed out, he would not be allowed to retire to his own private car to smoke. If he were on a ship, he would not be able to go to his stateroom and smoke. If he were a member or employee of a bank, he, again, could not go into his own office and smoke. This is not a case of trying to protect people in public places from smokers and transferred smoke—it is a case of totally prohibiting an individual act, even if that act is done in such a way that it does not harm other people. The idea of this bill is that it would prohibit such an act entirely.

Honourable senators, I can understand people being against smoking; I do not smoke, myself. But I fail to understand how anyone could become so fanatic about this whole thing that he would put into operation a law that would totally prohibit reasonable smoking by people who are damn fool enough to do it.

Senator Frith has said that we should give the bill second reading and send it to a committee for improvement. Well, I really do not think that that is possible. If we were to give this bill second reading, then we would have approved the principle that throughout those areas controlled by the Government of Canada smoking would be absolutely banned and prohibited. I do not think the bill could then go to a committee, only to have its members say, "Well, we have changed our minds on this whole thing. We think that perhaps the prohibition should not be quite so global." I just do not think that would be feasible.

Senator Godfrey has come up with a rather interesting and worthwhile approach to the subject, which I think he will discuss when he speaks to this motion, and that is that the substance of the bill be referred to committee for examination before a vote is taken on second reading. That may, indeed, be worthwhile, although I would rather see this bill withdrawn by Senator Haidasz and re-introduced with its terms formulated on a much more reasonable basis. I could certainly support the concept that there should be a prohibition on smoking in public places throughout government, but I am afraid that I just could not possibly support the idea that in a private office smoking should be banned and prohibited. I do not even know how such legislation could be policed.

With all due respect to Senator Haidasz—and I know he mentioned that the law officer of the Senate helped him to draft this bill—I think that it is a very badly drafted bill and that it should be redrafted before it goes any further. I read Senator Haidasz's speech and he gives some devastating figures on how smoke affects people's health. Many of those statistics are related to the effect on the health of those who smoke, which is understandable. An awful lot of them are related to the effects of transferred smoke; that is, smoke that is transferred from people who smoke to people who do not smoke. I suppose it could be maintained that those facts given by Senator Haidasz are correct and beyond argument. But I am not sure that that is necessarily true. I am not disagreeing with them. But, in recent history a lot of claims based on statistics have been accepted without anybody doing any real research on the subject. It may be that transferred smoke is as dangerous as Senator Haidasz says it is, but it may also be that it is not. I would like to see some evidence to support the fact that it is as dangerous as he says it is.

• (1430)

Honourable senators, let me give you an example. As you all know, a couple of days ago, there was a nuclear disaster in the Soviet Union. The Russians claimed that two people were killed. It is my understanding that some reporters contacted some experts in the West and were told by these experts that it would be impossible for such an explosion to result in the deaths of only two people. They were told that it would be more likely that 2,000 people would be killed. So far as I know, there was no proof that 2,000, 1,000 or 500 people were killed, no proof at all. It was mere speculation by experts that in such an explosion where there was a melt-down involving a graphite core, it was more likely that 2,000 people would be killed. I refer honourable senators to yesterday's Toronto *Sun* where we read the headline, "Two Thousand People Killed in Nuclear Explosion." By that headline, the assertion has become accepted fact. Anybody who reads that headline will accept it as fact. So, people can make the assertion that transferred smoke is dangerous and is more of a killer than the effect of direct smoke on people who are themselves smokers, but such statements should be examined very carefully.

I can understand this bill's being amended to make it far less prohibitive and to make its provisions more directly related to the effects of smoking in public places. I can understand referring the subject matter of the bill to a committee for examination and to ascertain how serious the matter is. But I really cannot support the idea of a bill of this nature.

In the final paragraphs of the bill there are some global prohibitions, after which it says that the Governor in Council, advised by the Minister of Labour, or by the Minister of Transport, as the case may be, may make recommendations which, in effect, would reduce the effect of the act. That is not good draftsmanship. It is not good draftsmanship to legislate a global prohibition and then to say that the effect of it can be softened by regulation.

I believe, with respect, Senator Haidasz, that the bill should be withdrawn, that it should be reconstructed on the basis that the prohibition refers to public places and that it is not a general prohibition.

Some Hon. Senators: Hear, hear.

On motion of Senator Godfrey, debate adjourned.

NATIONAL FILM BOARD

CONSIDERATION OF REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON FILM ENTITLED: "THE KID WHO COULDN'T MISS"—DEBATE CONTINUED

On the Order:

Resuming the debate on the consideration of the Eighth Report of the Standing Senate Committee on Social Affairs, Science and Technology, entitled: Production and Distribution of the National Film Board Production "The Kid Who Couldn't Miss", tabled in the Senate on 15th April, 1986.—(*Honourable Senator Sinclair*).

Hon. Ian Sinclair: Honourable senators, I have looked at this order, and I note that it is a debate on the consideration of the eighth report of the standing committee. I think it is important, having in mind what I have to say later, that it is in that light that we look at this report.

At the outset, I wish to go on record as complimenting Senator Molson on the initiative he took with regard to this report and the active way in which he dealt with it. This film as we have seen it, and the evidence in connection with its production which was received by the committee, does not need to be reviewed by me at this time. Some of it is on the record. The Honourable Senator Perrault has gone through the shooting script that was used in the production of the film and has brought to the attention of honourable senators numerous instances of inaccuracies and misconceptions.

My difficulty is with the fact that this film was developed as a full-length documentary film. I do not pretend to have any great feeling for the nuances of the arts or for the designations that some of those esoteric people who live in that community sometimes use, but I do think I know what is meant by a "document" and I also think I know what most people think a "document" is supposed to tell you. When a document is referred to, it requires anybody dealing with it to deal with it accurately, to deal with it in an open-handed and even-handed way and not to use it for some purpose or to convey something other than that which the document was intended to convey.

If this was to be a document that dealt with Billy Bishop, it certainly failed to do so in an accurate way. It failed to do so in an open-handed and even-handed way, and it failed to do so in a balanced way. Nobody who looks at the evidence could come to any other conclusion. Not only is that the case but the head of the National Film Board, Mr. Macerola, said, "in our minds it was released and conceived as a docu-drama." Now, let me say that I am not at all clear on what a docu-drama is, but if it was conceived in his mind from the very outset as a docu-drama, why did he not designate the film as such when it was released? Why does he feel now that it is necessary to change the designation of the film? This, in my view, leads to only one conclusion and that is that the National Film Board admits that it made a mistake.

[Senator Everett.]

Surely, they are not the first people to make a mistake and there is not always something terribly wrong about making mistakes. The real wrong comes about when nothing is done about them once they are brought to light. It has been brought forcibly to the attention of the National Film Board that they made a mistake with regard to this film. This has nothing to do with censorship, in my opinion. People who argue that in its activites in dealing with this film the Senate is embarking upon censorship are not addressing the true situation. The true situation is that, having made a mistake and having acknowledged that they made a mistake, they should take action to correct it. To do this, they should recall the film, re-edit it and change it in very material respects. In this way, they will be able to rectify their mistakes and they will be able to deal with the matter in a fair and even-handed manner. I urge the Senate as forcefully as I can that in considering this report of the Subcommittee on Veterans Affairs they express the view that the recommendation of the committee does not go far enough, that it should go further and request, forcefully, that the National Film Board correct this mistake, recall the film and re-edit it appropriately.

• (1440)

I say this because the National Film Board is in a very unusual position. It is a public-funded body and it carries with it, I hope, the integrity of a well-established and well-run institution. It has had that reputation in the past, and it would be most unfortunate if the view that is held by many as to the very high standard that the National Film Board has adopted and the good reputation it has earned in the past were to be sullied by this mistake. I suggest, honourable senators, that the Senate take the appropriate action to bring about a correction of that very unfortunate mistake and thereby assist in maintaining the reputation of the National Film Board for the future.

On motion of Senator Petten, debate adjourned.

RULES OF THE SENATE

MOTION TO AMEND RULE 77(7) TO PROHIBIT SMOKING AT COMMITTEE MEETINGS—DEBATE CONTINUED

On the Order:

Resuming the debate on the motion of the Honourable Senator Frith, seconded by the Honourable Senator Cottreau:

That the *Rules of the Senate* be amended by adding, immediately after Rule 77(7), the following:

"(8) Smoking is prohibited at all meetings of Senate committees.".—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, this motion has been before us for some time now and has been referred to the Standing Committee on Standing Rules and Orders to make sure that the form is correct. Since it is a motion, if I were to speak to its substance rather than merely making these comments—which may be treated as speaking to it—then I would be closing the debate.

So, unless someone else wishes to speak to it, I see no reason why we should not put the question.

Hon. Duff Roblin (Leader of the Government): Before that is done, perhaps someone could explain to me why this motion is limited to the Senate committee rooms. What about the Senate chamber?

Senator Frith: That question was raised before the Standing Committee on Standing Rules and Orders and the committee did consider it. There is no reason why we cannot add that wording. The justification for not including it is the citations in *Beauchesne* which said that smoking had never been permitted in the Senate and that the tradition was well established that there should be no smoking in the Senate chamber. That may or may not be a satisfactory explanation, but I have no objection to the chamber's being included in the wording of the rule. However, because the tradition is so well established and because of the shared feeling that the Leader of the Government and I have on the question of not imposing a rule unless it is necessary, I think that the motion should go forward in the way it is worded.

Senator Roblin: There is just the slight matter of inconsistency.

Senator Frith: There is no question about the inconsistency. However, I think that same point could be raised to support a lot of rules that would be additional to our present rules. I admit that the one is based on tradition; the other is based on a specific rule. There is just no tradition to support the prohibition on smoking in the committee rooms.

Senator Roblin: I see no reason why it cannot be amended.

Senator Frith: In that event, let's amend it right now.

Hon. Jacques Flynn: I think for clarification, I will move the adjournment of the debate.

On motion of Senator Flynn, debate adjourned.

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

CONSIDERATION OF TWENTY-EIGHTH AND TWENTY-NINTH REPORTS OF COMMITTEE—ORDERS STAND

On the Orders:

Consideration of the Twenty-eighth Report of the Standing Committee on Internal Economy, Budgets and Administration (Supplementary Budget of Banking, Trade and Commerce), presented in the Senate on 29th April, 1986.—(*Honourable Senator Frith*).

Consideration of the Twenty-ninth Report of the Standing Committee on Internal Economy, Budgets and Administration (Supplementary Budget of Energy and Natural Resources), presented in the Senate on 29th April, 1986.—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, Orders Nos. 10 and 11 should stand, in view of the provisions of the report of the Standing Committee on Internal Economy, Budgets and Administration that I referred to earlier.

Orders stand.

REGULATIONS AND OTHER STATUTORY INSTRUMENTS

CONSIDERATION OF FIFTH REPORT OF STANDING JOINT COMMITTEE—ORDER STANDS

On the Order:

Resuming the debate on the motion of the Honourable Senator Nurgitz, seconded by the Honourable Senator Murray, for the adoption of the Fifth Report of the Standing Joint Committee on Regulations and other Statutory Instruments (Statutory Instruments No. 32), presented in the Senate on 20th March, 1986.—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, we have no report from the Standing Committee on Internal Economy, Budgets and Administration regarding the budget covering this item. Therefore, under our new procedures it should stand.

Order stands.

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

MOTION TO PERMIT COMMITTEE TO TRAVEL WITHDRAWN

On the Order:

Resuming the debate on the motion of the Honourable Senator Gigantès, seconded by the Honourable Senator Lapointe, P.C.:

That the Standing Senate Committee on Social Affairs, Science and Technology, which was authorized by the Senate on October 29, 1985, to study and report upon the Consultation Paper on Training, and the document entitled: "Employment Opportunities: Preparing Canadians for a Better Future", or any sub-committee so authorized by the Committee, be empowered to adjourn from place to place within and outside Canada for the purpose of such study.—(*Honourable Senator Marshall*).

Hon. Arthur Tremblay: Honourable senators, I rise on a point of order—I do not know if that is the right expression to use.

[*Translation*]

Considering that we adopted a new rule yesterday about the procedure to be followed with respect to the budgets and expenditures of committees or subcommittees, I have the impression that the motion introduced by Senator Gigantès is no longer needed because, as I recall, the report on the same subject has been adopted.

So how should we proceed? With leave of the Senate, do we simply withdraw this item from the order paper?

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, it seems to me that the chairman of the committee responsible for studying this matter is satisfied that this motion is similar in nature to the one we adopted yesterday, so perhaps we might consider this one as having been debated.

[*English*]

The Hon. the Speaker *pro tempore:* Is it agreed, honourable senators, that the motion be withdrawn?

Some Hon. Senators: Agreed.

Hon. Jacques Flynn: The only problem is that, in that event, we must assume that Senator Gigantès has agreed, because he is the one who moved the motion.

[*Translation*]

Senator Tremblay: We have discussed this together. It had been agreed that, after the adoption of the report yesterday, Senator Gigantès would move that his motion be withdrawn. But yesterday certain circumstances forced Senator Gigantès to leave the Senate in a hurry, therefore he was unable to move his withdrawal motion. By suggesting on his behalf that the motion be withdrawn, since it was the subject of a positive decision yesterday, I think I am expressing his own feeling.

The Hon. the Speaker *pro tempore:* Honourables sénators, since Senator Tremblay is vouching for Senator Gigantès' intentions, I think we can decide that the motion is withdrawn. Is it agreed, honourable senators?

Hon. Senators: Agreed.

Motion withdrawn.

• (1450)

[*English*]

NATIONAL POSTAL MUSEUM

ADVISORY COMMITTEE—MOTION FOR RETURN ADOPTED

Hon. Henry D. Hicks, pursuant to notice of April 29, 1986, moved:

> That there be laid before this House a return showing the names, addresses and dates of appointment of those persons who are presently members of the Advisory Committee of the National Postal Museum.

The Hon. the Speaker *pro tempore:* Is it your pleasure, honourable senators, to adopt the motion?

Hon. Royce Frith (Deputy Leader of the Opposition): Explain. Are we not to get an explanation?

Senator Hicks: Honourable senators, the Advisory Committee to the National Postal Museum has been a body that, when the museum was founded nearly 15 years ago, enjoyed the respect of philatelists throughout the country. During the past few years, most of those persons on the Advisory Committee who had any knowledge of philately, or who were recognized in Canada as having any knowledge of philately, have been replaced on the committee by persons not known to the philatelic community. For that reason I wanted an update of the present composition of the committee. I received a letter from the minister's office, signed by an executive assistant—incredible though that seems—saying that it was not the policy of the government to disclose the names of the persons who were appointed to the committee.

I realize that the minister in charge of the Canada Post Corporation, the Honourable Michel Côté, is a new and inexperienced minister, but I was not prepared to let him get away with the flat denial of this kind of information to—I was going to say to the Senate of Canada, but I will say to a Canadian citizen who wrote and asked for that information. Therefore I have placed this order on the order paper, hoping that I may find out what sort of persons are advising the Canada Post Corporation about the National Postal Museum.

An Hon. Senator: Very good.

Hon. Gildas L. Molgat: I wonder whether the honourable senator could extend his inquiry to include the sort of people who are advising the minister in connection with the information he provides.

Senator Hicks: Honourable senators, I think that does not come within my province.

Motion agreed to.

The Senate adjourned during pleasure.

At 5.30 p.m. the sitting of the Senate was resumed.

The Senate adjourned during pleasure.

ROYAL ASSENT

The Honourable Gerald E. Le Dain, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, having come and being seated at the foot of the Throne, and the House of Commons having been summoned, and being come with their Speaker, the Honourable the Deputy Governor General was pleased to give the Royal Assent to the following bill:

> An Act to authorize the divestiture of Canadian Arsenals Limited and to amend other Acts in consequence thereof (*Bill C-87, Chapter 20, 1986*)

The House of Commons withdrew.

The Honourable the Deputy Governor General was pleased to retire.

The sitting of the Senate was resumed.

The Senate adjourned until Tuesday, May 6, 1986, at 2 p.m.

THE SENATE

Tuesday, May 6, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

STANDING RULES AND ORDERS

NINTH REPORT OF STANDING COMMITTEE PRESENTED AND PRINTED AS APPENDIX

Hon. Gildas L. Molgat: Honourable senators, I have the honour to present, in both official languages, the Ninth Report of the Standing Committee on Standing Rules and Orders respecting a message from the House of Commons regarding certain amendments to their Standing Orders. Honourable senators, I ask that it be printed as an appendix to the *Debates of the Senate* and the *Minutes of the Proceedings of the Senate* of this day and form part of the permanent records of this house.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

(*For text of report, see appendix, p.*).

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

Senator Molgat: Honourable senators, I propose that we do that tomorrow. I urge honourable senators to read the report and, in particular, the section relative to the establishment of the new Committee on Parliament, which replaces some previous joint committees. This has been the subject of a rather lengthy debate in the committee and it represents an important change. The House of Commons is anxious that we proceed in this matter, so I urge honourable senators to read the report and I suggest that we proceed with the consideration of the report tomorrow.

On motion of Senator Molgat, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

BANKING, TRADE AND COMMERCE

COMMITTEE AUTHORIZED TO MEET DURING SITTINGS OF THE SENATE

Hon. Lowell Murray: Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(e), I move:

> That the Standing Senate Committee on Banking, Trade and Commerce, which was authorized by the Senate on April 17, 1986 to examine the subject-matter of the Bill C-91, intituled: "An Act to establish the Competition Tribunal and to amend the Combines Investigation Act and the Bank Act and other Acts in consequence thereof", in advance of the said Bill coming before the Senate or any matter relating thereto, have the power to sit at three thirty o'clock in the afternoon on Wednesdays for the duration of the above-mentioned study, even though the Senate may then be sitting, and that rule 76(4) be suspended in relation thereto.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

QUESTION PERIOD

[*English*]

RIGHTS AND FREEDOMS

CANADIAN FORCES—SPOUSES OF MEMBERS—COMMITTEE ACTION

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I have a question for the chairman of the Special Senate Committee on National Defence. On March 25, 1986, the Senate referred to that committee the consideration of the rights of military wives to engage in certain activities. The matter was referred to the committee by way of a motion, and I wondered if the chairman of the committee could now report whether the committee has held any hearings, heard any witnesses or, generally, has taken any action to deal with that reference.

Hon. Paul C. Lafond: Honourable senators, the motion was indeed referred to our committee on March 25. I apologize for not being present in the Senate on that day, as I had to attend the funeral of a close friend of 60 years' standing; otherwise I might have asked some questions at that time.

The referral was made to the committee, as I interpreted the debate, conditionally and in a rather ambiguous fashion. The honourable senator said:

> I suggest that we do refer it to the Committee on National Defence with it being understood that they are not going to deal with it, or at least that they are going to be asking the minister perhaps to appear there when he is ready to make a statement,—

That I have done. The minister is quite ready to appear when he makes his statement. He has told us that since he made the commitment to issue a statement before the other place, he would like to make that statement before appearing before our committee—which, I believe, is an entirely legitimate request.

The minister had planned to issue the statement, according to information that I have, on or about April 11, after the House of Commons had returned from the Easter recess; but within the department there was not complete agreement as to the substance of the statement, and it went back to the drawing board. According to the information I have received, the statement has now been completed. It was to be considered by cabinet some time this week, and is expected to be issued some time next week. So under the circumstances, and since the wording of the motion spells out the subject under consideration, I believe we should wait to hear from the minister and the department first. Having reached this point, I believe we should wait until we see what develops next week.

● (1405)

Senator Frith: Honourable senators, that is an entirely acceptable answer to the question. Clearly, it would be advisable to have the committee deal with the question and call any witnesses it might want to call in addition to the minister after the statement is made. In that way we could use the statement, more or less, as a guideline for the committee's deliberations. However, I would also ask of the chairman that he take up with his steering committee the possibility, at least, of calling some witnesses before the statement is made. Perhaps it will encourage the minister to make the statement in due course or, at least, more promptly. Certainly, if the intention is to make the statement this week or next week, there is no need to do so, but if the delay appears to be continuing, I wonder whether the chairman would consider hearing some witnesses prior to the statement's being made.

Senator Lafond: Honourable senators, I have no indication that the minister needs prompting in this respect, and I have no indication that there should be with respect to this question the type of procrastination that perhaps the Department of National Defence is guilty of in other respects.

Senator Frith: Honourable senators, I thank the chairman for his answer. I shall let it sink in for a moment and, if it appears to be necessary, I shall renew my questions on the subject.

Senator Marshall: That is the best thing we have accomplished in a month.

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have two delayed answers.

PRINCE EDWARD ISLAND

THE ECONOMY—GOVERNMENT ASSISTANCE

Hon. Duff Roblin (Leader of the Government): Honourable senators, the first delayed answer is in reply to the Honourable Senator Bonnell, who made some inquiries about the Litton Systems contract that is now in the course of negotiation.

(*The answer follows:*)

[Senator Lafond.]

In April 1986, the Hon. Harvie Andre, Associate Minister of National Defence announced that the government would begin negotiations with Oerlikon-Buhrle Machine Tool Works of Switzerland and Litton Systems Canada, on arrangements for supplying a Low Level Air Defence System to the Canadian Forces. No contract has been signed.

Negotiations with the consortium will seek to ensure that the project can be accommodated within Defence spending allocations set out in the Government's fiscal framework for 1986-87—1991-91 and beyond.

The proposal submitted by Oerlikon-Buhrle and Litton was found to be the best, based on selection criteria such as effectiveness, cost and socio-economic benefits.

HUMAN RIGHTS

ABSENCE OF SENATORS FROM MEMBERSHIP OF OBSERVER GROUP AT BERNE MEETING

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a reply to a question asked by the Honourable Senator Haidasz, who inquired on April 23 last about the reasons why no senators were included in the delegation to the Berne meeting.

(*The answer follows:*)

In accordance with his decision to include parliamentary observers in the Canadian delegation, the Secretary of State for External Affairs wrote to the leaders of the two opposition parties on March 11 last and asked them to designate a representative from each of their parties respectively to attend the conference.

Honourable members will appreciate that, unlike the Ottawa meeting where travel and accommodation costs for Canadian delegates were not an inhibiting factor, we were unable to accommodate all parliamentarians interested in attending. Each party was invited to send one representative.

In the case of the Liberal party and in light of Senator Haidasz's well-known interest in the Helsinki process, the Secretary of State for External Affairs in his correspondence with the Leader of the Liberal Party, noted the interest of Senator Haidasz in attending and, further, indicated that in responding to the invitation of the SSEA to name a representative of the Liberal Party, the Leader of the Official Opposition was free to name a senator.

The Right Honourable Leader of the Opposition did not name Senator Haidasz as the representative of his party at the Berne CSCE meeting. Instead, he referred the matter over to his Chief Opposition Whip, who provided us with three names from which to choose a Liberal representative. All were Liberal members of the House of Commons. Ultimately, after consultation with Mr. Gauthier's office, Sheila Copps was chosen.

Senator Haidasz will of course be familiar with this information since it was relayed to him by telephone by a staff member of the SSEA.

In addition last week this same information was also provided to the Honourable Senator MacEachen's office at their request.

SMOKING PROHIBITION BILL

SECOND READING—DEBATE CONTINUED

On the Order:

Resuming the debate on the motion of the Honourable Senator Haidasz, P.C., seconded by the Honourable Senator Bosa, for the second reading of the Bill S-8, intituled:"An Act to prohibit smoking in certain work areas and on board certain modes of transport".—(*Honourable Senator Godfrey*).

Hon. John M. Godfrey: Honourable senators, yesterday happened to be the twenty-ninth anniversary of the day I gave up smoking. Before that I was a three-package-per-day man. I only mention that fact to indicate that I have a certain amount of prejudice on this subject. I can recall that when I was smoking three packages a day I would get on some modes of public transportation—subways, buses, streetcars or whatever—and had no craving for a cigarette, because I knew I could not smoke. However, if a friend happened to pick me up while I was waiting for the bus, and I knew that I could smoke in his car but did not have any cigarettes, I would nearly go crazy. I think this point has some relevance, particularly having regard to the recent action taken by Air Canada and the rather ridiculous reaction of Imasco to it. In all logic, if Imasco intends to advise their employees not to fly Air Canada, they should also advise them not to go to church, because services usually last for more than an hour. They should also advise them not to use public transportation in cities such as Toronto and Montreal because, again, the same principle applies.

• (1410)

However, today I do not wish to confine myself to discussing the merits of this particular motion. What I really want to discuss is the procedure that I think we should adopt. Senator Frith referred to the fact that, back in 1947, the then Speaker made a ruling that you could not refer the subject matter of a bill to committee before second reading. I have looked up the *Debates of the Senate* for that day, which was March 27, 1947, and I would like to read an extract from the speech of Senator Hayden on the matter, which I think is just as relevant today, 39 years later, as it was then. It also refers to the ruling of the Speaker. He said:

> I also appreciate the position of those who are hesitant about giving this measure second reading and sending it to committee. They do not want to commit themselves at this time to the principle of the bill.
>
> I recall that last year while dealing with the Foreign Exchange Control Bill, we adopted a practice that might be again followed in this instance. At that time a motion was made that the bill be not now read a second time, but that the subject-matter of the bill be referred to committee for consideration and report. After some consideration of that procedure I have come to the conclusion that it might be the solution to the present difficulties. Therefore at this time I move, seconded by the honourable senator from Gloucester (Hon. Mr. Veniot):
>
> That this bill be not now read the second time but that the subject matter thereof be referred to the Standing Committee on Banking and Commerce for consideration and report.
>
> By adopting this motion honourable senators will have an opportunity, without committing themselves to the principle of the bill, to hear evidence in committee from the consuming public of Canada, organized and otherwise, as they wish to appear, and from the organized dairy industry. We shall also have a chance to consider the draft report and convention of the United Nations Conference on Trade and Employment. All that material will be before us in committee; and, I repeat, we shall be able to give consideration to it without having committed ourselves to the principle of the bill.

Later on, the Speaker made a ruling, and I will only read part of it at this time. He said:

> —according to our rules and the rules of the House of Commons the only amendments which can be made are those of a delaying or obstructive character. I rule against this motion. I believe it would be unwise to adopt the practice. One can easily see that it would provide an easy method of bringing about filibustering in matters of parliamentary procedure; and that is the reason, I believe, why it has never been admitted either in the House of Commons or the Senate.

I would make one comment. It is true that a motion referring a bill to a committee before receiving second reading was an established way of disposing of and blocking the bill. However, to get around that, if a motion included the wording "and report back to the chamber," then you are not obstructing; you are instructing them to consider and report back.

In making that statement about the fact that that practice had never been admitted in the House of Commons or the Senate, the Speaker was not strictly correct, and I would like to refer to *Beauchesne's Parliamentary Rules and Orders*, fifth edition, published in 1978. On page 227, at paragraph 748, it says:

> (1) On the motion for the second reading of a bill amending the Canada Grain Act and a proposed amendment that the subject matter be referred to the Standing Committee on Agriculture and Colonization, the Speaker—

And here they are referring to the Speaker of the House of Commons.

—ruled the proposed amendment out of order on the grounds that the Committee had not yet been appointed.

The date of that ruling was February 10, 1947, which was prior to the ruling that the Speaker of the Senate had made, to which I have just referred.

Later on, the same paragraph reads as follows:

(3) An amendment cannot propose the reference of the subject-matter of a bill to a body which is not in existence.

The reference there is to the *Journals*, January 21, 1971. Therefore I do not think that the Speaker of the Senate at that time was strictly correct, and was probably unaware of the reason for the ruling of the Speaker of the House of Commons several months before, which was based on the fact that the committee did not exist.

In 1947 the practice of referring the subject matter of a bill to a committee had not been adopted. I think it was around 1961 that Senator Hayden first started to use that procedure for the then Standing Senate Committee on Banking and Commerce. It came to be used more frequently after that, and I know that over the past few years most committees of the Senate have used that procedure, particularly to avoid what has been called the "Christmas closure." The Senate used to complain about receiving bills at the last minute, so we arranged that method of pre-study so that we were not caught short.

• (1415)

In logic there is no reason why a committee—if a bill can be pre-studied before it even comes before the Senate—should not be able to conduct a pre-study of a bill after it has received first reading.

I should like to refer to *Beauchesne's Parliamentary Rules and Forms,* Fifth Edition, page 226. I should point out that this was published in 1978. At that page, under citation 746, the following appears:

(1) An amendment, urging a committee to consider the subject-matter of a bill, might be moved and carried if the House were adverse to giving the bill itself a second reading and so conceding its principle. But where further information is desired in direct relation to the terms of the bill before the House, the advantage of referring the bill to a committee could be explained in the second reading stage.

(2) The amendment may seek further information in relation to the bill by either committee, the production of papers or other evidence.

So, as far as Beauchesne is concerned, it is perfectly proper to refer a bill to a committee for pre-study after first reading.

I should like to refer to specific instances when a matter such as this came before the Senate. The first relates to the Income Tax Act. At page 1617 of *Debates of the Senate* the Honourable Royce Frith stated:

Honourable senators, the bill that has just been read the first time will not, of course, be available for study by the Banking, Trade and Commerce Committee until it has received second reading. However, it has been our practice when dealing with complicated legislation, consistent with the parliamentary tradition that Senate committees give particularly careful consideration to such measures, to refer the subject matter to a committee in advance.

He then moved:

That the Standing Senate Committee on Banking, Trade and Commerce be authorized to examine and consider the subject matter of the Bill C-54, intituled: "An Act to amend the statute law relating to income tax", or any matter relating thereto.

At that time there was no requirement that the bill be reported back to the Senate because it had already received first reading. This was to save time during the second reading debate, and it was to be considered, I presume, that when the debate was concluded the bill would be formally referred to the committee, but the committee would already have saved some time.

The next act I should like to refer to is the Holidays Act. In *Debates of the Senate* of August 4, 1982, the Honourable Senator Frith stated:

There is no question that such a referral can be made with the unanimous consent of the house, as is the case with Bill C-201, but I feel I should point out for future reference that there is some question whether such a motion is otherwise in order, because at page 231 of the *Debates of the Senate* for March 27, 1947, the Speaker made a ruling holding that such a motion was out of order. I discussed that point with Senator Flynn, who pointed out that he had found precedents indicating the contrary.

Later Senator Flynn said:

Honourable senators, I believe Senator Frith raised this point only as a means of preserving his right to raise an objection with respect to some other matter on some future occasion. Bearing that in mind, I should like to draw to the attention of His Honour the Speaker, and of the Senate generally, that citation 668 of *Beauchesne's* is applicable. I mention that for future reference.

I looked up citation 668 and it had no reference to this particular problem. I think what Senator Flynn really meant was citation 746, which I have just read.

• (1420)

On that occasion I intervened to say that I thoroughly agreed with the principle—on certain occasions, it does not happen too often—of referring a bill to a committee before it has received second reading.

I also referred to the fact that it was a private members' bill of Mr. Caccia in connection with the starting of the Solar Research Council that went through the House of Commons and came to the Senate. The bill was subject to the same criticisms as this particular bill: It was poorly drafted, and I moved that it should be referred to the Standing Senate

Committee on Banking, Trade and Commerce before it had second reading.

There was a debate on my motion and at no time during that debate did anyone raise the question of whether or not it was proper to do so under our rules. In the end, my motion got voted down by a narrow margin.

The bill then went to the committee where the committee killed it; they did not even bother with it because it was so faulty. I thought at that time, by the action that I had taken, that we had established a precedent in the house that you did not need unanimous consent. No one raised the question at the time. There was an actual vote and we considered the matter on the merits.

The last reference I would like to make to is to the Corporate Shareholding Limitation Bill. I refer to the *Debates of the Senate* of November 8, 1982, where Senator Flynn said:

> In any case, I suggest that the proper procedure at this stage would be for the subject matter of the bill to be referred to a committee before the Senate is called upon to deal with it on second reading.
>
> I do not know whether the Leader of the Government agrees with this proposal? If so, I could let him move the motion himself. If not, I would move it myself.
>
> I do not feel we should be asked to vote on the principle of this bill on second reading now before we are given some explanation.

Senator Olson said:

> It is really a point of order. I think we could agree to refer the subject matter of the bill to a committee.

Later on Senator Olson said:

> I understand that, but if the honourable senator wants more of an explanation of the bill, it seems to me that it would probably take no more time to refer the subject matter—if the honourable senator would so agree—to the proper committee, that being the Standing Senate Committee on Banking, Trade and Commerce.

Senator Olson later said:

> If it is a very narrow point concerning constitutional affairs only, then the bill should go to the Standing Senate Committee on Legal and Constitutional Affairs.

Later on Senator Olson said:

> —we will support the motion as it is moved by the Leader of the Opposition. I wonder if he is also prepared to give us an indication that the subject matter would be limited in that committee to the constitutional matter?

Senator Flynn replied:

> It would be up to the committee. As to the technical aspects of the bill, whether or not the committee deals with them does not present a problem.

As honourable senators may remember, various provinces were asked to appear before the committee. Mr. Parizeau, the Minister of Finance for the Province of Quebec, appeared and gave evidence for three hours. At the start of his testimony he said, "The one thing I am not interested in is the constitutional aspect of this, I want to get to the merits." So, although it was referred originally to the committee on the constitutional aspect, in fact it was discussed upon the merits and the result of those committee hearings was that the bill, in effect, was withdrawn. Later on it was re-presented with some further amendments. I remember being called upon by Judy Erola, the minister, who tried to persuade me that these amendments satisfied my objections. I told her they did not, and the bill eventually died.

I am suggesting that on a bill of this kind a proper procedure—when everybody recognizes that it is very badly drafted—would be that it should be referred to the committee before second reading.

Hon. Senators: Hear, hear.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, it appears that the sponsor of the bill is not here. Honourable senators may want to show him the courtesy of allowing him to speak to this particular question since he has not had an opportunity to do so. Perhaps we should adjourn the matter in Senator Haidasz's name.

Hon. Duff Roblin (Leader of the Government): I have no objection to doing that, honourable senators, but I had rather expected that the senator who has just spoken would move an amendment to give some substance to his proposal. Was it his intention to do that? Otherwise, we are going to be faced with dealing with second reading and not with the reference of the bill to a committee.

Senator Godfrey: I think it would have a better chance of being adopted by the Senate if someone other than myself actually moved it.

Senator Steuart: Take a chance.

Senator Roblin: I never thought my honourable friend was so deficient in his self-confidence. My impression was that he had no fears of the Senate and would move anything.

Senator Godfrey: I am speaking from long experience. In the past, motions I have made have been stood for as long as three years without being dealt with. It is rather like the kiss of death for me to propose anything.

Senator Roblin: Take a chance.

Senator Godfrey: I will propose that the subject matter of this bill be referred to a committee of the Senate.

Senator Frith: Perhaps it should be referred to the Standing Senate Committee on Legal and Constitutional Affairs.

Senator Godfrey: It should be referred to a committee for consideration, and the committee should report back to the Senate so that we know it is not being stalled.

Senator Roblin: I believe a suitable committee would be the Standing Senate Committee on Legal and Constitutional Affairs.

Senator Godfrey: Very well.

Hon. Allan J. MacEachen (Leader of the Opposition): I wonder if we could have the wording of the motion. I am not sure whether it is cast in the usual way, namely, that the bill be not now read a second time but that the subject matter be referred to committee. The effect of that, of course, is to defeat the bill.

Senator Flynn: No, no.

Senator Frith: Yes, it is.

Senator MacEachen: If it is put that way, the bill is defeated because it is not now read the second time so, procedurally, the subject matter goes to committee and not the bill. The bill is not read and it disappears from the order paper.

Senator Godfrey: I understand there is a procedure whereby a motion can ask that it remain on the order paper. I will follow the procedure suggested by Senator Hayden back in 1947 which was that this bill be not now read the second time but that the subject matter thereof be referred to the Standing Senate Committee on Legal and Constitutional Affairs for consideration and report.

The committee will report and then we can decide what course to follow. The report might suggest many amendments to the bill, but it would not, in effect, amend the bill.

Senator MacEachen: Not the bill.

Senator Godfrey: I do not know whether that defeats the bill.

Senator MacEachen: Of course.

Senator Godfrey: I do not think so.

Senator MacEachen: Honourable senators, I will not rise until the senator vacates the floor.

Senator Godfrey: I would refer to Beauchesne where he says:

> There are three types of amendments that may be proposed at the second reading stage of a bill. These are:
>
> 1. the six months' hoist;

That would defeat the bill. Then it goes on to state:

> 2. the reasoned amendment;

That again would defeat the bill. Then it says:

> 3. the referral of the subject matter to a committee.

There is no indication in Beauchesne that by referring the subject matter of a bill it defeats the bill.

Senator Frith: If you say "that it not be read a second time," the Senate has decided that it not be read a second time.

Senator Godfrey: At this time.

Senator Bonnell: Do not say that at all, just refer the subject matter.

Senator Godfrey: I will revise this again. I would suggest that we refer the subject matter.

[Senator Godfrey.]

I am sorry that I followed the precedent of Senator Hayden. I thought that was a correct procedure in 1947, but we did not have such sharp minds around here then.

I would suggest that the subject matter of the bill be referred and that the bill remain on the order paper.

Senator MacEachen: Honourable senators, the substance of the motion is acceptable to me, namely, that the subject matter be studied in committee but that the bill retain its place on the order paper. I doubt whether the motion, as put, is regular. I think that the acceptance of this ingenious improvisation would require unanimous consent. Although I do not want to make a point of it, I did want to intervene so as to avoid a situation where an honourable senator would have his bill virtually defeated in his absence, which would have happened if the original motion put forward by Senator Godfrey had been accepted.

• (1430)

Senator Roblin: Perhaps I could put forward a constructive suggestion. It is not our wish on this side of the house to defeat a bill in the absence of its sponsor. I think I made that quite clear in my previous remarks on this subject. It is clear, however, that the wording of the amendment, if one is desired, does present some problems in terms of dealing with the question of second reading, the matter of principle and the status of the bill thereafter. Might I suggest that we allow Senator Godfrey the privilege of considering in detail the exact wording of his motion so that, if it comes back, it avoids the pitfall that has been pointed out, becomes more acceptable to senators and is in tune with what I think is our established custom of giving ourselves the right to look at matters in substance before we have to deal with them in principle.

Senator Frith: Will you adjourn the debate in his name?

Senator Roblin: I can adjourn the debate. I know that Senator Godfrey has adjourned it once; I do not think he can do so twice.

Senator Frith: He can adjourn it as many times as he likes.

Senator Roblin: In that case, if he wants to move the adjournment, I would support him.

Senator Godfrey: Honourable senators, I will move the adjournment of the debate as though my speech had not been completed. I can say that I will consult Senator MacEachen and others more expert than I so as to agree on a wording that will satisfy what we want to do.

Senator Roblin: That sounds to me like the wisdom of Solomon.

On motion of Senator Godfrey, debate adjourned.

EMPLOYMENT EQUITY BILL

SECOND READING—DEBATE CONTINUED

On the Order:

> Resuming the debate on the motion of the Honourable Senator Robertson, seconded by the Honourable Senator

MacDonald (*Halifax*), for the second reading of the Bill C-62, intituled: "An Act respecting employment equity".—(*Honourable Senator Marsden*).

Hon. Lorna Marsden: Honourable senators, there is a good deal of goodwill on this side of the chamber for the underlying intentions of Bill C-62, as described by Senator Robertson in her speech on second reading last week. Liberals have been concerned for a long time with issues which enhance equality of citizens in this country, and this bill is part of that general effort. In her speech, Senator Robertson commented on the historic nature of the bill. Concepts of employment equity have developed over many years in Canada and elsewhere, and many Canadians of all walks of life and political persuasion have contributed to the debate. Some have been more successful than others.

Honourable senators are all familiar with Mr. Diefenbaker's Bill of Rights, which was one important landmark but which suffered the disability of not taking precedence over other legislation. The bill before us today also has such a disability. As Judge Abella said in her commission report, unenforceable rights are simply rights that are not available, and unenforceable rights are no better than non-available rights.

The historical point leading up to this legislation needs to be put into context. For many years now, equality has been a part of various pieces of federal legislation. In 1977, the Canadian Human Rights Act outlawed discrimination in the labour force. In 1981, for example, there was an affirmative action pilot project in various government departments. We have pay equity in the federal jurisdiction and there is a whole history of attempts to ensure equality in the labour force for men, for women and for other target groups. So this is not at all the first piece of legislation where principle is to enshrine equality in the workplace. What is new about this legislation is the positive action side of it; that is, previous legislation has been, of necessity, based on a complaint process rather than on the systematic collection of information and action on the part of government. But as honourable senators all know, it is subsection 15(2) of the Charter, proclaimed only in April, 1985, that has made legally possible the type of action which is proposed in the bill before us today.

It is not that previous governments did not want to take positive action of this nature but, rather, that such action, if taken, was bound to be challenged, probably successfully, in the courts. However, this bill applies to the federal domain, about 11 per cent of the labour force, including the crown corporations. For several years, crown corporations—at least some of them—have been asked to make reports of the type envisaged in this legislation, certainly in terms of the gender mix of the corporation. To my knowledge, Air Canada has been doing this since 1978. These reports have gone to ministers of transport or to presidents of the Treasury Board. But the difficulty which then presented itself was this: How could that information be dealt with? What could be done with it that was legal and fair? Could governments act on the information they had if there was no complaint to the Canadian Human Rights Commission?

Honourable senators, this bill, drawn up under section 15 of the Charter, should be able to settle that question and similar questions because it is now legally possible for positive action to be taken; that is, action to ensure equality in the labour market should now arise from an investigation rather than from a complaint laid by an aggrieved individual. Unfortunately, this bill does not achieve that goal which it was intended to achieve. It was expected that after the various changes to legislation in the Canadian Human Rights Act, in the struggles over the Charter and in the recommendations which arose from the Abella commission report, the way was paved for a strong piece of legislation which would take forward some of the commitments made by this government and previous governments to greater equality and opportunity in the Canadian labour force. Unfortunately, the present bill does not provide that clarity, nor does it provide that leadership. Those who have been following the debate on Bill C-62 in the other place will know that it has been a highly contentious piece of legislation. A great many groups of interested people—people with disabilities, representatives of women's groups, native peoples, visible minorities, employers and federations that operate under the federal jurisdiction—have spoken out on this bill, most often to correct or change it.

There appear to be two schools of thought. One is that it is such a weak bill that it would be better to defeat it entirely on the ground that it results in more damage than service to the idea of equality or, to put it another way, employers and workers will get the false notion that this is employment equity in action, which it is not. This bill is not what Judge Abella envisaged in her report, which strongly recommended legislated positive action on employment equity. It is not what activists in the field had in mind; it is not what those who fought for subsection 15(2) of the Charter had in mind. What is, perhaps, even more significant is that it will not provide an orderly process for employers or workers to follow.

The second school of thought argues that half a loaf is better than none and that the bill should be strengthened and shored up. The view is that, since an amendment made in the House of Commons provides that it contain a clause which says that it shall be reviewed in five years' time, then we should take the opportunity to turn it into a proper piece of employment equity legislation. Inside the federal public service, where at least two agencies stand to gain or lose by this bill, in the public at large and in interest groups which stand to gain and lose there is widespread agreement that this is not a satisfactory piece of legislation.

I am glad to say that some progress was made through amendments in the other place as a result of strong efforts made by interest groups, by opposition members, by members of the NDP and by Mr. Gordon Fairweather, Commissioner of the Canadian Human Rights Commission.

There are four components which are essential to any legislation which seeks to improve the labour market situation through positive action or employment equity. They can be put in the form of four questions: First, who will be affected by this legislation? Will the appropriate groups be affected?

Second, through what process will employment equity be brought about in the legislation? Third, how is that process triggered? Fourth, what enforcement mechanism is incorporated into the bill?

First, the groups to be touched by this legislation are workers only in the federal domain; that is, workers in transportation, communications, financial institutions, crown corporations and other organizations under the federal jurisdiction but not, strangely enough, members of the federal public service, who are explicitly exempted. The argument has been made that these federal employees are covered by Treasury Board policy. But such policies can be changed with no reference to Parliament, and therefore are deliberately put beyond the scope of employment equity in this case.

● (1440)

It is true that a previous Liberal government introduced the Treasury Board policy on affirmative action, as it was called at that time. However, that was never meant to be more than a preliminary step; it was never meant to be the last word—and that was one of the underlying reasons for bringing in the Charter of Human Rights and Freedoms, which, of course, would make this possible. We find that to be an unsatisfactory limitation to this bill.

But there is a second one, in terms of coverage. This legislation applies only to employers of 100 or more workers. This is quite inappropriately restrictive. For example, most branches of banks employ fewer than 100 employees, and the Fair Employment Practices Section of the Canada Labour Code defines "employer" as "a person who employs five or more employees . . .". Although it would be hard to establish levels of employment of minorities, native people, or people with disabilities, with a staff as small as five, levels for the employment of women could be established with a staff of this size. Also, many large employers can only implement employment equity if it is made a line management function. Thus administrative groupings of less than 100 are likely to be more relevant reporting units—and that point, I might say, has been made by the Canadian Bankers' Association.

The Canadian Advisory Council on the Status of Women believes that a limit of 100 is premature before studies establish the number of employers excluded by such a limit. The Canadian Ethnocultural Council suggested a floor of 25 employees, and the Coalition of Visible Minorities suggested no floor at all.

On the matter, then, of whom the bill refers to and how coverage is described in the bill, we are much less than satisfied.

The second question is: What process is being put into play to ensure that employment equity actually takes place?

Three requirements, which are consistent with employment equity practices, are contained in the bill, in clauses 4, 5 and 6. Clause 4 requires that an employer, in consultation with the union or employee representative—I should point out that these are my words; I am not quoting from the bill—implement employment equity by getting rid of employment practices which result in employment barriers against people in the designated groups, and by putting into place positive policies and practices so that employees in the designated groups are represented at least in proportion to their representation in the workplace or in the surrounding labour market. This is otherwise known as the creation of targets for employment, and is very well studied, documented and practised in other jurisdictions.

Clause 5 requires the employer to draw up a plan establishing goals. That is the other usual component of employment equity. The employer must keep that plan in her or his principal place of business in Canada for at least three years after the plan no longer applies. So the employer is required to prepare a plan—but in this instance, we should note, not with consultation with the employees, the affected groups, the union or the employee association, but entirely at the employer's discretion. We regard this as a serious limitation and one which does not apply to clause 4, and therefore it is a puzzle as to why it applies to clause 5.

Clause 6 requires that the employer file by June 1, 1988, and every June 1 thereafter, a set of data containing her or his employees by industrial sector, occupational group, salary range and turnover, referring in each case to the designated groups.

The advantage of employment equity, as described by Judge Abella in her report, and based in part on her studies and 20 years of experience with these practices in the United States, is that by setting goals and targets, and by examining personnel data, it is possible to see if discrimination is taking place, or if, in fact, employment equity is on the way and is having any impact. For years both the federal and the provincial domains in Canada have tried voluntary employment equity. It has not proved very successful. The evidence from the United States suggests that mandatory action not only is more successful but provides a more orderly climate for everyone. It is very much liked and appreciated in the United States by business. They testified recently that they would prefer to keep mandatory affirmative action; and employers and unions feel much the same way—which brings us to the question of enforcement.

If the Canadian employer does comply with clauses 4, 5 and 6, establishes goals and timetables, gets rid of discriminatory employment practices, and sends in a report on these matters, what happens? The minister then sends on a copy of the report to the Canadian Human Rights Commission. The minister also consolidates those reports and tables them in Parliament. No individual company can be scrutinized, no report is made to the minister of those who fail to comply, and it is at least questionable whether the Canadian Human Rights Commission has the power or capacity to make use of the data which will be passed on to it under this bill. I will return to that question. If the employer fails to comply with only one section, section 6, of the three sections which are part of the employment equity process, that employer may be guilty of an offence and liable on summary conviction to a fine not exceeding $50,000.

Why is there no necessity for an employer to comply with the requirement under the other sections, 4 or 5—that is, the requirement of having a plan—and why is there no necessity for an employer to remove discriminatory employment practices? In effect, what the government is doing, by excluding clauses 4 and 5 from the enforcement and penalties found in clause 7, is putting in, through the back door, another set of voluntary guidelines. This is not at all satisfactory. In fact, the President of the American Manufacturers' Association is reported to have said, on a similar matter in the United States, when arguing in favour of mandatory affirmative action, that if people responded to voluntary measures for changing their ways, Moses would have come down with ten guidelines instead of ten commandments.

We are not at all happy with the reintroduction of voluntary compliance with clauses 4 and 5 of the bill, and we wish to examine that point in great detail when the bill is considered in committee.

Let us return to the question of the Canadian Human Rights Commission, which is, by default rather than by statement in this bill, the agency of enforcement which the government proposes to use. The minister has said that informally, but one would not know that by examining the bill. It was argued by many witnesses and commentators on this bill at an earlier stage that a separate enforcement agency should be established. The Canadian Human Rights Commission has a huge backlog of cases to deal with—I understand that it will take over two years to deal with them. The commission is understaffed and underbudgeted, and there is no assurance at all that the Canadian Human Rights Commission would be in any position to use the material generated by this legislation to improve the situation for designated groups over the next decade. After all, they do not have to actually report this data until 1988.

At present the Canadian Human Rights Commission operates almost exclusively on complaint by aggrieved parties. The entire point of employment equity is that this process of action be changed. Under the concept of employment equity—as is the case, for example, in Manitoba, in its legislation on pay equity; and also in connection with the proposed pay equity in Ontario—the enforcement agency may survey the data to see if the pattern of pay, or employment, or advancement suggests some systemic discrimination, and then investigate and bring about change accordingly.

Does the Canadian Human Rights Commission have sufficient power to police Bill C-62 should it pass? This is a question that we would like to investigate thoroughly, perhaps with Mr. Gordon Fairweather, the commissioner. The Canadian Human Rights Act, section 32(3) gives the commission the power to lay a complaint if the commission has reasonable grounds to believe that discrimination is occurring. Is that sufficient power? The government argues that it is. If it is, why is the Canadian Human Rights Commission not named in clause 7 as the designated enforcement agency for this legislation?

• (1450)

Finally, there is a most puzzling movement toward contract compliance in this bill. The Abella commission explained in detail why contract compliance is an effective means of demonstrating commitment to employment equity. In this bill, the definition of "employer" includes any person who employs 100 or more employees which, as I have already argued, we believe is much too high a number. Such an employer employs people on or in connection with federal work, undertakings or business. In her response of March 8, 1985 to the Abella commission, the Honourable Flora MacDonald stated that contract compliance will be implemented, but by Treaury Board policy. That is not satisfactory. It should be included in this legislation because in that way it is in front of Parliament and the people of the country and can be both fair and seen to be fair. In addition, the minister stated that contract compliance would only apply on contracts of $200,000 or more. There is evidence that in 1985 only 500 of the 54,834 suppliers to the federal government had contracts of this amount. Various groups testifying before the committee on the other side have recommended that a much lower floor be set on the contract compliance movement, such as $20,000 or even lower. We will want to examine this matter as it relates to clause 4 of this bill.

These comments are not meant to restrict any questions or challenges to this bill which might arise in committee or in this chamber. The comments are meant to show that we regard this legislation as being along the lines of a Potemkin village—all shiny front with the same miserable problems that existed previously maintained behind the facade. It is not satisfactory, and we will do our best to ensure that improvements are made to the bill or that some other course of action is taken to provide support for the women, the visible minorities, the people with disabilities and native peoples, whose opportunities could be enhanced through the implementation of section 15 of the Charter, and who require and deserve better legislation than this to guarantee equality in the labour markets of Canada.

Our purpose, as I think it is the purpose of the government, is to have a good law, a law that can be understood clearly by employees and employers alike, an enforceable law that brings an orderly climate to this issue. We were shocked at the minister's suggestion, reported in the *Globe and Mail* of February 5, that she will publicly embarrass employers who do not produce results under this legislation. We regard this statement by the minister as a shameful one. In our country employers and employees should be provided with clear laws and regulations that can be complied with, rather than being embarrassed by the relevant minister. The minister is also quoted in the same article as saying on the matter of contract compliance, "They'd better be keeping records, because we'll be investigating . . . you never know, if you're a contractor, when we're coming to your door." Threatening employers is most inappropriate, and we will try to ensure that this cannot happen.

Honourable senators, we believe that there is a common will to put in place good, sound, equitable legislation which brings an effective end to the systemic discrimination which has prevented so many people with disabilities, so many native people, so many members of visible minority groups and so very many women from equal chances to work, to get ahead in the work place and, therefore, to lead equal and independent lives.

Our goal is to improve this legislation. We hope that this will be possible.

On motion of Senator Frith, debate adjourned.

NATIONAL FILM BOARD

CONSIDERATION OF REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON FILM ENTITLED: "THE KID WHO COULDN'T MISS"—ORDER STANDS

On the Order:

Resuming the debate on the consideration of the Eighth Report of the Standing Senate Committee on Social Affairs, Science and Technology entitled: Production and Distribution of the National Film Board Production "The Kid Who Couldn't Miss", tabled in the Senate on 15th April, 1986.—(*Honourable Senator Petten*).

Hon. William J. Petten: Honourable senators, unless any other honourable senator wishes to take part in the debate at this time, I move that this order stand until tomorrow and that it stand in the name of the Honourable Senator McElman.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

Order stands in name of Senator McElman.

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

THIRTIETH REPORT OF COMMITTEE ADOPTED

On the Order:

Resuming the debate on the motion of the Honourable Senator Frith, seconded by the Honourable Senator Petten, for the adoption of the Thirtieth Report of the Standing Senate Committee on Internal Economy, Budgets and Administration (budgetary situation pertaining to Senate Committees), presented in the Senate on 1st May, 1986.—(*Honourable Senator Bonnell*).

Hon. M. Lorne Bonnell: Honourable senators, on Thursday last I was asked to give my consent to a motion not to put the Thirtieth Report of this committee on the order paper for consideration at the next sitting of the Senate, but to give it consideration on that same day. After some debate, it was moved that the report be adopted without one day's notice and without a copy of it being on my desk. I had not received a copy of the report of this committee. I am following the advice of my good leader, the Honourable Senator MacEachen, who said something to the effect that if you want these things to go through without due notice and if you want unanimous consent, get the reports up here so we can see what you are doing in the committee and so we can see what you are asking us to approve.

I thought that if they wanted to adopt the report so hurriedly and if it was so urgent, at least they would type up extra copies and leave one on my desk so that I would have an opportunity to read it. Therefore, I thought that I had the right as a senator to stand and to say, "nay." After further debate, I began to get the feeling that I was doing something terrible, that I was doing something that was against the rules of the Senate. I thought that I might be asked to leave my seat for a day and to appear before the bar. But then I got out the rule book. Thank God for rule books. With confidence, I sat back and said to myself, "If nobody but me knows the rules, it is good that someone knows them."

Some Hon. Senators: Hear, hear!

Senator Bonnell: After I had an opportunity to read the report and after further thought, I found that I could not agree more with the mover of the motion. I came to the conclusion that it was a good thing that he was trying to do. If only he had taken a little time to explain things to me a little more, I probably would have agreed to the motion and let things go ahead Thursday last. Being a good Prince Edward Islander, like my friend Senator Macquarrie, we don't mind being led but we don't like being shoved.

Senator Phillips: Led or labelled?

Senator Bonnell: Consequently, honourable senators, I agree with the motion. I agree that it is a good motion and, therefore, without any further debate on it, I will support the motion that the report be adopted.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators—

• (1500)

The Hon. the Speaker: I wish to inform the Senate that if the Honourable Senator Frith speaks now his speech will have the effect of closing the debate on the motion.

Senator Frith: Honourable senators, I welcome the support of Senator Bonnell for this motion, so graciously and freely given just a few moments ago. On some of the points he made, I do remind senators who would like to see the matter in full context, that they should read what was said on the matter in *Debates of the Senate*, of Thursday last.

Of course, any time that anyone is asking leave to proceed without due notice, they are pushing instead of leading. I was not suggesting that we proceed without leave. In fact, I asked for leave, as I realized I had to. At that time, I thought I had explained why I was asking to proceed immediately, but apparently I did not explain sufficiently clearly to satisfy Senator Bonnell and without giving him an opportunity to consider what I had to say.

However, I think we should also underline what he has said with respect to all cases in which one is asking leave to proceed without due notice. It is an excellent suggestion on his part

that not only an explanation be given—which I tried to give—but that the document upon which the request for leave is based be before the senators who are being asked to give leave. In this case, that would have been easy because it was a very short report.

Motion agreed to and report adopted.

CONSIDERATION OF TWENTY-EIGHTH AND TWENTY-NINTH REPORTS OF COMMITTEE—ORDERS STAND

On the Orders:

Consideration of the Twenty-eighth Report of the Standing Committee on Internal Economy, Budgets and Administration (Supplementary Budget of Banking, Trade and Commerce), presented in the Senate on 29th April, 1986.—(*Honourable Senator Frith*).

Consideration of the Twenty-ninth Report of the Standing Committee on Internal Economy, Budgets and Administration (Supplementary Budget of Energy and Natural Resources), presented in the Senate on 29th April, 1986.—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, with respect to Orders Nos. 11 and 12 which deal with the supplementary budgets of Banking, Trade and Commerce and Energy and Natural Resources, respectively, I explained on an earlier occasion that the Standing Committee on Internal Economy, Budgets and Administration is in the process of reviewing all committee budgets. In that connection, a meeting of all committee chairmen has been set for Thursday of this week to consider these matters, so I give that explanation as to why I believe these two items should stand until next Tuesday.

Orders stand.

REGULATIONS AND OTHER STATUTORY INSTRUMENTS

FIFTH REPORT OF COMMITTEE—ORDER STANDS

On the Order:

Resuming the debate on the motion of the Honourable Senator Nurgitz, seconded by the Honourable Senator Murray, for the adoption of the Fifth Report of the Standing Joint Committee on Regulations and Other Statutory Instruments (Statutory Instruments No. 32), presented in the Senate on 20th March, 1986.—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I believe that all we are waiting for in this case is the approval of the budget by the Standing Committee on Internal Economy, Budgets and Administration. I understand that the budget has been presented to the subcommittee and will be reported this Thursday to the main committee, so again we should deal with this matter on Tuesday of next week. I ask that the order stand.

Order stands.

TERRORISM

MOTION FOR APPOINTMENT OF SPECIAL SENATE COMMITTEE—DEBATE ADJOURNED

Hon. William M. Kelly, pursuant to notice of April 29, 1986, moved:

That a Special Committee of the Senate be appointed to provide a forum to examine, consider, evaluate, consolidate and synthesize available research, documentation and other information relating to terrorism as a real or potential threat to Canada and to Canadians;

That the Committee identify any areas where further study, research or investigation is called for;

That the Committee examine and make recommendations on the role of the media in reporting terrorist threats and incidents;

That eight Senators, to be designated at a later date, act as members of the Special Committee; and

That the Committee present its report no later than December 19, 1986.

He said: Honourable senators, I promise to be substantially briefer than I was on January 30 of this year. At that time, I rose in this chamber to present a motion for the appointment of a special committee of the Senate to investigate current and future terrorist activity in Canada, or directed at Canadians. My motive was to initiate an effective nonpartisan review of terrorism as it affects, or may affect, Canada and Canadians. I wanted that review to be conducted in a calm and deliberate manner, before a major terrorist incident occurred in Canada or against Canadians. I wanted a review that would be positive and helpful to governments and others responsible for, or concerned with, countering terrorism.

Honourable senators, much has happened since that time, and to go over the litany that I recited on January 30 and add what has happened since then would serve no useful purpose. The eyes of the world are focused on the issue of terrorism. It was a major and high-priority item at the summit meeting in Japan. Therefore I think it serves no useful purpose to simply rehash the whole matter.

What I do suggest, and this is the reason for setting up this committee that is being recommended to you, is that ultimate solutions to this problem will require the efforts of all of us, and not least, in my opinion, the efforts of this chamber. I said at the outset today that my hope was to institute an effective and nonpartisan review of this most serious subject and to conduct this review in a calm and deliberate manner. I believe these words relate most appropriately to the traditional conduct of this chamber and of its committees.

Since I introduced my original motion in January, I have spoken to a number of senators from both sides of this chamber and to government officials and to ministers. From these conversations, I came to the conclusion that the original mandate was, indeed, too broad. That was a point raised by Senator Frith, and I found that more people agreed with Senator Frith than agreed with me. I would like to say that I, too, now agree with Senator Frith. It was, indeed, too broad.

Senator Frith: My cup runneth over.

Senator Kelly: The mandate of the newly-proposed special committee has been reduced considerably. At this point, I would like to refer to an article that appeared in today's *Globe and Mail* with reference to terrorism and with reference to the many people who are currently studying the issue, and who have for many years monitored the issue of terrorism, many of whom are academics. David Charters, who is deputy director of the Centre for Conflict Studies at the University of New Brunswick, said:

> You don't have to be right alongside people to look at, say, the patterns of operations and make assessments of these and learn from historical experience.

Mr. Cummings, a spokesman for the Canadian Security and Intelligence Service, said that academics and others studying the subject are performing a valuable service. He went on to say:

> They're doing a lot of research that an organization such as ours might not have the resources to do.

That relates, then, to the first part of the mandate recommended for the special committee, that is to act as a forum for the accumulation of information in order that we may know more about the subject so that we can make better policies and mount more effective responses. What is contemplated here is inviting people such as Charters, Tugwell and others whom we know to come before such a special committee to offer their views. In that way we could see if there is not some consensus at which we can arrive that would enable such a special committee to offer sound advice.

• (1510)

The history of Senate committees, the integrity for which they are recognized in their performance and the balance with which they approach their problems would constitute valuable elements that today I do not think exist elsewhere.

The second part of the mandate is to review the role of the media with respect to terrorist threats and incidents, and to draw on the unique experience of several senators in this chamber—Senators Doyle, MacDonald, Davey, Grafstein. I think this special committee could set a background against which media people could discuss this situation dispassionately. Having a special Senate committee avoids the risk that a government would face if it moved to discuss this subject. If a government moved to do so strictly within government, the first logical response would be that the government was trying to muzzle the press. Whereas, to invite discussion by media people among media people with the assistance of members of this chamber could do nothing less than serve some useful purpose. Honourable senators, in my view this is an important initiative.

Let me relate, briefly, something that is near and dear to my heart to explain why this kind of initiative is important to me. Some years ago I used to fly frequently to and from Beirut. When I first started that, I used to see what I saw at every airport—the second level gallery with families gathering to watch airplanes land and take off, sentries, and so forth. Then all of a sudden—almost overnight—the airplanes landed and parked a thousand feet from the door of the building. In the public gallery there were no longer families watching the airplanes landing and taking off. The sentries were still there, but they carried themselves and their weapons differently. Those of us who were soldiers know that soldiers are trained to carry their weapons in many different ways, but two of the extreme ways are, first of all, with the weapon slung behind the sentry's back indicating that the sentry is not on alert. That is the way they carried their weapons when families gathered on the second floor gallery. The other extreme way is to carry the weapon in what they call the ready position, hands on the weapon in the alert position. I saw the same thing in Tehran.

Last week, honourable senators, I came out of my office in the Victoria Building and outside of the United States Embassy I saw what was so familiar to me in Lebanon and in Tehran—an officer holding a machine gun. He was on alert; he carried his weapon in the ready position.

This happened in the capital city of my country. There is nothing wrong with that, but it is a sign of the times we live in and the issues we are faced with, and indicates the concern we should all have for these issues.

I watched a man walking along carrying what appeared to be a pocket radio. I found myself doing what I had not done for 16 years—that is, thinking through the situation: That man was coming towards me. If I stayed on course, he would go past me and the officer with the machine gun in the ready position, if he had to shoot, could shoot me as well. I crossed to the other side of the street. I have never had to do that before in my own country.

Honourable senators, it is that kind of thing that makes me believe that we all have to do what we we can, and I think the Senate can play a role. I think the mandate was too broad in my earlier motion; I think the current mandate is logical and legitimate.

It has been suggested that perhaps such a review could be undertaken by one of the existing standing committees of the Senate. Those that come to mind are the Standing Senate Committee on Legal and Constitutional Affairs, the Special National Defence Committee and the Foreign Affairs Committee. That is a legitimate suggestion because the subject relates to the mandate and responsibility of any one of those three committees. My concern is that to add a subject as important as this subject is to Canada and to Canadians to a larger agenda—for example, if it goes to Legal and Constitutional Affairs, it will follow the Smoking Prohibition Bill which was suggested earlier this day should be referred to that committee, and I am not being cynical or trying to make this appear foolish at all—is to fall short of guaranteeing that the matter receives the attention it deserves.

I am sure that no one in this chamber disagrees with the suggestion that terrorism and its implications for Canada is a serious and urgent matter.

I have already said on many occasions, and I say again now that I believe the Senate can perform a valuable service through such a special committee. Honourable senators, I earnestly request your support of this motion.

On motion of Senator Frith, debate adjourned.

The Senate adjourned until tomorrow at 2 p.m.

APPENDIX

(*See p. 2411*)

STANDING RULES AND ORDERS

NINTH REPORT OF STANDING COMMITTEE

TUESDAY, May 6, 1986

The Standing Committee on Standing Rules and Orders has the honour to present its

NINTH REPORT

On March 4, 1986, a Message from the House of Commons regarding certain amendments to their Standing Orders was referred to your Committee for consideration and report.

Your Committee met on March 4, March 11, April 29 and May 5 to examine the matter and now makes the following report.

Your Committee recommends that Rule 67(1) be amended

(i) by deleting paragraphs (*a*) to (*e*) and substituting the following therefor:

(*a*) The Joint Committee on Regulations and other Statutory Instruments to which shall be appointed eight senators.

(*b*) The Joint Committee on Official Languages to which shall be appointed nine senators.

(*c*) The Joint Committee on Parliament to which shall be appointed twelve senators.

(ii) by re-lettering the subsequent paragraphs accordingly.

Your Committee further recommends that a Message be sent to the House of Commons as follows:

Resolved—That the Senate notes the new practice of the House of Commons regarding reports from recognized interparliamentary delegations. The practice of the Senate is that a senator who participates in an officially recognized interparliamentary delegation may, upon presenting a notice of inquiry, call the attention of the Senate to the work of the delegation, its final report if any, and the conclusions of any conference or meetings attended;

That the Senate agrees to the establishment of a Joint Committee on Parliament to which the Senate will appoint the same number of members as the House of Commons, namely twelve senators. It is the view of the Senate that the membership of this Committee should be reduced to seven members of the House of Commons and seven senators;

That the Senate supports the empowering of the Standing Joint Committee on Regulations and other Statutory Instruments to include in a report to the House a proposed motion which, if the report be concurred in, would become an Order to the Ministry to rescind a single specified regulation or other Statutory Instrument which the Ministry has the authority to rescind;

That the Senate notes the procedure whereby the annual report of the Commissioner of Official Languages is deemed referred to the Standing Joint Committee on Official Languages immediately upon the report being laid on the Table. The practice of the Senate is that, upon the adoption of a motion for referral, Reports of the Commissioner of Official Languages are referred to the Standing Joint Committee on Official Languages;

That the Senate notes the procedure of the House of Commons regarding the meeting of its Striking Committee. The Senate, in accordance with its present practice contained in Rule 66 of the *Rules of the Senate of Canada*, appoints a Committee of Selection at the commencement of each session which nominates senators to serve on joint committees for the duration of that session;

That the Senate notes the new method of substitution of members on joint committees adopted by the House of Commons. The present Senate practice is set forth in Rule 66(4) and (5) whereby a change in the membership of a committee may be made by a notice filed with the Clerk of the Senate who shall cause such change to be recorded in the *Minutes of the Proceedings of the Senate*. This notice is to be signed with respect to Government members, by the Leader of the Government in the Senate or any senator named by that Leader and with respect to Opposition members, it must be signed by the Leader of the Opposition in the Senate or any senator named by that Leader.

Ordered,—That a Message be sent to the House of Commons to inform that House of the consideration which the Senate has given to certain changes in the Standing Orders of the House of Commons.

Respectfully submitted,

GILDAS MOLGAT,
Chairman.

THE SENATE

Wednesday, May 7, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

STANDING RULES AND ORDERS

TENTH REPORT OF STANDING COMMITTEE PRESENTED

Hon. Gildas L. Molgat, Chairman of the Standing Committee on Standing Rules and Orders, presented the following report:

Wednesday, May 7, 1986

The Standing Committee on Standing Rules and Orders has the honour to present its

TENTH REPORT

By order of reference, dated December 17, 1985, your Committee was asked to report on the establishment of a "Register of Senators' Interests". Your Committee was also asked to report on any other matters relating to the registration of senators' interests, including those listed in the order. Your Committee considered the order of reference at its meeting on April 24, 1986 and now reports as follows:

Your Committee is of the view that the question of senators' interests is one that cannot be studied without considering the wider context of the existing provisions of law governing conflict of interest to which both senators and members of the House of Commons are subject. These provisions are contained in the *Criminal Code* and in the *Senate and House of Commons Act*.

The provisions on conflict of interest in the *Criminal Code* deal with various forms of prohibited conduct in broad, general terms that leave some doubt as to whether they were intended to apply to Parliamentarians. In interpreting these provisions, the courts have reached certain conclusions regarding their applicability to members of both Houses that raise a number of policy questions regarding the law in its present form.

The rules on conflict of interest in the *Senate and House of Commons Act,* on the other hand, duplicate in part some of the rules in the *Criminal Code* and, having been drafted many years ago, contain provisions that, in view of the changed social and economic circumstances of today's society, may well be considered to be outmoded in terms of the penalties they prescribe and the ethical standards they reflect.

To create a register of senators' interests now would be to create a new rule of procedure relating to conflict of interest at a time when policy considerations underlying existing laws are at best unclear.

Your Committee, therefore, recommends that the Government instruct its law officers, in consultation with Parliamentary counsel to both Houses, to review the entire question of conflict of interest as it applies to Parliamentarians in the light of the present statutory and case law on the subject.

Your Committee further recommends that any proposals for the reform of existing laws resulting from such a review be referred to the appropriate committee of each House, or to a joint committee of both Houses, for consideration and report.

Respectfully submitted,

GILDAS MOLGAT
Chairman

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Molgat, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

QUESTION PERIOD

[*English*]

TERRORISM

TOKYO SUMMIT STATEMENT—GOVERNMENT POLICY RE LIBYAN NATIONALS

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I have a question for the Leader of the Government arising from the statement issued by the seven summit leaders at the Tokyo meeting. We were certainly pleased that the summit communiqué contained a statement on terrorism in which the summit leaders committed themselves to undertake a number of measures to be applied to countries engaging in terrorism, and in that respect Libya was cited. One of the measures reads as follows:

> Stricter immigration and visa requirements and procedures in respect of nationals of states which sponsor or support terrorism.

Inasmuch as the summit leaders have identified Libya as a country which sponsors terrorism, can the Leader of the Government tell us what measures, by way of increased re-

strictions, will be applied to Libyan nationals, particularly Libyan students in Canada?

Hon. Duff Roblin (Leader of the Government): Honourable senators, it is true that the summit arrived at a statement of principles or of goals that they hope to implement with respect to the question raised by my honourable friend; namely, the immigration and visa requirements for certain nationals within Canada. However, at the present time and to the best of my knowledge, our exact response to that observation has yet to be worked out. It may be a day or two before I have specific information that I can give my honourable friend, so I shall take the question as notice.

Senator MacEachen: Honourable senators, on the question of terrorism and particularly in view of the impact that such a measure would have on nationals of Libya who are resident in Canada, I wonder whether Canada has resisted this particular measure or any other measures which have been proposed at the summit, and whether the Leader of the Government can throw any light on that matter.

Senator Roblin: I am sorry, I have no information as to the discussions that took place at the summit. I am relying on the press releases that were issued at the time.

Senator MacEachen: Honourable senators, the British Information Services issued a statement yesterday in which they outlined the measures that were taken by summit countries on the question of terrorism. The statement goes on to say:

> This level of action goes substantially further than the statement at the London Summit two years ago, which was also a British initiative. Sir Geoffrey Howe said that it had been "quite difficult" to achieve such a degree of commitment, but he stressed that there was no horse-trading involved, but rather all the horses were running the same way—some simply needed more encouragement, almost certainly Japan and Canada.

Inasmuch as the British Foreign Secretary has cited Canada as a country which needed encouragement to join up with the statement on terrorism, I wonder whether the Leader of the Government can throw any light on this and tell us whether the statement by Sir Geoffrey Howe does not, in fact, represent the position which was taken by Canada at the summit.

Senator Roblin: I think I should say that Canada will speak for itself in these matters, and while Sir Geoffrey Howe is at liberty to say whatever he likes, there is no reason to think that that represents the Canadian position unless we specifically say so.

I have said to my friend that I will obtain some information for him which will indicate the measures that we are taking to fulfil our part in the undertaking entered into in Tokyo, and I will do that.

Senator MacEachen: Will the Leader of the Government attempt at least to clarify the situation so that Canada will not be left with what is, in a sense, a stricture on its willingness to engage in measures against terrorism which seems to flow from this particular statement attributed to Sir Geoffrey Howe? He states that Canada needed encouragement to reach the level of commitment achieved by the summit.

[Senator MacEachen.]

Senator Roblin: I have no reason to think that the statement is accurate in any particular. In fact, my impression is that Canada was one of the leaders in proposing that measures be taken that were more adequate than the ones we have at the present time. However, owing to the fact that I was not there and was not privy to those discussions, I do not think I should depart from my position, except to say to my friend that I will get whatever information I can for him.

Senator MacEachen: I thank the Leader of the Government for that assurance. It is all the more interesting to find out exactly what the position of the Government of Canada is, because the Secretary of State for the United States, Mr. Shultz, went out of his way to praise the leadership provided by the United Kingdom at Tokyo on the question of terrorism, and did not refer to any other country. That exclusion, linked with the comments of Sir Geoffrey Howe, I think, entitles us to have some clarification from the Government of Canada. I therefore thank the Leader of the Government for his assurance that he will attempt to get some additional information.

Senator Roblin: Yes. I think it would be a mistake to make the linkage that my friend has done with respect to those two statements.

CANADA-UNITED STATES RELATIONS

BILATERAL TRADE NEGOTIATIONS—CANADIAN USE OF LOBBYIST—CANADIAN TESTIMONY BEFORE CONGRESSIONAL COMMITTEE OR SPECIAL PROSECUTOR—GOVERNMENT POLICY

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I would like to follow up on a different subject which relates to the employment of Mr. Deaver as a special assistant to the Canadian Embassy in Washington. I noticed today that the *Globe and Mail* has asserted that the Canadian government has declined to have its officials testify before a U.S. Congressional committee or a special prosecutor, if one is appointed.

My question is really one of fact: Is it a fact that the Government of Canada has said that Canadian officials will not be permitted to testify on this matter before a special prosecutor or before a Congressional committee?

● (1410)

Hon. Duff Roblin (Leader of the Government): Honourable senators, I think I can say that Canada is adhering to its position under the Vienna Convention on Diplomatic Relations, which excludes the possibility of diplomats being called upon to testify before the courts of other countries. However, we are trying to be as co-operative as we can within the limits of that convention by providing the authorities in the United States with voluntary information. That does not involve an appearance before the committee, but it does involve giving those authorities some of the facts in connection with this matter.

I have been told that Ambassador Gotlieb has written to the United States authorities, not only regarding the contract itself, but regarding further matters that may be of interest to the United States authorities with respect to Canada's relationship with Mr. Deaver.

Senator MacEachen: Would it be possible to obtain a copy of the letter Mr. Gotlieb has written to the United States authorities? I ask that because I also noticed in the same newspaper that it is alleged the Canadian Embassy did hold discussions with Mr. Deaver while he was an employee of the White House with respect to his possible appointment or engagement in the employ of Canada.

I should like to know whether discussions were, indeed, held between any officials of Canada and Mr. Deaver on this subject while he was still an employee of the White House, as is alleged in that newspaper.

Senator Roblin: I do not think the allegation is correct. I believe that in his correspondence with the United States authorities the Canadian ambassador has given the details as to when the matter was first raised with Mr. Deaver. I think Mr. Deaver is entirely in accord with the law and legislation of the United States with respect to lobbying, and matters of that sort.

With respect to the actual letter itself, it may very well be that I can provide a copy for my friend. I will make inquiries in that regard.

ROYAL VISIT

STATE DINNER, VANCOUVER—COMPOSITION OF GUEST LIST

Hon. George van Roggen: Honourable senators, during the recent visit of Their Royal Highnesses, the Prince and Princess of Wales, to Vancouver for the purpose of officially opening Expo '86, there was a state dinner given by the Government of Canada. I emphasize the fact that it was billed as a "state dinner". The fact is that an endless number of Tory contributors and supporters were imported all the way from Montreal and Toronto to attend that state dinner to the exclusion of many Privy Councillors of the Province of British Columbia. I am not one, so I am not complaining about not being invited myself.

That was just cheap politics, but a fact that was not cheap politics—it was worse—was that the Lieutenant Governor of British Columbia and his wife were not invited until public pressure made it imperative that they receive an invitation at the last moment.

Honourable senators will recall that I asked a similar question of the Leader of the Government in the Senate at the time of President Reagan's visit to Quebec City when the Governor General of Canada was similarly slighted, to which I have not received a reply, incidentally.

I wonder if the Prime Minister of Canada now considers himself to be the Head of State for ceremonial purposes in Canada, if not for legal purposes.

Hon. Duff Roblin (Leader of the Government): No, honourable senators.

Senator van Roggen: He acts as though he does.

NUCLEAR DISASTER

UKRAINE—EFFECTS OF RADIATION—GOVERNMENT ADVICE TO CANADIAN TRAVELLERS

Hon. Stanley Haidasz: Honourable senators, earlier this afternoon I had the privilege of attending with some honourable senators and members of the other place an emergency meeting called by the Ukrainian-Canadian Committee, Ottawa Branch, regarding any information about and implications of the nuclear explosion at Chernobyl in Ukraine.

Could the Leader of the Government in the Senate tell us what advice Canadian travellers and their kin can expect from the Canadian government in view of this immense nuclear disaster, and, in particular, should any Canadian tourists travel this spring and summer to Ukraine and the neighbouring countries?

• (1415)

Hon. Duff Roblin (Leader of the Government): I would hesitate to pose as an expert in these matters myself, but I can tell my honourable friend that there is provision made for a nuclear response hot line. The telephone number is 998-3624. Any person who is concerned about travel plans and the danger of nuclear contamination is advised to phone that number and tell the people concerned where he, or she, intends to go. I am sure they can get a much better answer than I can give in general terms now.

I can say that we have been concerned about the area around the plant in Ukraine. That takes in a lot of territory. It is almost all of southern Russia, Byelorussia, and it also takes in, in some respects, parts of Poland. But that seems to be, at the present time, the limit of the danger area.

However, I would be much happier if my friend were to tell his inquirers to call that telephone number and get the real McCoy.

Senator Haidasz: I have a supplementary question. The members at this meeting also expressed concern and frustration that six days have passed since an urgent telegram was sent to the Secretary of State for External Affairs asking for particulars about this nuclear explosion.

Since the Secretary of State and the Prime Minister are out of the country and are expected to be so for the next week, could the Leader of the Government in the Senate use his good offices to make sure that a reply to that telegram is sent without further delay?

Senator Roblin: Part of the problem may be that the government itself does not have any further information than that which has already been given to the public. We have given all of the information we have to the public as we get it. Unfortunately, as everybody knows, the reporting of the accident from the Soviet Union has not been as prompt, or, I

think, as accurate as we would like to have it; consequently our sources of information are poor.

The matter, however, may be elucidated by the International Atomic Energy Agency which has sent delegates to Moscow to look into the nuclear disaster and also by the fact that some American nuclear experts are in Moscow as well. So we may get more information.

I can also say that the Minister of National Health and Welfare is now at the World Health Organization assembly in Geneva and he is going to be talking about the Chernobyl incident at that meeting.

I will ask about the telegram. The problem is, we do not know any more than what we have already said, but I will keep in mind my honourable friend's request for the information and when we can provide it, I hope we may do so.

Senator Haidasz: Honourable senators, I have another supplementary question. Now that we have learned that even the Minister of National Health and Welfare is out of the country, could the Leader of the Government inform us who is the senior cabinet minister in the government responsible for matters of information and advice at the present time?

Senator Roblin: I can tell my honourable friend that I tabled that information in the Senate just a few minutes ago.

● (1420)

PUBLISHING INDUSTRY

CANADIAN SHARE OF MARKET

Hon. Jerahmiel S. Grafstein: Honourable senators, earlier this week, the Minister of Regional Industrial Expansion, the Honourable Sinclair Stevens, announced the approval of the takeover by Longman, a United Kingdom publishing giant, of Copp Clark Pitman Ltd., a publishing firm in Canada that was a subsidiary of another foreign firm.

On the face of it, this approval is contrary to the goals of increasing Canadian content, Canadian books and Canadian book publishing as set forth earlier this year by the Minister of Communications, the Honourable Marcel Masse. It also appears contrary to the Investment Canada Act which has special rules safeguarding Canadian cultural industries such as publishing.

Can the Leader of the Government in the Senate advise the Senate how this approval will reduce the close-to 80 per cent of the Canadian marketplace which is filled by books prepared, written and published by people who are resident outside of Canada; and how this step will help repatriate this market which is dominated outside of the country?

Hon. Duff Roblin (Leader of the Government): If my memory is correct, honourable senators, the transaction referred to was initiated before my colleague, the Honourable Marcel Masse, made his statement about cultural policy and publishing, so it is considered in the light of the rules existing at that time rather than in the light of the changes brought in by my colleague.

[Senator Roblin.]

I think, however, in spite of what I said, a number of very special conditions were attached to this transaction, that were aimed at preserving the state of the market, the area of action, the opportunities for Canadian authors and, as a matter of fact, some arrangements were made to transfer to this new company rights that it did not formerly have which would enhance its market position in Canada.

Honourable senators, I should like to take the question as notice because the conditions were several and I do not have them all at my fingertips. I think when my honourable friend sees them he will see that reasonable actions were taken.

Senator Grafstein: When the Leader of the Government seeks that information, could he specifically indicate the increase in the number of Canadian titles by Canadian authors proposed by the company so that we can determine whether or not the after is better than the before?

Senator Roblin: If we have that information it can be supplied, but I do not think I can undertake to get it otherwise.

AGRICULTURE

UNITED STATES AND EEC SUBSIDIES—CANADIAN POSITION AT TOKYO ECONOMIC SUMMIT

Hon. Hazen Argue: Honourable senators, I should like to ask a question of the Leader of the Government in the Senate. Could he bring us up to date on the position taken by Canada at the recent economic summit meeting in Tokyo with regard to agricultural subsidies being used in the export trade by both the United States and EEC countries? Has anything concrete been accomplished? What steps, if any, have the nations at the summit agreed to take to deal with this problem?

Hon. Duff Roblin (Leader of the Government): I believe the government is of the opinion that a great deal was accomplished in connection with this matter, because, for the first time that I am aware of, the seven nations who attended agreed to consider the question of agricultural subsidies in the light of protectionist influences in the world today.

Up until the present time, of course, France, among others, has resolutely refused to consider any alteration in its policies. I think, as the Prime Minister of Great Britain is quoted as saying, agriculture is now moving up to the front burner.

The fact that it is now going to be placed on the agenda for the GATT discussions, which start next September, and that it has been placed before the OECD in connection with its protectionist thrust, I think would indicate that some progress has been made.

However, I do not want to overstate the case. I think we are a long way from getting the kind of action my honourable friend would like to see in respect of agricultural subsidies provided by the European Economic Community, by the United States and, of course, by this country as well. I think we have broken through the crust, that we may say progress has been made and that there is some hope these matters may be reviewed in a way that is favourable to the nation. But I am

not interested in overstating the matter. I can tell you that we have a long way to go before we are going to be satisfied.

Senator Argue: Honourable senators, the Leader of the Government has made an interesting statement, namely, that the question of the export subsidies will be raised at the forthcoming meeting of GATT. I hope that is true; but I would ask the Leader of the Government to underline it, so that we can be reassured, because the following statement was made by Thomas Walkom in an article in today's issue of the *Globe and Mail*:

> Agriculture will be very much a part of the package—

I guess that has to do with GATT.

> But U.S. Treasury Secretary James Baker said the decision to push for the inclusion of agriculture in GATT negotiations "wasn't made here." And there was no reference in the official summit communique that the seven would push agriculture for the next round of talks by GATT,

And so on. It goes on to say:

> The summit communique yesterday called on the next GATT round to include services, intellectual property (patents) and foreign investment in its discussions.

So one part of that article says that the statement made no reference to agriculture coming before GATT. As if to emphasize and underline that, it said that in the official statement, in relation to the upcoming GATT negotiations, they would include services, patents and foreign investment—but agriculture was missing. I accept the statement of the government leader. If it is on the agenda and Thomas Walkom is wrong, then more power to the government; but let us have it clear. Was that accomplished or was it not accomplished? Because I believe it is of major importance; and if it should happen that at the forthcoming GATT round it is not included, there will be grave disappointment among agricultural producers in Canada.

Senator Roblin: Honourable senators, I suppose it depends on which part of Mr. Walkom's article the honourable senator chose to read. I will read another portion of it, which might give my honourable friend some comfort. It says:

> According to officials, Mr. Mulroney, Mrs. Thatcher and U.S. President Ronald Reagan made strong pitches that the agricultural situation is getting out of hand.
>
> British Prime Minister Margaret Thatcher and Canadian Prime Minister Brian Mulroney said yesterday that a decision to push for the inclusion of farm products has been taken.

That is with reference to the GATT performance. I agree with my friend. We are going to have to watch this thing and follow it carefully to see what happens; but I know very well that the Prime Minister of Canada will be in the forefront pushing for realistic action on this problem.

Senator Argue: So it is clear in the mind of my honourable friend that this item is on the GATT agenda?

Senator Roblin: That is what the newspaper article says to me.

Senator Argue: I thought the Leader of the Government was giving us this information as a member of the cabinet, and that he was not relaying to me something that was in a newspaper article—because I can do that myself. So I would ask the Leader of the Government again: Is it the information of the Leader of the Government, coming from the Prime Minister or his office, that this item of subsidized trade in agricultural products is, in fact, or will be, on the agenda for the GATT negotiations?

Senator Roblin: If my honourable friend will promise not to rely on newspaper clippings for his questions, I will promise not to rely on newspaper clippings for the answer. But I will say to my honourable friend that I can set his mind at rest. It is the opinion of the government that the agricultural question will be examined in two fora: (1) OECD, and (2) GATT.

SMOKING PROHIBITION BILL

SECOND READING—DEBATE CONTINUED—MOTION IN AMENDMENT—POINT OF ORDER

On the Order:

> Resuming the debate on the motion of the Honourable Senator Haidasz, P.C., seconded by the Honourable Senator Bosa, for the second reading of the Bill S-8, intituled: "An Act to prohibit smoking in certain work areas and on board certain modes of transport".—(*Honourable Senator Godfrey*).

Hon. John M. Godfrey: Honourable senators, in adjourning the debate yesterday, after having spoken to second reading of the bill, I said that I would do some more research and that I would discuss the matter with Senator MacEachen. In the course of my speech yesterday, I referred to a bill that was introduced back in 1977, namely, the Solar Energy Application Bill. I had a little difficulty in locating the bill, because I had not realized that it was that long ago—in fact, nine years ago. In the course of my speech I said:

> There was a debate on my motion and at no time during that debate did anyone raise the question of whether or not it was proper to do so under our rules.

That is not correct because it was raised by Senator Argue and Senator Molson. Later I shall explain in more detail. At the end I said that my motion had been voted down by a narrow margin. That is not quite correct. The margin was 21 to 42.

● (1430)

Senator Argue: We understand what you mean.

Senator Roblin: That is better than I usually do.

Senator Godfrey: Honourable senators, I would like to go back before 1977 and outline how I got involved in this question. As a newcomer and one who had not previously been a parliamentarian, the Senate was completely new to me. On occasion, I would sit back and listen while we gave second

reading to a bill—which was approval in principle—when I felt that we did not have all the facts upon which to give that approval. It was only on occasion, but I felt that it would be preferable to send such bills to committee so that the committee could examine it, hear witnesses, get the facts and report back to the Senate. The Senate would then be in a better position to decide whether or not it should approve the bill in principle. Unlike today, I was not thinking in terms of a faulty bill. I was merely thinking of obtaining more information for the Senate before it approved the bill in principle, so that it could act more intelligently. This is what was done in connection with the Corporate Shareholders Limitations Bill when witnesses such as Mr. Jacques Parizeau among others appeared before the committee, which was very helpful.

When I proposed my motion back in 1977 on the Solar Energy Application Bill, the purpose was to try to establish a precedent. I was not concerned over whether or not my motion would be defeated. I wanted to establish a precedent that could be relied upon in future. When I moved my motion at that time, I said, as it is reported in *Debates of the Senate* of May 26, 1977:

> The effect of my motion will be that the bill will be taken off the order paper for the time being, it will stop the debate at this particlar moment, but it will come back on to the order paper for debate on second reading at a later date when the committee makes its report.

Later in the same debate Senator Argue argued that what I was trying to do was out of order. He said:

> That is an old trick. "Trick" is the wrong word, but it is an old method that is often used to kill a bill.

He went on to argue that what I was doing was designed to kill the bill, that the bill could not be brought back and so on. Senator McElman asked a couple of pertinent questions of Senator Argue. The exchange goes as follows:

> SENATOR MCELMAN: If there were such a referral of the subject matter to committee, is there anything to prevent the committee from making a report and returning the bill to the house?
>
> SENATOR ARGUE: I am subject to correction on these matters, but I would think that if we took this negative attitude it would preclude us under the rules from discussing the same type of bill in the same session.
>
> SENATOR MCELMAN: But could the committee not return the same bill to the chamber?
>
> SENATOR ARGUE: But we would have defeated the bill if we adopted this negative motion. In any event, that is my position; that is my understanding.

A little later on I got up again and said:

> Honourable senators, I should like to point out that it was not my intention, in moving this motion, to kill the bill. I spoke to the Clerk this morning to determine the effect of such a motion. I was told that it would be perfectly in order and that the committee, when it reported back, would simply request that the bill be restored to the order paper to be proceeded with. The intention is not to kill the bill. The purpose of the motion is to enable us, when we continue the debate on second reading, to know more about what the bill will look like in its final form.

[Senator Godfrey.]

Then Senator Molson indicated that he had raised a point of order previously, and later on in the debate he insisted that the point of order be dealt with by the Speaker. His point of order was based on whether rule 94 of the Senate applied. We were dealing with a private member's bill and the question was whether it was a private member's public bill or just a private member's bill. Rule 94 reads:

> After its first reading—

I would ask honourable senators to note the following words:

> —and before its consideration by any other committee,—

which would indicate that another committee could also consider a bill before first reading.

> —a private bill from the House of Commons, for which no petition has been received by the Senate, shall be taken into consideration and reported on by the Committee on Standing Rules and Orders in like manner as a petition.

Rule 94 makes it quite clear that it is contemplated that another committee could consider a bill after first reading. The Speaker went on to rule that what we were dealing with at that time was a public bill, even though it was introduced by a private member and that, therefore, rule 94 could not apply. When the Speaker gave her ruling, Senator Deschatelets, a former Speaker of the Senate, said:

> Honourable senators, now that the ruling by Madam Speaker has disposed of the point of order raised by Senator Molson, it is clear that Senator Godfrey's motion in amendment is in order, and that it can be discussed on its merits. This means that the subject matter of this bill can be referred to a standing committee before the question is put for adoption of the bill on second reading.

I must say that when I heard those comments from a former Speaker of this house, I thought that we had finally established a principle, a convention— and after all we do not need to change the rules to establish a convention in this house— that we could use in the future.

In a discussion with Senator MacEachen, I told him that I had done this research and that I was sending him a copy of it. During that discussion Senator MacEachen insisted that the effect of my motion would be to defeat the bill, but he agreed that even though the bill was defeated it could be revived by a motion after it had been returned from committee and put back on to the order paper. I do not wish to get into an argument with Senator MacEachen on the question of semantics of whether the bill had been defeated and then revived. It is immaterial, as long as the bill can be brought back by a motion. Therefore, I would like to move the exact motion with the same wording that I moved on May 26, 1977—

Senator Stewart: Hear, hear!

Senator Argue: You will never learn!

Senator Godfrey: —some nine years later. I move:

That the bill be not now—

The operative word here is "now".

—read the second time but that the subject matter thereof be referred to the Senate Standing Committee on Legal and Constitutional Affairs for examination and report.

The Hon. the Speaker: Honourable senators, is it your pleasure to adopt the motion in amendment?

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I believe that the question of whether this motion is in order is still in doubt. The decision Senator Godfrey referred to yesterday, which dealt with the orderliness of such a question, is, I believe, still appropriate and germane to the motion that is now before us.

• (1440)

Yesterday, Senator Godfrey sought to distinguish one decision made earlier because he said that it followed an earlier decision in which it was considered out of order to refer such a motion to a committee that did not exist. He suggested, therefore, that the more recent order is suspect, since we can assume that it was following that reasoning and, in this case, we now have a committee that does exist.

The difficulty with that line of reasoning is that the reasons given in the more recent decision were not based on that premise and were declared to be based on other grounds. The precedent cited today, of course, does not say that a motion of this kind is in order; it simply says that rule 94 does not apply because rule 94 only applies to a private member's private bill and not to a private member's public bill, which this is.

It seems to me that we should be sure of ourselves on the orderliness of this motion because I think an argument can be persuasively made that the question before the Senate, before this motion was made, is not: Shall we adopt the bill at second reading?—but: Shall the bill be read a second time? That is the question—

Senator Roblin: That is approval in principle.

Senator Frith: Yes, but that is the question. It is approval in principle, but the question before the Senate is: Shall this bill be read a second time? If the Senate therefore votes and adopts this motion and says: No, it shall not be read a second time—then in effect, it has dealt with the question in the negative and, on the question of whether the bill should be read a second time, the answer that the Senate gives is, "No," but that the subject matter—and I wish to underline that; not the bill, not the question of second reading but the subject matter should be referred. The question, namely, "Shall it be read a second time?" will have been defeated, if we support this motion.

In that case—and this may be the consequence that honourable senators supporting the motion would want to bring about—rule 47 would apply. Rule 47 provides that:

(1) A motion shall not be made which is the same in substance as any question—

Honourable senators, you will notice that it says "question" and not "bill"—

—which, during the same session, has been resolved in the affirmative or negative, unless the order, resolution, or other decision on such question has been rescinded as hereinafter provided.

If Your Honour agrees to make a ruling on this question, it seems to me that it is clear that the question: Shall the bill be read a second time?—if we support Senator Godfrey's motion—will have been answered in the negative.

In that event, I know of no rule that talks about restoring a bill to an order paper. However, that does not matter because we are not talking about the bill; we are talking about second reading of the bill. In other words, the bill itself could be restored, but as soon as it came up for second reading, someone could say: "We cannot deal with this. The second reading of this bill has already been resolved in the negative in this session, and therefore that vote can only be rescinded on five days' notice if at least two-thirds of the senators present vote in favour of its rescision."

Therefore I think, honourable senators and Your Honour, that that aspect of this question should be ruled on. Senator Godfrey has made his arguments; I have raised the questions that I have raised, and I think it would be in order for Your Honour to give us a ruling on whether this question is in order and on whether the corollaries that I have suggested will flow from a vote in support of Senator Godfrey's motion are, indeed, correct.

Senator Godfrey: I would like to say a few words. As I pointed out, on the merits—and I am talking about the merits, not the legal technicalities—there is no question that it is desirable at certain times—

Senator Frith: The technicalities go against you.

Senator Godfrey: I am talking about the merits. If Senator Frith had been in the Senate back in 1961, Senator Hayden would never have had a chance to bring in this practice of referring to committee the subject matter of a bill, a practice which has been copied by the Australian Senate.

Senator Frith: But this has happened in the House of Commons.

Senator Godfrey: No, I am talking about the fact that it had never been done before. It was not in the rules. We started a convention and no one objected on a technicality in 1961. We have had the precedent here. In 1977, we went ahead, and now we come along with a technicality to try to block progress. That is the only way that I can describe it. Must we always be bound by pettifogging technicalities in this chamber when we have a precedent, nine years ago and since then,—

Senator Frith: There are bills in the House of Commons that have not been before us—

Senator Godfrey: The Corporate Shareholders' Limitation Bill, which we sent to a committee, was not a bill from the House of Commons; it was a Senate bill; we sent it there and no one bothered then to raise a technicality.

Furthermore, I thought I had a deal with Senator MacEachen. I would like a little loyalty from Senator Frith

towards our leader, because Senator MacEachen agreed the matter could go back on the order paper. I would now like a little support from Senator MacEachen.

Hon. Jacques Flynn: Honourable senators, perhaps I might say a few words on the point of order. I think the effect of the adoption of the motion should not be taken in the sense that was suggested by Senator Frith. It is quite simple: it is a question of logic; it is not a question of precedent with respect to something that might have been said in 1924 in the House of Commons.

When you say, "We do not want to decide on the principle of a bill now; we want to have further information and we will deal with the principle later," and if the Senate says, "Very well, we will do it," then it seems to me that there is no problem. The fact that the bill would not continue to be on the order paper does not make any difference. When we adopt a bill at second reading, for instance, and when the bill is referred to a committee, it disappears from the order paper and comes back with the report of the committee.

Senator Frith: Exactly.

Senator Flynn: Therefore, if we ask a committee to consider the subject matter of a bill, then at the time the committee makes a report on that bill, the bill comes back on the order paper. However, if that were the only problem, we have an example of how it was resolved in 1982 with Bill S-31. Bill S-31 was left on the order paper. At the suggestion of Senator Frith at the time, we decided to leave it on the order paper until the committee reported.

It seems to me that Senator Frith is trying to split hairs when he tries to give that meaning to the motion made by Senator Godfrey. The question is whether it is sensible to refer the subject matter, then have a report from the committee and then deal with the principle, once we have heard from the experts on this question of smoking or have considered the extent of the prohibition that is proposed in this bill. If it is sensible, it seems to me that we should not consider it on the basis of some decisions that were made a long time ago and which are not based upon any rule in our book of rules. You cannot find anything in our book of rules that relates to this matter. Also, we have had the precedent of Bill S-31 where the subject matter was referred to a committee with instructions to report. It was adopted unanimously at that time, and the only problem that arose was whether the bill should remain on the order paper, and we solved that.

But even if the technical effect was to take it off the order paper, it would be easy to consider that by reporting the bill the committee would revive that bill and place it back on the order paper as is done after second reading or at any other stage. In other words, the bill is referred to committee; it disappears from the order paper but it comes back with the report of the committee.

Therefore, I suggest that the amendment is quite in order, and that we should not exaggerate the complications.

[Senator Godfrey.]

• (1450)

Senator Frith: Honourable senators, it comes down to whether it is a good practice, as well as whether it is technically correct for the Senate to ask a committee to help it consider the principle of a bill. My contention is that it is not. Of course, we know that if we are opposed to something, then according to the other side the opposition is always the "pettifogging" hair-splitters, whereas, in fact, we are the ones dealing with the principle. I know that Your Honour in making a ruling will take into account my submissions as well as the eloquent contributions made by Senator Godfrey and Senator Flynn.

Hon. Daniel A. Lang: Honourable senators, for the recollection of His Honour and the edification of my colleagues, I remind them of that most important "Uncommon Law" decision given by Mr. Justice Wool, as he was then known, in that leading case of *Haddock v. the Port of London Authority*. In that case Mr. Justice Wool laid down a principle which we must all remember today: "There is no precedent for anything until it is done for the first time."

The Hon. the Speaker: Honourable senators, with such a difference of opinion, I think I shall take this under advisement and give my ruling at the next sitting of the Senate.

EMPLOYMENT EQUITY BILL

SECOND READING

On the Order:

> Resuming the debate on the motion of the Honourable Senator Robertson, seconded by the Honourable Senator MacDonald (*Halifax*), for the second reading of the Bill C-62, intituled: "An Act respecting employment equity".—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I believe this bill should be studied by a committee of the Senate both in general and specifically for the reasons advanced by Senator Marsden. Therefore, expecting as I do that Senator Robertson will move that the bill be referred to committee for study, I recommend that the bill be read a second time now.

The question is: Which committee? The bill could be referred to the Social Affairs Committee or the Legal and Constitutional Affairs Committee. It seems to me that the subject matter of the bill falls within the mandate of either one of those committees. Sometimes, on an informal basis, we consult with the chairman of a committee to see what his or her views are, but perhaps Senator Robertson has already done that.

Hon. Duff Roblin (Leader of the Government): Honourable senators, with respect to referring this bill to either of those two committees, yes, that has been considered. The conclusion is that this bill should be referred to the Legal and Constitutional Affairs Committee.

Senator Frith: We support that.

Hon. Brenda M. Robertson: Honourable senators—

The Hon. the Speaker: Honourable senators, I wish to inform the Senate that if the Honourable Senator Robertson speaks now, her speech will have the effect of closing the debate on the motion for second reading of this bill.

Senator Robertson: Honourable senators, there has been some discussion regarding which committee the bill should be referred to. As the Leader of the Government has said, we think that the Legal and Constitutional Affairs Committee is the appropriate committee in the circumstances.

I have nothing further to say at this time. It is my intention to move that this bill be referred to that committee as soon as the question is put.

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE

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

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

TERRORISM

MOTION FOR APPOINTMENT OF SPECIAL SENATE COMMITTEE—ORDER STANDS

On the Order:

> Resuming the debate on the motion of the Honourable Senator Kelly, seconded by the Honourable Senator Sherwood:
>
> That a Special Committee of the Senate be appointed to provide a forum to examine, consider, evaluate, consolidate and synthesize available research, documentation and other information relating to terrorism as a real or potential threat to Canada and to Canadians;
>
> That the Committee identify any areas where further study, research or investigation is called for;
>
> That the Committee examine and make recommendations on the role of the media in reporting terrorist threats and incidents;
>
> That eight Senators, to be designated at a later date, act as members of the Special Committee; and
>
> That the Committee present its report no later than December 19, 1986.—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I had hoped to intervene in the debate on this matter today, but before doing so I wanted to consult with my colleagues to see if I could speak on behalf of any of them. I was unable to do so. Therefore, we will have to wait until next Tuesday or Wednesday, probably Wednesday, to deal with this matter.

Order stands.

STANDING RULES AND ORDERS

CONSIDERATION OF NINTH REPORT OF COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the Ninth Report of the Standing Committee on Standing Rules and Orders (Message from the House of Commons regarding certain amendments to their Standing Orders), presented on Tuesday, May 6, 1986.

Hon. Gildas L. Molgat moved that the report be adopted.

He said: Honourable senators, on February 27 the House of Commons adopted a number of changes to its Standing Orders, and it was agreed to send a message to the Senate at that time, which we received on March 4. That message was referred immediately to the Standing Rules and Orders Committee, which proceeded to examine carefully the proposed changes.

I want to express my thanks to the House of Commons and, in particular, to the Government Leader in the House of Commons who had written to me previously advising me that these changes were being proposed. He subsequently wrote to the Leader of the Government in the Senate giving him more details on what the House proposed, and a copy of that letter was circulated to the members of the committee.

The changes that are proposed arise out of the McGrath committee report which studied the reform of the House of Commons. The effect is largely on the joint committees of both houses.

Possibly the simplest way to deal with the matter is to take the various points in the order in which they were dealt with in the original message from the House of Commons, which is basically, in any case, the way our proposed response is set up.

The first item in the message from the House of Commons was to advise the Senate of the new procedure that would be used in the House of Commons on the reporting of interparliamentary delegations. The committee looked at this and concluded that the present method used in the Senate is a method that we would prefer to continue. So, our response is simply to state that we note their practice and that our practice is as it exists now and that we simply do not propose any change. I really think that our practice in this regard is excellent. An honourable senator brings the matter up, and if any other honourable senator wishes to debate the matter, there is a debate; if not, the matter is concluded, but there is an opportunity given to honourable senators to debate the matter.

The next item is 2(a) which established a new joint committee, the Standing Joint Committee on Parliament. That proposed standing joint committee will replace the existing Joint Committee on the Library of Parliament, the existing Joint Committee on the Printing of Parliament and the existing Joint Committee on the Restaurant of Parliament. The fact is that the Joint Committee on the Restaurant of Parliament has, in a sense, disappeared because the House of Commons has not included it in the past. So, the change, insofar as we are concerned—if we go along with this rule—would be to have

one new committee to replace the three existing joint committees.

The discussion that went on in our committee was rather lengthy in this regard. This was probably the most controversial point of the message from the House of Commons. The problem is that there is a vast difference between the operation of the two houses. The structure of the House of Commons is such that the Speaker there has substantial administrative duties whereas here it is the Senate itself, through the Standing Committee on Internal Economy, Budgets and Administration, that has the administrative duties.

• (1500)

So, we had some difficulty in deciding exactly how this new committee would work with two different structures. But eventually, on the basis that it was a trial and on the basis that the proposed rule change in the House of Commons is only until the end of this year in any case, the committee agreed to go along with this proposition on the express condition that there be equal representation for the Senate and the House of Commons.

The House of Commons having decided, and having struck its committee with 12 members, the recommendation of the committee is that we appoint 12 senators, but, recognizing that a committee made up of 24 members is somewhat unwieldy, we propose that if the committee is to be reconstituted next year and the experiment continued, that it be reduced to 7 senators and 7 members of the House of Commons.

Our recommendation in that regard is to, in effect, cancel the three committees that we have had previously and replace them by one joint committee on Parliament.

Time will tell as to what the exact terms of reference of this committee will be; it will be up to the committee itself to do that.

There was some discussion in our committee as to what the rules of this committee would be, because we have to recognize that it can become a very important committee in relation to the functioning of this place and of the House of Commons, but we felt that with equality of membership from the two houses it was worth a trial. Obviously, the committee itself would have to establish its own rules, as committees normally do, but if there was equality of both houses, there should not be a disadvantage to either.

The next item was the Standing Joint Committee on Regulations and other Statutory Instruments. As a result of a recommendation from that committee—in part at least—it is recommended that when that committee reports, if it reports that certain regulations be rescinded, and if it is within the authority of the government to rescind those regulations, the report of the committee would—if not turned down within 15 days—be deemed adopted. So, it would give substantial powers, in fact, to the Standing Joint Committee on Regulations and other Statutory Instruments.

This, as well, created a good deal of discussion within the committee as to the powers of the Houses of Parliament to order the government. But after considerable discussion it was agreed that this was also worthy of trial and our recommendation is that we agree to give that power to the committee through the Standing Order change.

The next item was simply a change in name, that the present Standing Joint Committee on Official Languages, Policy and Programs be renamed the Standing Joint Committee on Official Languages. We agreed to that.

Concerning the automatic referral of the report of the commissioner each year, it is our view that the present practice of the Senate is preferable whereby we make the reference. The report is made to us, and, instead of making an automatic referral as is proposed in the House of Commons, it would be done by motion, as has been our normal practice.

The next item was the structure of the Striking Committee in the House of Commons which would, immediately at the beginning of each session, nominate members within the first ten sitting days and set up the joint committees.

Again, the recommendation of the committee is that the Senate continue with its present rule which does not set a specific time. By and large, our rules and our practice here have been not to limit ourselves to any times concerning lengths of speeches or other matters. We operate on the basis of consensus. If this is going to work, it will mean that our committee responsible for establishing the membership of committees will have to work very quickly after the resumption of a session. I think this is a desirable practice in any case, but we do not recommend that there be a time limit as is recommended in the House of Commons.

The final item is the method of substitution of members on joint committees.

Again, it has been recommended in the House of Commons that there be a new method. We have looked at that and we felt that the practice which we followed in the past is acceptable and no change is required.

Coming back to the beginning of our ninth report, we recommend that rule 67(1) be amended by deleting all of the present joint committees and re-establishing the one on Regulations and other Statutory Instruments first, as being the first one created in chronological order, the Official Languages second, and the third one, the Joint Committee on Parliament, and renumbering all the other sections.

Honourable senators, I believe that the committee has done some useful work in this study. It is for a trial period as it relates to the House of Commons Standing Orders, because they expire at the end of the year. Ours are not based on the same rule. If the House of Commons re-establishes the order next year, we would not have to make any further changes in our rules with one exception: If it is agreed to continue with the Joint Committee on Parliament, and to reduce its number to seven members, we would have to make a change at that time.

I move the adoption of the report.

[*Translation*]

The Hon. the Speaker: It is moved by the Honourable Senator Molgat, seconded by the Honourable Senator Steuart, that this report be now adopted. Is it your pleasure, honourable senators, to adopt the motion?

[*English*]

Hon. John M. Godfrey: Honourable senators, I have a comment to make in connection with the reference to the Joint Committee on Regulations and other Statutory Instruments. In all logic, not only should the joint committee be able to recommend a disallowance of a regulation to the House of Commons, but it should also be able to recommend such disallowance to the Senate because, after all, we are equal.

To begin with, this is only a temporary matter until the end of the year—and I might say that there is quite a bit of faulty drafting in the rule in the House of Commons—but at least it is a joint committee on which senators are sitting, so some senators will have an input. It is not as much as, in all logic, it should be, but at least some senators are allowed an input as to whether or not they recommend that regulations should be disallowed.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I intend to adjourn the debate because there are one or two items in the report, which I saw for the first time yesterday, which have raised a question in my mind. One of them has already been adverted to by the last speaker. I think there is an important point here that needs to be clarified before I would be willing to give assent to the resolution as it now stands. So I move, seconded by the Honourable Senator Flynn, that the debate be adjourned.

Hon. Royce Frith (Deputy Leader of the Opposition): Before the adjournment takes place, I wanted to ask the chairman of the committee to clarify one point with regard to the Joint Committee on Parliament. I regret that, since my attention was diverted temporarily, I am not sure whether he covered this point which deals with the Joint Committee of Parliament whose jurisdiction will include the library, the restaurant, printing, distribution and the Parliamentary Relations Secretariat.

• (1510)

During the committee deliberations, we asked our advisers for an opinion as to whether this new committee would assist in administrative efficiency. We also asked what effect, if any, it would have on the jurisdiction and powers of the Standing Committee on Internal Economy, Budgets and Administration.

On the first question, the feeling was that the situation would not improve overwhelmingly so far as efficiency were concerned.

On the second question, the main point which I wanted to put on the record, is that the opinion we received was that, since this proposed Joint Committee on Parliament would be an advisory committee, it would have no effect on the jurisdiction or powers of the Internal Economy Committee of the Senate. Would Senator Molgat confirm that understanding?

Senator Molgat: That is correct; that is the interpretation we received. As I outlined at the outset, there was a good deal of concern in the committee arising out of the different methods of operation of the two houses. There was concern as to what effect this would have on the Internal Economy Committee. At that time, the Standing Committee on Standing Rules and Orders instructed me to write to the chairman of the Internal Economy Committee asking that committee to consider the whole question of whether there would be some effect on it.

Subsequently, Mr. Douglas Lewis, the Parliamentary Secretary to the Government House Leader in the other place, appeared before our committee and indicated that the committee would serve in an advisory capacity only; and that the only estimates that would come before it would be the estimates of the Library of Parliament.

Therefore, we can see no effect on the work of the Internal Economy Committee of the Senate. It was on that basis and understanding that the committee agreed to proceed.

Insofar as the items under the mandate of this new committee are concerned, the message from the House of Commons refers to items that come under the joint jurisdiction of the two houses and other related matters as the committee deems fit. As you can see, this is a rather broad mandate which is part of the reason why our committee felt that the Senate must have equal membership. If the committee had the mandate to expand itself then there ought to be a limitation.

With regard to the precise items, I should like to refer to the letter from the Honourable Ray Hnatyshyn to the government leader in this chamber where he lists the following five items: printing; restaurants; Library of Parliament; distribution; and Parliamentary Relations Secretariat. It did not appear to us that any of this impinged on the work of the Internal Economy Committee.

Senator Roblin: I should like to ask a supplementary question on the point raised by Senator Frith. When Senator Molgat says that it does not impinge on the work of the Internal Economy Committee, I presume he means that the parliamentary committee will not be a budgetary committee and will not make levies on the budget of the Senate. I want to be quite clear that that is the case.

Senator Molgat: Based on the responses given to us by Mr. Lewis and on the subsequent letter, I would say that that is the case.

However, I would remind honourable senators of the statement in paragraph 2(a) which says, "... and other related matters as the Committee deems fit." It seemed to me that the point which concerned many senators was that the committee might deem fit at later times to expand its mandate.

At the moment, that is certainly not the intention. Except for those of the Library of Parliament, it is not expected that any other estimates will be referred to that committee and it is not expected to have budgetary powers.

Senator Roblin: Honourable senators, I do not want this to become a debate out of time, but I have a further question I should like answered.

We made certain reservations in this report where we did not entirely agree with the Commons in terms of the number of senators and other points. Was any consideration given to reserving our position on the budgetary question so that we would be quite clear that this parliamentary committee would not have the powers that I think may accrue to it in due time?

Perhaps that point was discussed in committee. If so, could the chairman tell us whether it was discussed or not and what decision was made?

Senator Molgat: I do not recall any specific recommendations in that regard. There was concern, and part of the reason I assumed that members of the committee insisted on equal representation was to ensure that nothing could be done without the acquiescence of the senators.

There was also concern on the basis that, in any case, this is a temporary measure because the Standing Order of the House of Commons ceases at the end of this year. Therefore, there was a double protection. We did not insert a specific budget restriction although, when questions were asked of Mr. Lewis specifically on the matter of estimates, he responded that it would apply only to the Library of Parliament estimates. Insofar as the committee's mandate was concerned, Mr. Lewis, in his letter of May 1, stated:

> I wish to reiterate that the Committee would function as an overview or advisory committee rather than a management committee,—

Based on that, the committee felt there was no possibility of going beyond that matter. However, I would repeat that there was concern, and the committee members recommended that we protect the position of the Senate by ensuring equality and the fact that it was on a temporary basis—

[*Translation*]

Senator Roblin: Temporary arrangements tend to become permanent.

Senator Molgat: Sorry, I didn't get that.

Senator Roblin: Temporary arrangements tend to become permanent.

[*English*]

On motion of Senator Roblin, debate adjourned.

BUSINESS OF THE SENATE

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, Senator McElman, in whose name Order No. 5 stands, has agreed that I may ask leave to consider Order No. 6 provided I am not too lengthy.

Although Order No. 6 stands in Senator Flynn's name, I ask permission to speak to it at this time since I have to leave the chamber by 3:30 p.m. Senator Flynn and I have consulted and he has an amendment which we have agreed upon. I am not asking that it be passed, but I would like to take this opportunity to say that I support the amendment. Perhaps he may be allowed to simply put the amendment and then the order can stand.

Senator Roblin: What on earth can it be that you two have agreed upon?

Senator Frith: Something that follows on a suggestion of yours.

[*Translation*]

RULES OF THE SENATE

MOTION TO AMEND RULE 77(7) TO PROHIBIT SMOKING AT COMMITTEE MEETINGS—DEBATE CONTINUED—MOTION IN AMENDMENT—DEBATE ADJOURNED

On the Order:

> Resuming the debate on the motion of the Honourable Senator Frith, seconded by the Honourable Senator Cottreau:
>
> That the *Rules of the Senate* be amended by adding, immediately after Rule 77(7), the following:
>
> "(8) Smoking is prohibited at all meetings of Senate committees.".—(*Honourable Senator Frith*).

Hon. Jacques Flynn: Honourable senators, if you refer to the Senate *Debates* of May 1, you will see it is more a problem of semantics.

The Committee on Standing Rules and Orders had been asked to look into the possibility of prohibiting smoking during committee meetings. The committee has now presented a report, suggesting that the rules be amended to prohibit smoking at meetings of Senate committees.

As we all know, traditionally smoking has not been permitted, but only in the Senate chamber. I thought it would be more logical, since the committee had a mandate to go beyond the customs prevailing in the Senate, to have the text specify that smoking is prohibited in the Senate as well.

Senator Frith agrees with me, and I therefore move that the proposed wording for rule 77(8) be amended to read as follows:

> Smoking is prohibited at meetings of the Senate and its committees.

● (1520)

[*English*]

My amendment would change paragraph 8 of rule 77 by saying:

> (8) Smoking is prohibited at meetings of the Senate and of its committees.

The Hon. the Speaker *pro tempore:* It is moved by the Honourable Senator Frith, seconded by the Honourable Senator Cottreau:

> That the rules of the Senate be amended by adding, immediately after rule 77(7), the following:
>
> (8) Smoking is prohibited at all meetings of Senate committees.

In amendment, it is moved by Senator Flynn that:

(8) Smoking is prohibited at meetings of the Senate and of its committees.

Is it your pleasure, honourable senators, to adopt the motion in amendment?

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I would suggest that rather than adopt it, we should give honourable senators the opportunity to consider the logic or merit of the amendment and that the motion and the motion in amendment should stand until next week.

Hon. Gildas L. Molgat: Why not move the adjournment of the debate?

Senator Frith: That is what I mean.

On motion of Senator Frith, debate adjourned.

NATIONAL FILM BOARD

CONSIDERATION OF REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON FILM ENTITLED: "THE KID WHO COULDN'T MISS"—DEBATE CONTINUED

On the Order:

> Resuming the debate on the consideration of the Eighth Report of the Standing Senate Committee on Social Affairs, Science and Technology, entitled: Production and Distribution of the National Film Board Production "The Kid Who Couldn't Miss", tabled in the Senate on 15th April, 1986.—(*Honourable Senator McElman*).

Hon. Charles McElman: Honourable senators, I am pleased to be able to participate in this important debate. Over the past couple of years the controversy over the film about Billy Bishop, namely, "The Kid Who Couldn't Miss", has involved many thousands of Canadians and has evoked very considerable coverage and editorial comment by leading Canadian journals. Canadian Forces veterans and their families, and veterans' organizations in particular, have been deeply offended by the message disseminated through this film, and they have questioned just who, in Parliament, speaks on behalf of the veterans of our Armed Forces, and, on this issue, who speaks in defence of the late Billy Bishop and the thousands of other veterans who were decorated for courage and valour by a grateful nation. By reason only of the aging process, each Parliament, particularly in the House of Commons, has fewer and fewer veterans and others who have lived through and who have a personal understanding of the horrors of World War II. By that reason alone, in Parliament it is the Senate that more than ever must assume the role of guarding the interests of our veterans. So, in this instance, when the question is asked, "Who speaks for Bishop and other decorated veterans, both living and dead?", I am pleased and proud that the answer is: "The Senate speaks for them."

At the outset I wish to extend my congratulations to our colleague, the Honourable Senator Hartland Molson, who instigated the inquiry by the Senate into this film. Senator Molson, himself a distinguished veteran of the RCAF No. 1 Fighter Squadron in World War II, and one who knew the late Air Marshal William Avery Bishop personally, quite properly initiated this inquiry, and the Senate, quite properly, approved its reference to the Standing Senate Committee on Social Affairs, Science and Technology. That committee and the Subcommittee on Veterans Affairs are to be commended for the quality of their report to the Senate, the subject matter of this debate. In all of the circumstances, they are further to be commended for the real element of restraint they have shown in the body of the report and its single minimal recommendation.

Honourable senators who have already spoken in the debate have enumerated the many errors of fact and chronology and the misrepresentations by manipulated fiction contained in the film, "The Kid Who Couldn't Miss". I will not elaborate further on those, except to say that in their totality they constitute a deliberate and major attack by means of disinformation and revisionism against the honoured name of one of Canada's most renowned, decorated and revered military heroes—and all of this some 60 years after the event, by one who is not an historian, nor an experienced researcher. I refer to Mr. Paul Cowan of the National Film Board.

It would appear that this film, in all of its aspects, was almost a one-man effort on his part.

At page 4 of the committee's report it states that Mr. Cowan "researched, wrote, produced, directed and co-edited 'The Kid Who Couldn't Miss' ".

The report goes on to state that Mr. Cowan "was not experienced in making documentaries about historical subjects although he was well-versed in all aspects of film making."

Furthermore, on page 4 and 5 of the committee's report, honourable senators will find the following:

> On the basis of the film credits, it does not seem that Mr. Cowan consulted important collections of documents relating to the air war and to Bishop's participation in it. The British Public Records Office which contains important documentation is not listed, nor is the Directorate of History, Department of National Defence in Canada, which holds the most voluminous records on Bishop and other Canadians who served with the Royal Flying Corps. When asked why he had consulted British experts and witnesses to the exclusion of most Canadian sources, Mr. Cowan replied, "I didn't feel that anybody here that I know of, in any case, had anything to add to it except to say, 'Well, the official history says that he did it'."

Honourable senators, those elements of the report, together with the general tenor of Mr. Cowan's testimony before the committee, leave me with the distinct impression that Mr. Cowan was not competent to be left almost entirely on his own by the National Film Board to research, write, produce, direct and co-edit this film.

He is, however, a proven and experienced film maker. He developed a notion or concept of the kind of film that he wished to make. His thesis was that the highest authorities, both military and civil, responsible for the conduct of a war, would fraudulently create war heroes as part of their planning to maintain public and general service support for the continu-

ing war effort, and that serving military personnel would consciously and fraudulently concoct information to make heroes of themselves.

So Mr. Cowan searched for information, rumour and innuendo to support his theme. He found what he sought mostly in Britain, and he ignored information and sources that did not support his thesis—sources readily available both in Britain and in Canada. He even manufactured damning evidence, by his own admission, to put in the mouth of an actor who portrayed Bishop's mechanic, Bourne; and to support his cynical thesis about war, about civil and military authority, about the Crown and about the making of heroes, he found it useful to sully the record of valour, the dearly earned decorations, the personal integrity and the revered memory of Billy Bishop—and, by extension, it is also an attack upon each and every Canadian veteran who was decorated for bravery in action. So Mr. Cowan was permitted to complete and circulate within Canada and internationally this slyly destructive piece of cynical propaganda. He has been permitted to do so by the National Film Board with its substantial financial support throughout and its continuing support through distribution and promotion.

• (1530)

Honourable senators, this brings us to the crux of this whole matter—the responsibility of the National Film Board. The mandate of the National Film Board has been analyzed and described in various ways by the Government Film Commissioner, Mr. Macerola. There is, however, a mandate established for the film board in law by the National Film Act. It is broad and yet specific. Section 9 of that act under the heading "Purposes of the Board" reads in part as follows:

> The board is established to initiate and promote the production and distribution of films in the national interest and in particular,
>
> (a) to produce and distribute and to promote the production and distribution of films designed to interpret Canada to Canadians and to other nations;

There are other provisions that are not directly relevant to the subject of this debate.

Honourable senators, I question most seriously and strenuously whether the film "The Kid Who Couldn't Miss" falls within the provisions of that mandate. I do not believe that the production and distribution of a film that defames the record and memory of Billy Bishop can be considered to be in the national interest. I cannot accept that the production of such a film, which, by extension, calls into question the award of honours by our nation for courage in combat by thousands of other service veterans can possibly be considered as an appropriate way "to interpret Canada to Canadians and to other nations", in the words of the National Film Act. I believe that the National Film Board was wrong to permit Mr. Cowan to alter so drastically his original and approved proposal for this film. I believe that the Film Board was doubly wrong to permit itself to become the willing supporter and sponsor of such a damnably insensitive treatment of what is an emotionally sensitive subject to countless thousands of Canadians.

Even the most shallow and superficial consideration by the Film Board should have convinced it that such a film would needlessly offend every veteran's organization in the country, as it should and as it did. And to what purpose? To satisfy the wish, the desire of the film maker to develop and disseminate an obviously provocative and unacceptable attack upon the reputation and memory of one of the nation's greatest heroes, as well as to bring into question the award of decorations and honours to thousands of other Canadian service veterans. That, in my view, was a dreadful and regrettable error in judgment on the part of the National Film Board.

Having said that, let me hasten to add that I believe this instance to be an aberration in an otherwise excellent record of service to Canadians by the National Film Board. The inventory of the Film Board is replete with hundreds, even thousands of films of superb quality, both in content and in technical terms. In one's anger over this one film, it must not be forgotten that the Film Board has produced commendable film biographies of such people as W.O. Mitchell, Margaret Laurence and Farley Mowatt, to mention a few. The film, "The Portrait of Wilder Penfield" reminded Canadians of the extraordinary contribution to our nation by this world-renowned neurosurgeon, philosopher, teacher and humanitarian.

As a militant Maritimer, I have enjoyed immensely the films, "Alex Colville—Realist Painter" and, "The Life of Miller Brittain." The latter film is a case in point. The late Mr. Brittain was a war artist, and upon his return to his native Saint John, New Brunswick, his extraordinary works shocked the artistic community before they achieved final acclaim. He led a tortured life filled with personal problems and tragedy, but the film dealt with all this with laudable sensitivity and was laudably well done by the National Film Board. They felt no necessity to destroy the man.

Then there are the excellent films of controversial subjects, such as "Not a Love Story" a film about pornography and, "If You Love This Planet", a film on nuclear disarmament. These films are only a few, a very few, of the outstanding productions for which the Film Board has earned great acclaim and awards over the many years. It should be emphasized that in none of these and countless other films of quality has the producer found it useful or necessary to blacken the reputation and memory of any individual to make his point or to develop his personal bias, as was the case in the film "The Kid Who Couldn't Miss."

So now we have a situation where the hard-earned and good reputation of the National Film Board itself is being sullied by this one incident, and that is most unfortunate. Yet the Film Board has permitted this controversy to continue for more than two years without remedy. Now, they appear to believe that a simple change of category from the original designation of documentary to that of docu-drama will cure the situation and assuage the angry protests of veterans' organizations and

thousands of individual citizens, as well as the Senate of Canada. Well, it just won't wash.

The Film Board has had trouble from the outset deciding upon a category for this film. That is not surprising. In its annual report for fiscal 1982-83 at page 11 it referred to "The Kid Who Couldn't Miss" as an "interpretive biography of Canada's legendary war ace, Billy Bishop." Honourable senators, it would strain the credulity of any resonable person to call this film a biography. In its annual report for fiscal 1983-84 at page 15, the Film Board refers to the film as "a portrayal of Billy Bishop." Again, it does not strike me as a proper reference to this film. Further in that report, at page 20 it states that the film was awarded the Silver Hugo at Chicago's nineteenth International Film Festival where it was "voted best documentary." One must assume that it was submitted in that category by the Film Board. Moving on to the Film Board's annual report of 1984-85, the most recent report, there is the first reference at pages 8 and 9 that I could find to the term "docu-drama." This reference is not related to the film in question, but is rather the board's definition of docu-drama which is: "A genre which hovers somewhere between documentary and fiction." Hovers indeed!

● (1540)

Further on in that report comes the revelation at page 40 that at the 1st International Aeronautic and Space Film Festival at Chateau-d'Oex, Switzerland the film "The Kid Who Couldn't Miss" finally found its place, its proper category. It was awarded the "Silver Balloon" in the category: "Full-length or Short Fiction Film." Honourable senators, could it be that the National Film Board submitted this film in the category of "fiction"? In any event, that is not what they have indicated to us. I suggest they must have had to submit it in that category. If not, it certainly shows that the judges were truly perceptive in their consideration of it.

Honourable senators, I come now to the public reaction to the hearings and the report of our Senate committee by Mr. Cowan and by Mr. Adam Symansky, co-editor of the film. In an article by Mr. Cowan, published in the *Toronto Star* on April 17, he said:

> The film will be labelled a docu-drama. It will not be shelved. It will not be re-cut.

In the same article, Mr. Cowan stated:

> When we do make films critical of established beliefs, we are, of necessity, walking a tightrope between freedom of expression and the abuse of a sacred privilege.

Honourable senators, I suggest that, in the making of this film, Mr. Cowan fell off his tightrope on the latter side.

On April 16, the Montreal *Gazette* published a story under the heading: "Movie-maker opposed to disclaimer for Bishop film." The story included the following:

> Executive producer Adam Symansky said in an interview before the report was made public that he would not approve any wording which labelled the film, or its parts, fiction.

Honourable senators, it seems to me that both Mr. Cowan and Mr. Symansky are somewhat presumptuous in making statements of such finality. I should think that, in the face of the controversy that has raged in the public over this film for some two years or more, and that has now been made the subject of an inquiry in Parliament by the Senate of Canada, resulting in such a critical report, the matter would be taken under consideration by the full board of directors of the National Film Board. I believe they can now do no less in the public interest. Neither Mr. Cowan nor Mr. Symansky is a member of that board. Mr. Macerola, the Government Film Commissioner, is chairman of the board.

Section 4(1) of the National Film Act provides for a board appointed by the Governor in Council with eight members in addition to the chairman:

> —three of whom shall be selected from the public service of Canada or the Canadian Forces, and five of whom shall be selected from outside the public service and Canadian Forces.

I would comment that, if the former government in its appointments, or the present government in its appointments, had included a prominent member or members of the Canadian forces, we probably would not have had to deal with this matter.

In any event, there is now a full board in place, with some old appointments and some more recent appointments. Perhaps they have considered this matter. We have really no way of knowing. However, the Minister of Communications does know, if the provisions of the National Film Act have been complied with. Section 8 of that act reads as follows:

> 8. The Chairman shall furnish a copy of the minutes of each meeting of the Board to the Minister.

If the board has not yet carefully considered or reconsidered this matter in the light of our committee's report, the minister will no doubt wish to give direction to the board as provided for in the National Film Act.

That, then, leads us to a consideration of the National Film Act and possible action that could be taken by the Senate, in light of some of the extraordinary provisions of that act. I believe it to be important that we take note of the difference in the legislation which governs the National Film Board in comparison with that governing other agencies, such as the CBC and the Canadian Radio-Television and Telecommunications Commission, or CRTC. Both of these bodies are governed by the Broadcasting Act. That act provides for limited circumstances in which the Governor in Council may give direction or orders to the CBC and the CRTC. Each of those agencies does submit an annual report to the Secretary of State who, in turn, causes the report to be laid before Parliament.

Traditionally, the government of the day has carefully maintained an arm's length relationship with the CRTC and the CBC, as designed in the Broadcasting Act.

The National Film Act provides for a quite different method for governing the activities of the NFB. By law, it is not an

arm's length situation but very much a "hands on" situation, despite the protestations of National Film Board witnesses before the Senate committee.

Let me refer specifically to two sections of the National Film Act, which is Chapter N-7, Revised Statutes of Canada, 1970. Section 3, under the heading "Responsibility of Minister"—which means the Minister of Communications—reads as follows:

> 3. For the purposes of this Act and subject to its provisions, the Minister shall control and direct the operations of the National Film Board.

That is pretty all-encompassing. The designated minister, as I have said, is the Minister of Communications. At the time of this study by the Subcommittee on Veterans Affairs, the Acting Minister of Communications was the Honourable Benoit Bouchard, Secretary of State. The present Minister of Communications is, of course, the Honourable Marcel Masse.

Honourable senators, I cannot stress too much what section 3 says. Perhaps I should read it again:

> 3. For the purposes of this Act and subject to its provisions, the Minister shall control and direct the operations of the National Film Board.

That, however, is not the full extent of it. Section 10(1) under the heading "Powers of Board" reads as follows:

> 10. (1) Subject to the direction and control of the Minister, the Board may, for the purposes for which it is established,—

And then there follow nine subsections elaborating the powers of the board, "subject to the direction and control of the minister." Therefore, the power of direction and control by the Minister of Communications over the NFB is all-encompassing. It is now clear why the Government Film Commissioner, Mr. Francois Macerola, sought and obtained the permission of the Acting Minister of Communications before he, Mr. Macerola, and officials of the NFB accepted the request of the Subcommittee on Veterans Affairs to appear and testify before it. It should be noted that the chairman of the CRTC or the president of the CBC would not have required such ministerial permission. Yet, the Film Commissioner, Mr. Cowan and others continue to invoke an imaginary "arm's length from government" protective shield against any criticism of their activities, such as in the matter of the film "The Kid Who Couldn't Miss".

Honourable senators, it appears to me that the course to be followed by the Senate is becoming clear. As we know, the Senate should not attempt to amend the report of one of its committees.

● (1550)

It can, of course, return a report to a committee with direction, which is not an unusual practice. I would suggest that it would be appropriate at the conclusion of this debate that the Senate approve a motion or resolution to the effect that a copy of this report, as it now stands, or as it may be amended by the Standing Senate Committee on Social Affairs, Science and Technology, be formally submitted to the Honourable Marcel Masse, Minister of Communications, with the request that he formally transmit that report to the National Film Board with his specific instruction of action to be taken by that board to right the wrong that it has done to the memory of and respect for the late Air Marshal William Avery Bishop, V.C.

Honourable senators, although the Honourable Marcel Masse is known properly as a staunch defender of the arts, he is also known as a fair and responsible minister. I am confident that he would, as did the committee, consider that the one recommendation of the committee in its report is the minimum action required to be taken by the National Film Board. He may, indeed, believe that the Film Board should be required to take further corrective action.

If he should consult with and seek the advice of his cabinet colleagues, I am confident also that he would be given valuable support from many of them. I think of three in particular, all distinguished veterans of World War II: the Leader of the Government in the Senate, the Honourable Duff Roblin, the Honourable George Hees, Minister of Veterans Affairs, and the Honourable Erik Nielsen, Deputy Prime Minister and Minister of National Defence.

Indeed, we have clear evidence of the very strong feelings of the Honourable Erik Nielsen in the matter of this film. On February 15, 1984, at the height of the public controversy stirred up by the release of the film, "The Kid Who Couldn't Miss", Mr. Nielsen wrote to the then Minister of Communications, the Honourable Francis Fox, and, according to a column published by Mr. Ron Lowman of the *Toronto Star* in its edition of February 23, 1986, said, in part, in that letter:

> Names like Bishop, Collishaw, Barker and Brown live on, not because they wanted it that way, but because their contemporaries—British and American, as well as Canadians—knew that they were the best.
>
> For the Canadian government to put its imprimatur on a film that sneers at the courage and accomplishments of these men from the security of a film studio is mean-spirited and hollow. It is a narrow-minded and ugly way of registering disapproval of all they stood for . . .
>
> At least leave us our heroes.
>
> Men like Bishop and the others live on in the hearts of their fellow Canadians. No cheap and sleazy attack can undermine what they did and what they stood for . . .
>
> This mean, grubby attempt to slur great Canadians should be disavowed publicly by the government and there should be a public apology by the responsible minister as well as an official disclaimer any time this miserable production is shown.

Some Hon. Senators: Hear, hear.

Senator McElman: Honourable senators, the Honourable Erik Nielsen said it all and said it well.

The minister in the former government did not act as requested by the Royal Canadian Legion, other veterans' organizations and numerous outraged citizens, including Mr.

Nielsen. I would hope and anticipate that the Honourable Marcel Masse will take firm and appropriate action if formally requested to do so by the Senate of Canada.

Hon. Senators: Hear, hear.

On motion of Senator Molson, debate adjourned.

[*Translation*]

TRANSPORTATION OF DANGEROUS GOODS REGULATIONS

REPORT OF TRANSPORT AND COMMUNICATIONS COMMITTEE ON SUBJECT MATTER ADOPTED

The Senate proceeded to consideration of the Sixth Report of the Standing Senate Committee on Transport and Communications (Transportation of Dangerous Goods Regulations), tabled on 19th February, 1986.

Hon. Léopold Langlois: Honourable senators, the committee has considered the subject matter of the Transportation of Dangerous Goods Regulations, and tabled its report on the subject on February 19, 1986.

I had intended to move the adoption of this report before today, but unfortunately, I had to postpone this for two months because of health reasons.

You will recall this was not the first time the committee undertook a study of the subject. Under an order of referral dated October 21, 1980, the committee had commenced consideration of draft regulations for the transportation of dangerous goods. At the time, it held fifteen public meetings and heard several witnesses, including officials from the Department of Transport. It subsequently decided to suspend its meetings because the draft regulations it was considering were undergoing a thorough revision. In the circumstances, the committee felt it was impossible to submit a final report on the subject.

Since then, the Transportation of Dangerous Goods Regulations were adopted by Order in Council dated January 17, 1985. The committee was then given a new order of reference, dated February 14, 1985. It resumed its study and tabled the report we are considering today. The committee held ten public meetings. The Minister of Transport and departmental officials appeared before the committee. Officials from the Department of Highways and Transportation of Saskatchewan appeared to present the views of this province before the committee. The committee also heard a number of agencies from the public and private sector and received several letters from provincial and territorial governments.

The Transportation of Dangerous Goods Regulations are aimed at encompassing all transport modes in a single set of uniform regulations. They apply to the marine, air, rail and road modes. The regulations have been in effect for transport modes under the jurisdiction of Parliament since July 1, 1985. The Transportation of Dangerous Goods Regulations also apply to transport modes governed by the provinces and the territories, since the latter jurisdictions have adopted appropriate legislation. The effective date of the regulations with respect to transport modes not federally regulated has varied between July 1, 1985 to February 1, 1986. However, as far as Yukon was concerned, the effective date at the time the committee's report was being drafted was April 1, 1986. For various reasons, Yukon has had to extend the deadline and it is now expected the regulations will become effective this summer.

The regulations do not only apply to the transportation of dangerous goods by a commercial enterprise. Any person who handles, offers for transport or transports such goods is subject to the regulations unless an exemption is specifically provided. For instance, there is an exemption, under certain conditions, for consumers purchasing goods of this nature at retail establishments.

Briefly, the regulations provide for a system of classifying dangerous goods and require that such goods be accompanied by certain documents and that safety marks be placed on the goods and the vehicles transporting them. Certain safety standards and rules must be observed, and reports must be made in case of an accident. Persons not residing in Canada must appoint a Canadian agent if they engage in activities connected with dangerous goods in Canada. The regulations also deal with the procedure to be followed when the Minister or a person designated by him issues an order to cease and desist from an activity connected with dangerous goods or to conduct such an activity in an orderly fashion. It also indicates the procedure to be followed when applying for an exemption or equivalence permit. Finally, it defines the jurisdiction and duties of inspectors.

I might point out that, concerning the personnel responsible for enforcing the road transport regulations, negotiations are being held by the various government levels with a view to reaching an agreement under which the extensive and existing provincial resources will be responsible for enforcing the regulations. This should enable us to avoid creating another federal body to do that job. The committee is encouraged to see that negotiations seem to be progressing, and it emphasizes the importance of concluding an agreement in this field.

Let us now deal with the points on which the committee thought it would be necessary to make recommendations.

Two of the committee recommendations relate to the need to make the regulations more readily accessible. First of all, the regulations are very complex, and it is unlikely that all those who are governed by them will become familiar with the regulatory requirements simply by consulting the regulations. The Department of Transport has already published information brochures for the industry. However, as we have already pointed out, these regulations apply not only to the industry but also to consumers. This is why the committee recommended, and I quote:

> That comprehensive information programs be developed by the Department of Transport to make the contents of the regulations known to people outside the industry.

The regulations have been amended several times since their adoption and can therefore be found in a number of separate documents. The committee thought they would be a lot easier to consult if the amended version were contained in a single document. This service is offered by the private sector, but in English only. Therefore the committee recommended, and I quote:

> That an office consolidation of the regulations (in both official languages) be prepared by the Department of Transport and made available to the public as soon as possible.

Incidentally, I may add that the Minister of Transport recently announced an office consolidation will soon be available.

To get back to the report, representations were made to the committee to have the regulations amended so that truck drivers and railway companies using water transportation services be under a legal duty to disclose ahead of time to the master of the ship the content of their cargoes. This would improve public safety, since it would be helpful when deciding where to position vehicles so that there should be the least possible harm in the event of an accident. The evidence the committee gathered in this regard does not disclose any conclusive reason why such a requirement should not be implemented. Thus the committee recommended, and I quote:

> That the Regulations be amended to require truck operators and railway companies to give to the master of the ship advance notice of the contents of their cargoes where they intend to use water transport service in the routing of a shipment containing dangerous goods.

Finally, the committee considered specific areas of concern in relation to the aftermath of an accident involving dangerous goods. It expressed concern about limitation of liability clauses which may, under certain conditions, be used by masters and operators of ships under the Canada Shipping Act (Sections 647 to 655). It also recalled that section 19(1) of the Transportation of Dangerous Goods Act authorizes the Minister to require any person who engages in transporting dangerous goods to provide evidence of financial responsibility in the form of insurance or any other form satisfactory to the department. No evidence of the kind is required at this time. In the United States for instance, the requirement does exist. Depending on the goods transported, the amount required varies from one million to five million dollars. However, the committee heard testimony from representatives of the Insurance Bureau of Canada and was informed that at the present time, the industry was in no position to offer insurance policies for amounts exceeding one million dollars. Furthermore, these representatives reminded the committee that the insurance policies available contained exclusion clauses for accidents involving pollution. Taking into account these circumstances, the committee recommended, emphasizing that it was merely a temporary solution as far as committee members were concerned, and I quote:

> That evidence of financial responsibility up to $1 million be required from persons who engage or propose to engage in handling, offering for transport or transporting dangerous goods, in the form of insurance or any other form satisfactory to the Minister of Transport.

In that respect the committee also recommended:

> That persons engaged in handling, offering for transport or transporting dangerous goods be required to keep with them evidence of their financial responsibility and to show it to enforcement personnel on request.

In its conclusions on the study of the regulations governing transportation of dangerous goods, the committee points out that the final version of this document, which was drafted over several years, is not yet ready. It is very complex, certain parts are still at the drafting stage, and another part will be added in the future. The committee does not question the wisdom of the decision to enforce the regulations in spite of that. Indeed committee proceedings on this subject are full of testimonies indicating that the regulations are very likely to improve public safety. Undoubtedly certain incidents have prompted the government to enforce them despite the fact that satisfactory solutions are still to be found concerning some problems, among others the financial responsibility of people involved in activities related to dangerous goods. The fact that the regulations are enforced should now be an incentive to solve the problems on which the committee reported.

On motion of Senator Langlois, report adopted.

• (1610)

[*English*]

BUSINESS OF THE SENATE

ADJOURNMENT

Leave having been given to revert to Notices of Motions:

Hon. Orville H. Phillips: Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(g), I move:

> That when the Senate adjourns today, it do stand adjourned until Tuesday, May 13, 1986, at two o'clock in the afternoon.

Before the motion is put, honourable senators, I might, as a word of explanation, state that with Bill C-62 having been referred to committee we have no further government business before the Senate.

We anticipate that the House of Commons will dispose of two items on Friday, Bill C-107 and Bill C-108, and that we shall deal with those next week.

Now, honourable senators, for the good news. Committees will meet tomorrow as scheduled. Those committees will

include: the Special Joint Committee on Canada's International Relations; the Standing Committee on Internal Economy, Budgets and Administration; the Standing Senate Committee on Legal and Constitutional Affairs; the Standing Joint Committee on Regulations and other Statutory Instruments; and the Standing Senate Committee on Agriculture, Fisheries and Forestry.

The Hon. the Acting Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

The Senate adjourned until Tuesday, May 13, 1986, at 2 p.m.

THE SENATE

Tuesday, May 13, 1986

The Senate met at 2 p.m., the Honourable Martial Asselin, Speaker *pro tempore*, in the Chair.

Prayers.

PRIVILEGE

STATEMENT BY SENATOR ROBLIN ON ALLEGED CONFLICT OF INTEREST

Hon. Duff Roblin (Leader of the Government): Honourable senators, I should like to raise a question of privilege before we proceed to our business this afternoon. I wish to bring to the notice of the Senate that at a press conference in Montreal this morning an allegation was made that I had a conflict of interest with respect to security contracts that Air Canada has recently awarded to two security companies.

Senator Frith: Who made that allegation?

Senator Roblin: That allegation was made, I understand, by a trade union official at a press conference in Montreal this morning.

I think it my duty to tell the Senate what the facts are and I am going to do so by reading a letter I have written to the Minister of Transport under whose jurisdiction this matter falls.

My letter is dated today and reads as follows:

> I would like to clarify with you my alleged association with Metropol Airport Security Services Ltd. and Metropol Base-Fort Airport Security Services Ltd. who have been asked to take the place of Burns Security Ltd. in providing airport security services for Air Canada.
>
> I am informed that these two companies are limited partnerships and I advise that I have no interest whatsoever in them.
>
> The names of these two limited partnerships are similar to that of Metropol Security Limited of Winnipeg in which I formerly held an interest. I disposed of my interest approximately six years ago.
>
> I am aware, however, that my wife has a continuing interest in Metropol Security Ltd. and that is why it is important to note that neither she nor I have any interest in the two limited partnerships to which the security contracts have been awarded.
>
> The two limited partnerships were established by other shareholders of Metropol Security Ltd. in order to take on the work in question and I am informed that the two partnerships will be operated on a self-contained basis.

The gist of that letter, honourable senators, is that the contracts have been awarded to two companies in which neither I nor my wife has any interest whatsoever, so I think I may fairly say I have observed both the letter and the spirit of any conflict of interest rules that pertain to this chamber.

I felt it my duty to let this house have my statement at the earliest date in case it should become a matter of controversy.

Hon. Senators: Hear, hear.

UNITED NATIONS FOREIGN ARBITRAL AWARDS CONVENTION BILL

FIRST READING

The Hon. the Speaker *pro tempore* informed the Senate that a message had been received from the House of Commons with Bill C-107, to implement the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards.

Bill read first time.

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

On motion of Senator Phillips, with leave of the Senate and notwithstanding rule 44(1)(f), bill placed on the Orders of the Day for second reading later this day.

COMMERCIAL ARBITRATION BILL

FIRST READING

The Hon. the Speaker *pro tempore* informed the Senate that a message had been received from the House of Commons with Bill C-108, relating to commercial arbitration.

Bill read first time.

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

Hon. Orville H. Phillips: Honourable senators, with leave of the Senate and notwithstanding rule 44(1)(f), I move that the bill be placed on the Orders of the Day for second reading later this day.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, since leave is being asked to proceed with second reading later this day and since it is our intention to give that leave respecting both of these bills, I should like to say for the record that when the bills are spoken to I think it will be apparent that there is good reason for dealing with these bills promptly. I wanted it understood that leave is not being granted cavalierly. There is good reason for doing so.

The Hon. the Speaker *pro tempore:* Honourable senators, is leave granted?

Hon. Senators: Agreed.

Motion agreed to.

INTER-PARLIAMENTARY UNION

SEVENTY-FIFTH CONFERENCE, MEXICO CITY—NOTICE OF INQUIRY

Hon. Peter Bosa: Honourable senators, I give notice that on Thursday next, May 15, 1986, I will call the attention of the Senate to the Seventy-Fifth Conference of the Inter-Parliamentary Union, held in Mexico City, Mexico, from April 7 to 12, 1986.

ENERGY AND NATURAL RESOURCES

COMMITTEE AUTHORIZED TO MEET DURING SITTING OF THE SENATE

Hon. Earl A. Hastings: Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(e), I move:

> That the Standing Senate Committee on Energy and Natural Resources have power to sit at three o'clock in the afternoon on Thursday next, May 15, 1986, even though the Senate may then be sitting, and that rule 76(4) be suspended in relation thereto.

The Hon the Speaker *pro tempore:* Honourable senators, is leave granted?

Hon. Senators: Agreed.

Motion agreed to.

QUESTION PERIOD

[*English*]

ENERGY

OIL AND GAS INDUSTRY LAYOFFS—GOVERNMENT POLICY

Hon. H. A. Olson: Honourable senators, I should like to direct a question to the Leader of the Government in the Senate. It has to do primarily with the continuing severely high number of layoffs in the energy sector, particularly that part of it concerned with gas and oil.

Can the Leader of the Government tell us today, or will he undertake to find out from the Minister of Energy, Mines and Resources, when the government is going to take some action to stem the tide of layoffs taking place in Calgary? The layoffs are continuing, at the average rate of approximately 100 per day, of people who had what they thought was permanent employment. Of course, the main reason is that no investment is being made because of the lack of confidence that there will be a reasonable return on that investment. That again follows from the government's stated intention to deregulate the industry, which in turn means that investors no longer have any confidence that there will be any opportunity of having a reasonable return on their investment.

● (1405)

Can the Leader of the Government give us an indication as to when the government will assume its responsibility and start governing this country in such a way that there will be a future for such sectors as those concerned with gas and oil? I could make the same argument for a number of other sectors, including forestry and agriculture, but today I am concerned primarily with the energy sector, because that is where the most severe reduction in employment, and the loss of income that goes with that reduction, is causing severe difficulties. Despite announcements that have been made in the past few days, there has been no stemming or slowing down in the rate of layoffs taking place in that industry.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I appreciate the seriousness of the situation to which my honourable friend refers. It is, indeed, a very serious one. I think that the situation concerning agriculture is even worse. Therefore the strain on the resources of the Canadian government is obvious.

One would have to look at both levels of government with respect to oil. The federal government has taken significant steps to improve the cash flow of those companies engaged in the oil business, and I have no doubt that the Province of Alberta is also considering measures it might proceed with, because of the large proportion of the tax revenues derived from that industry that accrue to the provincial administration.

I can inquire of my colleague, the Minister of Energy, Mines and Resources, as to whether there is anything further that I can tell my friend, but I have nothing more at the moment.

Senator Olson: Honourable senators, I could not agree more that both levels of government are deeply involved in this matter. A few days ago, when the people of Alberta had an opportunity to speak, they indicated very clearly what they thought about the provincial government's action. Whatever the number of seats may have been, the popular vote changed by probably well over 25 per cent, which is a massive switch. In some areas, where previously there had never been an NDP or Liberal elected for approximately 50 years, a number of them were elected, and there were a whole lot more who came close. I have no disagreement regarding the fact that the provincial government has a very heavy responsibility, but I was being more specific in directing my question. I am not sure that the people expect massive subsidies from the treasury, such as my honourable friend spoke about, whether federal or provincial. What they want this government to do is to govern, to assume its responsibility and to set up policies that perhaps do not require transfers out of either the federal or provincial treasury, and not leave the policy that dictates the well-being of that sector to some phantom thing called the world market, because he and I, and the people in Alberta who are directly involved, know that there is no such thing. Someone out in the international field, perhaps Saudi Arabia and a

number of other countries are setting the policy; they are making political decisions, the consequences of which affect our oil and gas sector.

What I want to know and what these people want to know is when this government intends to start to implement the policies that need to be implemented and to formulate the necessary regulations so that investors can have some confidence in the future, rather than leaving the matter completely to decisions made in the Persian Gulf or somewhere else in the world. They want the Government of Canada to govern Canada.

• (1410)

Senator Roblin: Honourable senators, if my honourable friend has some constructive ideas in this respect, why does he not introduce a motion in the house and we can discuss it?

Senator Olson: Honourable senators, perhaps I will do that. However, whether or not we have a discussion in this house, it is still up to the government that was duly elected to govern in such a way that the people of this country, including those who are employed in the gas and oil industry, can believe that it is facing up to its responsibilities. Perhaps the honourable minister really does have to defer to his colleagues to find out whether they intend to start governing, and if so when.

Senator Roblin: Honourable senators, I think that the government's record in this particular field is clear. We have taken the most drastic measures ever taken in the oil and gas industry in deregulating it, which has had a very beneficial effect on the industry. I think that this policy is still benefiting the industry, in spite of the fact that prices have fallen so low. The government has also introduced other measures that will improve the cash flow of the industry, and we are doing the very best we can. If my honourable friend has non-tax or non-monetary measures that he thinks we could implement, let him say so.

Senator Olson: Honourable senators, I am disappointed. If what has happened in the last few months, with almost the complete devastation of a large part of this industry, is the best this government can do, then I guess that that is what has to be reported to the people who are involved in the industry. It is very sad indeed.

Senator Roblin: Honourable senators, the people understand the problems as well as we do.

Senator Olson: Yes, and they indicated very clearly last Thursday what they think of those policies.

AGRICULTURE, FISHERIES AND FORESTRY

PROPOSED SPLITTING OF COMMITTEE—PROGRESS OF DEBATE

Hon. Gildas L. Molgat: Honourable senators, I have a question for the Chairman of the Standing Committee on Agriculture, Fisheries and Forestry. On January 29, I gave notice of a motion under which I proposed that we split the Standing Senate Committee on Agriculture, Fisheries and Forestry. That motion was moved on February 11 and the debate was adjourned in the name of the chairman. In view of the increasing crisis in agriculture, I wonder whether the chairman can advise me as to when he intends to speak to that matter so that we can have a vote.

Hon. Jack Marshall: Honourable senators, I thank Senator Molgat for his question and I recognize the importance that he attaches to it. I discussed this matter with the Deputy Leader of the Government, Senator Doody, and he was going to consider giving me a date on which I could respond to Senator Molgat's motion. Unfortunately, the Deputy Leader is away this week. I shall speak to him as soon as he comes back, and I hope that shortly thereafter I will be able to respond.

Senator Steuart: Oh, no.

Senator Olson: Not good enough.

TRANSPORT

AIRPORT SECURITY—TESTING OF GUARDS

Hon. Lorna Marsden: Honourable senators, would the Leader of the Government in the Senate give us more information about the testing of security guards at Pearson International Airport in Toronto?

Honourable senators will be aware, no doubt, that apparently there has been a high rate of failure on the written test which is now required of all security guards who work under contract for the airlines. Is the leader able to tell us more about the test that is carried out? In particular, is it the same test that is given to all security guards regardless of the contract under which they serve, and does he know whether the validity of the test has been checked? In short, does the leader have any more information about the content of the test which looks from the newspaper reports to be extremely dubious?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I cannot answer that question at the present time. It is really the sort of question which ought to be an order for return, but I shall take it as notice.

AIRPORT SECURITY—REMUNERATION OF GUARDS

Hon. Lorna Marsden: Honourable senators, I wonder if the Leader of the Government in the Senate could apprise us of an additional piece of information regarding this matter. It concerns the pay rates of the security guards. Would he find out for us whether the pay rates are standard under all contracts covering the various airports across the country or whether, for example, they are significantly lower at Lester B. Pearson Airport?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I shall take the question as notice.

• (1415)

AGRICULTURE, FISHERIES AND FORESTRY

PROPOSED SPLITTING OF COMMITTEE—PROGRESS OF DEBATE

Hon. Hazen Argue: Honourable senators, I would like to address a question to the Chairman of the Standing Senate

Committee on Agriculture, Fisheries and Forestry. It arises out of the very significant reply that he has made to Senator Molgat. I think it is most amusing and most surprising. I take it that before he makes his speech to proceed with this item he needs to obtain clearance from Senator Doody. That would suggest to me that the official position of the Conservative Party with regard to a report that was brought in from a committee of this house is that they are using Senator Marshall as a means of preventing or discouraging debate for a period of three months. I would think that that is an inappropriate use of the discipline that I am surprised they are admitting exists in the Conservative Party.

It seems to me that the way we operate in the Senate is for each senator to act on his or her responsibility, and I believe it is the responsibility of Senator Marshall to proceed with this debate, whether or not Senator Doody thinks it is appropriate to do so at one given date rather than another.

Senator Roblin: When are you going to proceed with the debate on herbicide pricing?

Senator Argue: I can do it quickly, but I am not holding it up frivolously. If someone else wants to speak on it, I will yield now.

Hon. Jack Marshall: Senator Argue mentioned the report. First of all, it is not a report; it is a motion. As the Leader of the Government has indicated, if you are talking about a time lapse, I think Senator Argue has a response to be made to the herbicide pricing report.

However, it is a matter of communication—

Senator Argue: If I make my response today, will you make yours today?

Senator Marshall: No, I will not make it today. I will make it in my own time, when I think it is appropriate, and it will be appropriate very soon. I know the importance of this situation, as I said to Senator Molgat. Senator Doody dictates the order of business and I think it is a matter of communication and a matter of courtesy, and I will make the response at the proper time.

Senator Argue: I think that is a rather revealing statement. I take personal responsibility for having stood the item on pesticides and herbicides, since I moved the motion to adjourn. However, I want to point out that it was not done on any direction or suggestion from the whip, or from any other part of the structure of the official opposition.

Hon. H. A. Olson: Honourable senators, I would like to raise a question that I intended to raise when Order No. 16 on the order paper was called. The chairman's intention is probably to stand this motion again, but it seems appropriate now because some discussion is taking place on whether or not it should be further delayed.

I just want to say that I think it is absolutely unacceptable that the Senate should carry on without having an active committee on agriculture and on forestry. These are two of the largest sectors of our economy and the problems in those areas have been awaiting the attention of this committee for nearly three months, as Senator Argue has said.

We must bear in mind that, if all senators are agreed, our responsibility is primarily for regions, and particularly when those regions are in economic difficulty—which is certainly the case with respect to agriculture, and we have certainly had difficulty in the forest industry. Trade talks are going on now with the United States and there are now several motions before the United States Congress that will probably be passed within the next day or two, further limiting the market for Canadian softwood lumber in the United States. Surely we ought to move on this motion of Senator Molgat and set up these committees so that we can become apprised of some of the background respecting forestry.

It is also absolutely unacceptable to me that we delay any further the examination of the crisis in farm credit and in international marketing of some of the largest agricultural commodities, particularly grain. In my opinion, it is unacceptable to delay this decision until next week for the reasons that have been advanced by the chairman of that committee. I hope that he will co-operate in such a way that we can obtain some of the background material we will need to deal with these two industries that are in a near-crisis position if not a full-crisis position, instead of postponing it for what I think are very inappropriate reasons, as Senator Argue has pointed out.

Senator Marshall: Honourable senators, Senator Olson should recognize another fact, and that is that when the Standing Senate Committee on Agriculture, Fisheries and Forestry undertook a study on soil conservation there was a crisis in the fisheries industry. As deputy chairman of that committee I did not mention that because I wanted the committee to complete its study on soil conservation. When I became chairman of the committee, I ensured there was time allocated so that the committee could complete its study on that subject.

• (1420)

Our time slot is Thursday afternoon at 4 o'clock, and I can tell my honourable friend that it is very difficult to get a quorum together at that time and on that day.

Had the honourable senator looked at the order paper before he rose, he would have seen that Order No. 16 of February 11 has not yet been responded to. I recognize that there are difficulties faced by the agriculture and forestry industries, and they will be dealt with. I will have a response as soon as possible.

Senator Olson: I agree with what Senator Marshall has said about the difficulty the fisheries industry was in. I am well aware of that and I was pleased to see that some honourable senators took on the responsibility of studying that subject. I understand that the committee is now preparing its report to the Senate on that subject.

That does not preclude or pre-empt some honourable senators taking an interest in agriculture and forestry. In my view, we would be failing in our responsibilities if we just let that languish out there without establishing a committee that

would begin to gather the background information required to help the government deal with this problem.

Senator Marshall: I remind the Honourable Senator Olson, a former Leader of the Government in the Senate, that in order to discuss forestry, which is a very important subject, and in order to discuss matters of agriculture, there must be an order of reference from the Senate. That can be easily arranged, and Thursday afternoons have been set aside to consider those matters. I am prepared to call a meeting for this Thursday at 4 o'clock.

GRAIN

CONFERENCE OF MINISTERS OF EXPORTING COUNTRIES

Hon. Hazen Argue: Honourable senators, I should like to ask the Leader of the Government in the Senate to confirm that a meeting of ministers from a number of the grain exporting countries will be held in Vancouver in early June. There was what I thought to be a not completely definitive announcement regarding the date of that proposed meeting. Is that conference going to be held, and if so, will it be held on the date that has been suggested?

Hon. Duff Roblin (Leader of the Government): My information is that a conference is being organized for early June in Vancouver. We expect the major wheat exporting countries to be represented at that meeting.

Senator Argue: That is not an answer to my question. As I understood, when Mr. Mayer made that announcement he expected that ministers from all of the grain exporting countries would attend, as they did when Otto Lang, on an earlier occasion, arranged a similar conference. Will those in attendance be ministers, or will they be lower in authority than ministers?

Senator Roblin: I believe that invitations have been extended to ministers. We may not include all the grain exporting countries, but certainly the major ones.

Senator Argue: I do not want to misinterpret the answer, but has any country stated so far that it will not be sending a minister?

Senator Roblin: I am not aware of that.

Senator Argue: I would like to have that information. Could the Leader of the Government in the Senate provide us with that information and keep us up to date on the status of those invitations and who will be attending?

Senator Roblin: Certainly.

CANADA-UNITED STATES RELATIONS

GARRISON DAM PROJECT—ENACTMENT OF DIVERSION UNIT LEGISLATION

Hon. Joseph-Philippe Guay: Honourable senators, my question is for the Leader of the Government in the Senate. I should like to remind him that a couple of weeks ago I asked a question pertaining to the Garrison Dam Diversion Project. The matter was being discussed in the United States Senate on the particular day that I asked my question. I wanted some information pertaining to that matter and asked that I be brought up to date.

Yesterday, May 12, the Secretary of State for External Affairs, the Right Honourable Joe Clark, issued a communiqué. It states, in part:

> The Secretary of State for External Affairs, the Right Honourable Joe Clark, welcomed the signing into law today, by President Reagan, of a bill authorizing the construction of a modified Garrison Diversion Unit in North Dakota based on the December 1984 report of the Garrison Commission.

He went on to state that:

> "the signing of the bill into law is welcomed by Canadians, particularly Manitobans."

● (1425)

Well, I guess that I am still behind the times. I have kept up to date with this and I would like to know the exact details of the bill that was signed—this is what I wanted in the first place—so that I can have a look at it along with other Manitobans who I know are concerned. If they had been aware of it I am sure they would have brought me up to date.

So, while this information is welcomed by the Secretary of State for External Affairs, I think it would be wonderful if the Leader of the Government in the Senate could obtain copies of the bill in question within a day or two so that I could have it before going back to Manitoba. Then we can have a look at it, and if it is the case that the right honourable gentleman said that he welcomes it, possibly we will be in a position to welcome it also. But, I think that this information is very vital to our being kept up to date as to what has taken place.

Hon. Duff Roblin (Leader of the Government): Honourable senators, when my friend raised the point a little while ago, I made some inquiries and the preliminary information I received was that the bill in Washington respected the conditions laid down that protected the province of Manitoba and, for that reason, was acceptable to the Government of Canada.

I will try to get him a further statement with perhaps more detail that will answer some of his questions.

Senator Guay: I would ask the Leader of the Government if at the same time he would try to get a copy of the bill, whatever it pertained to, that was signed in the United States so that we can have a look at it. Possibly, it will bring us up to date on what has taken place.

The Secretary of State for External Affairs went on to say—and to me this seems to throw a doubt on the communiqué that he has issued—on the second page of his communiqué, and I will quote it exactly the way it is:

> The government will continue to monitor the implementation of the new Garrison Plan to ensure that there are no inadvertent, harmful effects to Canada from the construction and operation of the Garrison Diversion Unit.

It seems to me that after welcoming the whole thing he puts in this particular paragraph saying that there is a doubt and that we will have to be very careful and watch it very closely. So, if we could get all the papers pertaining to what has been signed in order to have a good look at it, that would possibly be helpful to Manitoba, and also might help us in putting forward suggestions to the Secretary of State for External Affairs in this particular regard if we are not satisfied with it.

Senator Roblin: I think my colleague wanted to make it perfectly clear that he was taking nothing for granted and, with perhaps a superabundance of caution, he was going to continue to watch this thing to ensure that unforeseen developments did not take place. I don't think it is anything more than that.

Hon. Gildas L. Molgat: Honourable senators, I have a supplementary question if I may. I wonder if the Leader of the Government in the Senate, when he gets the further information, could also ensure that he has confirmation from the Manitoba government that they have been consulted and that they agree with the decision that has been made.

Senator Roblin: I will see what information is available in that respect. Intergovernmental exchanges have to be handled in a certain way.

ORDER OF CANADA

APPOINTMENT OF FORMER MEMBERS OF FEDERAL CABINET AND FORMER PROVINCIAL PREMIERS—REVISED REPLY TO ORDER PAPER QUESTION

Question No. 19 formerly on the Order Paper—**By Hon. Heath Macquarrie:**

18th February—In relation to the Order of Canada 1. what former (a) members of the federal cabinet and (b) provincial premiers have been appointed?

2. What were the dates of their appointments?

Revised reply by the Offices of the Prime Minister and the Privy Council:

(A) Former members of the Federal Cabinet who have been apppointed to the Order of Canada include:

NAME	DATE OF APPOINTMENT
CADIEUX, The Honourable Léo, P.C., O.C.	74/12/18
CAMPAGNOLO, The Honourable Iona V., P.C., C.M.	73/06/19
CHEVRIER, The Honourable Lionel, P.C., C.C.	67/12/22
CRERAR, The Honourable Thomas A., P.C., C.C.	73/12/17
DRURY, The Honourable Charles Mills, P.C., O.C.	80/12/15
FAIRCLOUGH, The Honourable Ellen Louks, P.C., O.C.	79/12/17
GARSON, The Honourable Stuart S., P.C., C.C.	71/06/25
GORDON, The Honourable Walter L., P.C., C.C.	76/06/23
GREGG, Brig. The Honourable Milton F., V.C., P.C., O.C.	67/12/22
HAMILTON, The Honourable William M., P.C., O.C.	78/07/04
HARKNESS, Lt.-Col. The Honourable Douglas Scott, P.C., O.C.,	78/07/04
JUNEAU, The Honourable Pierre, P.C., O.C.	75/06/25
LAPOINTE, Col. The Honourable Hugues, P.C., O.C.	79/12/17
LaMARSH, The Honourable Judy, P.C., O.C.	80/06/23
LESAGE, The Honourable Jean, P.C., C.C.	70/12/18
MARTIN, The Honourable Paul, P.C., C.C.	76/01/14
MACDONNELL, The Honourable James M., P.C., C.C.	67/12/22
PEARSON, The Right Honourable Lester B., P.C., C.C.	68/06/28
PEARKES, M.Gen. The Honourable George R., V.C., P.C., C.C.	67/07/06
PELLETIER, The Honourable Gérard, P.C., C.C.	78/12/18
PEPIN, The Honourable Jean-Luc, P.C., C.C.	77/07/11
PICKERSGILL, The Honourable J.W., P.C., C.C.	70/12/18
RINFRET, The Honourable Edouard, P.C., O.C.	82/12/20
ROBICHAUD, The Honourable Hédard, P.C., O.C.	85/06/24
*SAUVÉ, Her Excellency the Right Honourable Jeanne, P.C., C.C.	84/05/14
**SAUVÉ, His Excellency The Honourable Maurice, P.C., C.C.	84/05/14
SHARP, The Honourable Mitchell, P.C., O.C.	83/12/19
ST-LAURENT, The Right Honourable Louis S., P.C., C.C.	67/07/06
TRUDEAU, The Right Honourable Pierre Elliott, P.C., C.C.	85/06/24

*ex-officio member as Governor General

**ex-officio member as spouse of the Governor General

(B) Former provincial premiers who have been appointed to the Order of Canada include:

NAME	DATE OF APPOINTMENT
BENNETT, The Honourable William, P.C., O.C.	76/01/14
CAMPBELL, The Honourable Douglas Lloyd, O.C.	72/12/22
DAVIS, The Honourable William G., P.C., C.C.	85/12/23
DOUGLAS, The Honourable T. C., P.C., C.C.	81/06/22
DREW, The Honourable George A., P.C., C.C.	67/12/22
FROST, The Honourable Leslie M., C.C.	69/06/27
GARSON, The Honourable Stuart S., P.C., C.C.	71/06/25
HICKS, The Honourable Henry D., C.C.	70/06/26
LESAGE, The Honourable Jean, P.C., C.C.	70/12/18
MANNING, The Honourable Ernest C., P.C., C.C.	69/12/19
ROBARTS, The Honourable John P., P.C., C.C.	72/06/23
ROBICHAUD, The Honourable Louis J., P.C., C.C.	71/06/25
ROBLIN, The Honourable Dufferin, P.C., C.C.	70/06/26
*SCHREYER, The Right Honourable Edward, P.C., C.C.	79/01/22
SHAW, The Honourable Walter R., O.C.	71/12/17

*ex-officio member as Governor General

UNITED NATIONS FOREIGN ARBITRAL AWARDS CONVENTION BILL

SECOND READING

Hon. Orville H. Phillips moved the second reading of Bill C-107, to implement the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards.

He said: Honourable senators, first I would like to express my thanks for being granted leave to introduce both Bill C-107 and Bill C-108 for second reading today and for your anticipated co-operation.

• (1430)

Last week, in discussing government business at the time of adjournment, I said it was anticipated that these two bills would be passed on Friday. Shortly after I made that statement, the House, in a rare moment of unanimity, passed both bills in a few moments. It was an obvious error on my part and perhaps I am compounding that error by asking for third reading later today.

Bill C-107, to implement the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards and Bill C-108, relating to commercial arbitration, are somewhat associated so, while dealing with Bill C-107, most of my brief remarks will also apply to Bill C-108.

In June 1958, the United Nations passed a resolution on international arbitration agreements which became known as the New York Resolution. It has been endorsed by 68 of the industrialized nations of the world. Indeed Canada is, I believe, the only remaining industrialized nation which has not endorsed the resolution.

Bill C-107 will provide a means by which arbitration awards made in another country or state can be enforced in Canada. The convention will apply in commercial matters and to arbitral awards and arbitration agreements concluded before or after the coming into force of the Foreign Arbitral Awards Convention Act. Presently, enforcing an arbitral award in Canada is an involved and time-consuming process and is often very expensive. This bill will simplify the procedure by the simple expedient of providing for the filing of the awards in courts. The courts, in turn, may refuse the award under certain circumstances such as the legal incapacity of one of the parties or where the awards made under the agreement would be against the public policy of Canada.

Honourable senators, in order to have full implementation of the convention and to ensure that Canada can meet its international obligations, it is necessary for the provinces and the territories to enact similar legislation with respect to property and other rights falling within provincial jurisdiction. You will be interested to know that all the provinces have agreed to pass the legislation required. It is my understanding that British Columbia, Saskatchewan and Nova Scotia have already passed the required legislation. The other provinces and the territories anticipate the legislation will be passed by the end of June this year.

Honourable senators, in giving leave, Senator Frith indicated that I would give reasons for asking for the passage of this legislation. One reason is that it is an advantage to Canadian firms or individuals doing business in foreign states. The contract can include an agreement outlining a number of arbiters, the subjects to be arbitrated in case of dispute and, what is most important, the location of the site of arbitration. This should speed up the settlement of any dispute and becomes very important if construction is involved.

Another reason I would urge passage of this bill is because Canadian firms or individuals should in the future be able to compete on an equal basis with other nations who have signed the New York Resolution.

Recently Canadians have become extremely interested in British Columbia's Expo '86. The Province and the City of Vancouver hope that the publicity surrounding Expo will allow that city to become a site for international arbitration. This will provide certain opportunities for employment and a certain financial prestige from which we would all like to see that city benefit.

Indeed, this week, honourable senators, meetings are taking place in Vancouver in an effort to assist that city in becoming a site for international arbitration. It would benefit those who are participating in that meeting if they were able to say that, finally, Canada has its own house in order.

I urge honourable senators to support the legislation for those reasons plus the fact that since 1958 a succession of Canadian governments have been negotiating with the provinces to pass similar legislation. They have now agreed to pass that legislation and Canada can participate fully in this international convention.

Hon. Senators: Hear, hear.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I think no one would argue with the proposition that we should not, in the Senate, give prompt, short or time-abridged approval to legislation simply because the House of Commons has done so; but I do not think anyone would argue either that we should be so pigheaded about it as to refuse to do so even when there is a good reason for it.

For that reason, honourable senators, we support this legislation. We think there is good reason for the rapid consideration it was given in the House of Commons and that there is good reason for us to give it the same prompt attention.

As Senator Phillips has demonstrated, this legislation, I suppose, could be described, to use the somewhat hackneyed phrase, as long overdue.

As he has pointed out, in Canada, unlike the other nations which have subscribed to this highly desirable scheme, if you want to enforce one of the international awards, you really have to start afresh with a court case and bring an action as you would in any other set of circumstances such as alleging the facts of an automobile accident and go through the whole procedure. Your cause of action is simply the fact that you have this award, but you have to take it through the court to enforce it. Many honourable senators, both lawyers and businessmen, will recognize that there are occasions when it is most appropriate to have disputes, especially disputes arising out of contracts, settled by arbitration or by a system of arbitration rather than taking them through the regular court proceedings under the Judicature Act and the rules of practice.

That is what happens at the present time and the recommendation and the principles of this legislation are to enable

those arbitral agreements that are made internationally to be enforced in Canada without having to go through the much longer procedure of bringing an action through the regular courts.

That is the background. I believe honourable senators who have been associated with recent governments will realize that the previous government similarly wanted to adopt this legislation and supported it strongly. It was unable to get the necessary agreement from the provinces, necessary, as honourable senators will realize, because there is a split in jurisdiction here, the federal government being responsible for international affairs, which is one aspect of this legislation and the other aspect of the legislation is the provincial jursidiction where enforcement awards fall under subsection 92(13) of the Constitution Act, 1982 where the provinces have jurisdiction over property and civil rights. It meant that it was the type of legislation that had both provincial and federal jurisdictional elements and that it could not work without co-operation between the two levels of government.

● (1440)

As Senator Phillips has pointed out, all provinces have finally agreed to pass the necessary legislation so that it can work on a pan-Canada basis. Indeed, three provinces have already passed the legislation. I understand that British Columbia, as part of its Expo celebrations, had set aside May 12 as the day on which it would establish an international arbitration centre. Honourable senators, they cannot really proceed officially until the legislation has passed this house and received Royal Assent. It does mean that if we give this bill second reading today, as I believe we should, and if we do not refer it to committee but give it third reading either today or tomorrow, depending on the wish of the Senate, then we would not make our usual close and detailed scrutiny of the legislation, nor would we take the opportunity to improve it as no doubt it could be improved with enough attention, but we will be bringing into effect what has been a long overdue procedure in Canadian law. Perhaps, after some experience with its provisions, if we find that there is need for improvement, other legislation will be presented to us to effect that improvement.

For those reasons I recommend that honourable senators give this bill second reading and that they do not refer it to committee.

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?

Senator Frith: Honourable senators, would the sponsor of the bill agree to move that it be read the third time later this day so that I can have an opportunity to discuss it with him in the meantime?

Senator Phillips: I am perfectly agreeable to that, honourable senators.

Accordingly, with leave of the Senate and notwithstanding rule 45(1)(b), I move that the bill be placed on the Orders of the Day for third reading later this day.

The Hon. the Speaker *pro tempore:* Honourable senators, is leave granted?

Hon. Senators: Agreed.

Motion agreed to.

COMMERCIAL ARBITRATION BILL

SECOND READING

Hon. Orville H. Phillips moved the second reading of Bill C-108, relating to commercial arbitration.

He said: Honourable senators, I indicated when speaking on Bill C-107 that most of my remarks on that bill would also apply to Bill C-108. There are two additional points that I could mention. Bill C-108 authorizes a government agency or department such as Supply and Services to insert an arbitration clause in its contracts if both parties so agree. It also allows companies, such as a construction company building an apartment building for a financial group, to have a similar agreement placed in their contracts. This should speed up the settlement of disputes that arise during a contract of any type. I am sure that in the future this bill will also be beneficial in terms of settling disputes that can end up with one party's bankruptcy occurring in the process of the dispute. I am sure that all parties concerned will benefit from the proposed legislation.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, as Senator Phillips has pointed out, these two bills are interlocked. Bill C-107 is less effective without Bill C-108, and Bill C-108 is impossible without Bill C-107. The reasons for which I recommended the adoption at second reading of Bill C-107 apply with equal force to Bill C-108.

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 Phillips, with leave of the Senate and notwithstanding rule 45(1)(b), bill placed on the Orders of the Day for third reading later this day.

SMOKING PROHIBITION BILL

MOTION FOR SECOND READING—MOTION IN AMENDMENT—POINT OF ORDER—ORDER STANDS

On the Order:

> Resuming the debate on the motion of the Honourable Senator Haidasz, P.C., seconded by the Honourable Senator Bosa, for the second reading of the Bill S-8, intituled: "An Act to prohibit smoking in certain work areas and on board certain modes of transport",
>
> And on the motion in amendment thereto of the Honourable Senator Godfrey, seconded by the Honourable Senator Steuart (*Prince Albert-Duck Lake*), that the Bill be not now read the second time, but that the subject-matter thereof be referred to the Standing Senate Com-

mittee on Legal and Constitutional Affairs for consideration and report.—(*Speaker's Ruling*).

The Hon. the Speaker *pro tempore:* Honourable senators, the decision of the Chair on this matter will be given next week.

Order stands.

RULES OF THE SENATE

RULE 77(7) AMENDED TO PROHIBIT SMOKING AT SITTINGS OF THE SENATE AND MEETINGS OF ITS COMMITTEES

On the Order:

Resuming the debate on the motion of the Honourable Senator Frith, seconded by the Honourable Senator Cottreau:

That the *Rules of the Senate* be amended by adding, immediately after Rule 77(7), the following:

"(8) Smoking is prohibited at all meetings of Senate committees."

And on the motion in amendment thereto of the Honourable Senator Flynn, P.C., seconded by the Honourable Senator Walker, P.C., that the motion be not now adopted but that it be amended to read as follows:

That the *Rules of the Senate* be amended by adding, immediately after Rule 77(7), the following:

"(8) Smoking is prohibited at meetings of the Senate and of its committees.".—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, this motion has been before us since January. It has received considerable debate in the house and has now been amended by a motion of Senator Flynn. That motion clarifies that the intent of the rule is to prohibit smoking in committees and that, by doing so, it does not mean to suggest that it is therefore permissible to smoke in the Senate chamber. I think that is a very sensible amendment. Although I certainly want to give honourable senators the opportunity to continue to speak to this matter if they so wish, I respectfully suggest that it has quite a history in the chamber and that it might be time to put the question and dispose of it.

The Hon. the Speaker *pro tempore:* It is moved by the Honourable Senator Frith, seconded by the Honourable Senator Cottreau:

That the *Rules of the Senate* be amended by adding, immediately after Rule 77(7), the following:

"(8) Smoking is prohibited at all meetings of Senate committees.",

In amendment, it is moved by the Senator Flynn, P.C., seconded by the Honourable Senator Walker, P.C.:

That the motion be not now adopted but that it be amended to read as follows:

That the *Rules of the Senate* be amended by adding, immediately after Rule 77(7), the following:

"(8) Smoking is prohibited at meetings of the Senate and of its committees."

Is it your pleasure, honourable senators, to adopt the motion in amendment?

Some Hon. Senators: Agreed.

Hon. Paul Lucier: On division.

Motion in amendment agreed to, on division.

The Hon. the Speaker *pro tempore:* Honourable senators, is it your pleasure to adopt the motion, as amended?

Some Hon. Senators: Agreed.

Some Hon. Senators: On division.

Motion, as amended, agreed to, on division.

NATIONAL FILM BOARD

CONSIDERATION OF REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON FILM ENTITLED: "THE KID WHO COULDN'T MISS"—MOTION TO REFER REPORT BACK TO COMMITTEE—DEBATE ADJOURNED

On the Order:

Resuming the debate on the consideration of the Eighth Report of the Standing Senate Committee on Social Affairs, Science and Technology, entitled: Production and Distribution of the National Film Board Production "The Kid Who Couldn't Miss", tabled in the Senate on 15th April, 1986.—(*Honourable Senator Molson*).

Hon. Hartland de M. Molson: Honourable senators, after all of the excellent speeches on the report of the Subcommittee on Veterans Affairs, which considered the film entitled "The Kid Who Couldn't Miss", I find myself faced with the task of summing up and presenting my suggestions for the solution to the national embarrassment that is this film.

First, let me say that I think that the subcommittee's hearings were thorough and fair. I believe that the summary of its report, with one exception, was well done, although I disagree with the recommendation. I do not think that the addition of printed words in the film will do anything to clear the name of Air Marshal William Avery Bishop, V.C.

The exception that I have to the summary is that since the study began, I have come to doubt more and more that Mr. Cowan's motives in producing the film were honourable. I believe that if the producer acted with his best personal and professional integrity, the film reflects the fact that those qualities are inconsistent with the standard of the National Film Board.

• (1450)

I am convinced that Mr. Cowan was not honest with the history of World War I, nor was he honest with the recorded facts of the life and times of Billy Bishop, Canada's most decorated serviceman.

The report observes that the film was not supported by historians. It mentions evidence given by Dr. Wise, Mr. Taylor, Professor Kear and Colonel Bauer in support of

Bishop. The committee's report points out that the original objective, for which Mr. Cowan received a budget of $400,000, was never followed and that when he decided to change the direction of the film, the whole matter should have been thoroughly re-examined. The National Film Board was responsible to see that at least a balanced approach to historical facts was observed. That was not done.

The most objectionable feature—and this is brought out strongly in the report—is the use of rumours and statements purported to have been made to unofficial historian D.W. Warne. Putting those ideas into the mouth of the actor playing Walter Bourne is fabricating evidence. Bourne was a devoted mechanic, very close to Bishop. He made Bishop's Nieuport serviceable for every one of the scores of flights the pilot made. Bishop's life depended on him. It is utterly dishonest to have this airman appear to say things which he certainly never said.

Some Hon. Senators: Hear, hear.

Senator Molson: It just won't fly. In the film Bourne is made to express doubt about Bishop's ability to remove the Lewis gun from the airplane. I have personally spoken to an experienced mechanic at the Canadian War Museum who works on those vintage aircraft. He told me that he could take off the Lewis gun with the greatest of ease. Why did not Mr. Cowan speak to him? I might add, for the information of honourable senators, that there is a replica of the Nieuport 17 in the National Aviation Museum at Rockcliffe, and, for those who have never seen one, they might find it interesting to look at. It is so unbelievably small, compared with what we think of today as being aircraft, that it is hard to believe that a man could go up in the air for approximately 200 sorties and engage in all of the battles in which he engaged. That Nieuport weighs only 825 pounds empty. The Hurricane-type fighter that I flew weighed 7,900 pounds, nearly 8,000—practically 10 times as much—and the F-18, about which we all know a great deal, weighs about 50,000 pounds fully loaded. So honourable senators can see that it is a far cry from the 1917 vintage aircraft that Billy Bishop flew.

I quote from the report as follows:

> Throughout the film, the chronology of events is hopelessly scrambled. In general, this may be due to dramatic licence, to the effort to give the film greater audience appeal. In one particular instance, however, the film uses a chronological shift to give Bishop a powerful motive for faking the attack on a German airfield.

This, of course, is where the Victoria Cross raid is shifted from 1917, at the middle of Bishop's time with 60 Squadron, to become the climax of his World War I career. That is misleading and dishonest. It ignores the fact that Bishop returned to action in 1918 with a different squadron, No. 85, and added 25 more victories to his score nine months after he had received the V.C.

The report draws attention to the fictitious suggestion that a lot of brass hats were waiting for the return of Bishop from his early morning raid. This is completely untrue. The film even shows a picture of King George V at this stage, suggesting that perhaps the king was waiting for him. All this is simply imaginary evidence. It is phony. It is deliberately placed to convey a false impression, to cause the viewer to draw an untrue conclusion.

We do not know who speaks for the National Film Board. In recent weeks we have had articles or interviews with three different people, each of whom has expressed his opinion about the film or about the Senate committee. For example, an article on April 17 by the Canadian Press says that Mr. Cowan has already rejected the recommendation from the Senate subcommittee that his film should include a disclaimer labelling the film partly as fiction.

The executive producer, Adam Symansky, is quoted by the Canadian Press as saying that he would not approve the wording of any disclaimer which labels the film or any of its parts as fiction.

Well, according to the National Film Board Annual Report for 1984-85, the film was entered in a festival in Switzerland in the category of "Full Length or Short Fiction Film". Both Mr. Symansky and Mr. Cowan repeat that their docu-drama is truth, but they present it internationally as both documentary and fiction, but not as docu-drama.

The Commissioner, speaking for the Film Board, is quoted as saying that he was pleased that the Senate had agreed with his decision to re-label the film a "docu-drama". What nerve! It took him two years and a Senate hearing to make his decision. He said, on November 28 last, that re-labelling would take effect "from today", and would be applied to all copies of the film. But has the National Film Board lived up to its promise?

I have a letter saying that on March 17 of this year the film was shown and that it had no such disclaimer. On April 23 the film was shown again in Ottawa and it had no disclaimer, although a statement from the National Film Board was read to the audience before the screening. Once again one has to ask: Where is the Film Board's integrity?

Mr. Symansky is quoted in the press as criticizing senators for refusing to hear witnesses from the NFB sources, including Bishop's World War I associate, Willy Fry. I quote his words:

> Willy Fry, the only living pilot who flew with Bishop.

That is an absolute falsehood. Willy Fry is not the only living pilot who flew with Bishop. There are several others, whom I will mention shortly, who escaped Cowan's research or who did not fit his desired category of witness. This selectivity is plainly dishonest. And what of the charge that the committee refused to call witnesses desired by the National Film Board? Also false, according to Senator Marshall, the chairman of the committee.

Incidentally, Mr. Cowan did not think very highly of the Subcommittee on Veterans Affairs. He made a statement to the *Toronto Star* on April 17, and I quote:

> Consider the nature of the subcommittee, a group of war veterans with a large and powerful constituency of other war veterans. Was this committee going to be impartial in judging a film that criticized the making of a war legend?

He was certainly not making any legend. He was destroying one.

The facts are that the senators who served on the committee are nine in number. Of these nine senators only one was a war veteran of the Canadian Forces and one a veteran of the Royal Navy. So much for Mr. Cowan's outburst. And something else, what is wrong with having a million Canadian veterans and their families at Billy Bishop's side? They are the ones who are most offended by Cowan's denigration of Bishop's memory. We, honourable senators, must come to their support.

● (1500)

Unfortunately for this film, Paul Cowan's research was totally superficial and very lacking in depth. Colonel Bauer's research here, in England, in France and in Germany emphasizes that lack of depth. The evidence of Stewart Taylor, the official historian of the World War I flyers, also strongly supports the honesty of Bishop as against the innuendoes in the film and supports the fact that none of Bishop's wartime comrades had any doubt about his honesty in 1917. In the evidence given to the committee one will see that a letter was filed from Air Vice-Marshal Stevenson in Vancouver. He stated that he had talked with Don MacLaren, Nick Carter and George Howsam, World War I fighter pilots in France and highly decorated for their achievements. He said, "They are amazed that a campaign to discredit Bishop should arise, let alone receive support from a government agency."

Honourable senators will also see a letter sent by Sir William Stephenson, the man called "Intrepid", who states forcefully that he as an aviator knew Bishop, served at the front with him and that he is incensed that such charges should be made in this film sponsored by the Canadian Government. All these people who knew Bishop at the time contradict completely the statements produced by the National Film Board. But were they contacted by Paul Cowan when he researched his film? Of course not. I said earlier that there were other pilots still alive who flew with Bishop. J.B. Crompton, living in Toronto, was in Bishop's flight in 60 Squadron. He was not consulted by the National Film Board nor was he offered as a witness. He has made a statement that he was in the mess of 60 Squadron the night Bishop's Victoria Cross was announced and that they had quite a celebration. Mr. Crompton states categorically that there was no feeling held by the personnel of 60 Squadron that Bishop was in any way fraudulent or dishonest.

Another 60 Squadron member in 1917 is Tim Hervey in Leighton Buzzard, England. He received his pilot wings with Billy Bishop in 1917 and both went to 60 Squadron and flew Nieuports in the same flight. Tim Hervey voiced no doubt whatsoever about Billy Bishop's honesty when Colonel Bauer spoke with him earlier this year. This is in direct contradiction to the evidence used by the Film Board from the tape of Archibald James. He stated that Bishop was known to be a fraud. This statement is a lie. Such a thing was not generally known. In fact, there is no evidence that there was even a suggestion during World War I that Bishop was fraudulent and that he was cheating. I must also tell you that in January of this year, Peter Simkins, Chief Historian of the Imperial War Museum, when interviewed on a BBC news program implied that James was not a reliable witness. But the National Film Board does not want to hear that! No! If James' outrageous statement can be used to help condemn Billy Bishop, it will be used.

The producer plunged straight ahead, using only the words of those who supported his personal convictions and disregarding all the evidence showing probability that Bishop's claims were valid. And note that the one British historian who appears in the film, Alex McKee, is pointedly not asked about Billy Bishop. We must ask why not.

No one has denied that there can be those who doubt that Bishop did all that he said. Anybody is allowed to doubt any record. But to rewrite history, there must be a convincing weight of supporting evidence. There must be actual historians making statements, and citing actual records, not nameless and faceless individuals who deny existing and accepted history. How elusive is the quality of integrity in this work! None of us wants to dampen creative and artistic effort in this country. But those qualities have to be used responsibly and objectively in historical work. In this film creative and artistic effort were used to advance a personal theme at the expense of truth.

It has already been acknowledged that the Film Board has done excellent work in the past. However, that does not mean that it cannot make a mistake. Even the Government Film Commissioner acknowledged in his testimony that a mistake has been made. They are not infallible. But the producer and the executive producer have been issuing strident claims that they are telling the truth and that they will not accept the concept of correction of the film. Moreover, they say the Senate did not give them a fair hearing, that it is all very unfair to them when all they wanted to do was to show how horrible war is. We know that wars are horrible. We do not question the right of a film producer to remind us, but we do question very seriously the use of public funds, and a large amount—remember, $400,000—and, particularly, use of the prestigious label of the National Film Board of Canada to destroy the reputation of a hero, whether Bishop or any other or, in fact, the reputation of any individual without proof. This is our main objection to the film. It is made to appear as presenting the truth, and it is a lie. We in Parliament cannot condone the dishonesty of any government agency. In this case the known history of Billy Bishop has been distorted and he has been shown falsely as a fraud and a cheat.

The film is simply and totally a mistake. We in Parliament have not only the right to criticize the false effort of a government agency, but the responsibility to do so. It is our duty to attack what is not in the public interest. It is our duty to defend the reputation and the heritage of our country. In the matter of an individual who has been attacked irresponsibly, it is our duty to come to his defence. The right to one's reputation is one of the freedoms for which we fought and which, without question, we should defend.

I should point out that there has been an enormous amount of support in the form of letters from the general public

regarding our investigation of the film. The national press and media have been objective and fair-minded in discussing the matter and the Senate's handling of it.

Honourable senators, before I finish I want to make some brief observations on my perception of the general image of our chamber. In the many years that I have been in the Senate, I have with great regret seen that the high public regard for our institution, noticeable when I first came here, has been decreasing year by year and particularly so in recent times. Today we hear or read all the time things like: How unnecessary, how useless, how ineffective and moribund is the Senate. Some people want to abolish it. Others want to reform it and others want to elect the members. There is not much respect apparent. Perhaps part of the cause is that the Senate never seems to have the courage of its convictions. Perhaps part of the cause is the highly visible partisanship that has developed in the house. Perhaps our objective and traditionally rather more independent view has been eroded. Whatever the cause or causes, the reputation of the Senate is dramatically lower than it was when I was introduced.

In this case, however, it is obvious to all of us in the chamber that there is no element of partisanship. During the existence of this film there has been a minister responsible from both the Liberal and Conservative governments. There have been letters of encouragement to us as supporters of truth in history from top leaders of these parties. In the Senate, I have been assured by the Leader of the Government and the Deputy Leader of the Opposition that no instruction for support or otherwise has been or will be issued in either caucus. I trust that the Leader of the Opposition will not consider this a discourtesy that in his absence I got this statement from his deputy.

• (1510)

The report of the Senate committee clearly indicates that damage has been done by the film, "The Kid Who Couldn't Miss." Damage has been done to our national image, to our pride, to all those who served to protect our liberty and our way of life, to the families of those who gave their lives and, last but not least, to the members of Billy Bishop's family. Perhaps I should add that damage has been done to the National Film Board itself. There are undoubtedly millions of Canadians who look to us to have the courage and clarity of vision to correct the unjust and unjustified attack on this country's leading hero of World War I. We must get up off our knees and accept our responsibility.

In view of all that has been said in the excellent speeches by other senators, my own clear convictions persuade me that the Senate has no choice but to act positively and firmly in this matter.

I therefore move:

> That the Report of the Standing Senate Committee on Social Affairs, Science and Technology entitled: Production and Distribution of the National Film Board Production "The Kid Who Couldn't Miss", tabled in the Senate on 15th April, 1986, be referred back to the Committee with instructions to consider and report upon the following:
>
> Strike out page 20 and substitute
>
> RECOMMENDATIONS
>
> 1. That after the titles of the film, the following disclaimer be added: "This film is a docu-drama and combines elements of both reality and fiction. It does not pretend to be an even-handed or chronological biography of Billy Bishop.
>
> Although a Walter Bourne did serve as Bishop's mechanic, the film director has used this character to express his own doubts and reservations about Bishop's exploits. There is no evidence that these were shared by the real Walter Bourne."
>
> 2. That the National Film Board be requested to take action to eliminate from the film the unproven allegations, charges and innuendoes against the integrity of Billy Bishop.
>
> 3. That a copy of this Report as it stands or as it may be amended, be formally submitted to the Honourable Minister of Communications, with the request that it be transmitted to the National Film Board along with the Minister's specific instruction of action required of the Board to correct the wrong that has been done to the factual record of the late Air Marshal William Avery Bishop, Victoria Cross.

The Hon. the Speaker *pro tempore:* Honourable senators, is it your pleasure to adopt the motion?

Hon. Royce Frith (Deputy Leader of the Opposition): If no one wishes to speak to it, I move the adjournment of the debate. If Senator Thériault wishes to speak to it now, I will speak to it afterwards.

Hon. L. Norbert Thériault: Honourable senators, I merely want to say that I was not prepared to vote on the motion until I had read it. However, if Senator Frith is moving the adjournment of the debate, that is fine with me.

On motion of Senator Frith, debate adjourned.

STANDING RULES AND ORDERS

TENTH REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the Tenth Report of the Standing Committee on Standing Rules and Orders (Register of Senators' Interests), presented in the Senate on 7th May, 1986.

Hon. Gildas L. Molgat moved that the report be adopted.

He said: Honourable senators, perhaps I may make some brief comments, although I think the report is self-explanatory. The committee studied this question, which is very much before Parliament these days. We had a statement here today on the matter and we have observed what has happened in the other place over the past two weeks. The committee recognizes

the importance of this matter to parliamentarians and the need to clarify the situation.

However, in its study the committee found that there is a great conflict at the moment in the existing law which is contained in both the Criminal Code and in the Senate and House of Commons Act. It was the view of the members of the committee that it would not be sensible, at this point, for the committee to propose a new set of rules until such time as there is a clarification of the situation with respect to the existing law in those other two statutes.

In recent years, the courts have interpreted the law in different ways. Originally, it is my understanding that the particular section of the Criminal Code under consideration was not meant to apply specifically to parliamentarians, but basically to public servants. However, the interpretation has now been broadened to include parliamentarians and it is our recommendation, therefore, that we should ask the government to instruct its law officers, in consultation with legal counsel from this house and the other place, to have a look at the existing law and on that basis to prepare a number of recommendations. When that has been done, then we would recommend that these recommendations be referred back to the committees of both houses for further study and report at that time.

In our view, we would not be serving the case by proposing now a set of new rules until such time as the existing statutes are clarified.

Motion agreed to and report adopted.

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

CONSIDERATION OF TWENTY-EIGHTH AND TWENTY-NINTH REPORTS OF COMMITTEE—ORDERS STAND

On the Orders:

Consideration of the Twenty-eighth Report of the Standing Committee on Internal Economy, Budgets and Administration (Supplementary Budget of Banking, Trade and Commerce), presented in the Senate on 29th April, 1986.—(*Honourable Senator Frith*).

Consideration of the Twenty-ninth Report of the Standing Committee on Internal Economy, Budgets and Administration (Supplementary Budget of Energy and Natural Resources), presented in the Senate on 29th April, 1986.—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, Order Nos. 10 and 11 will have to stand again for another day or so.

Orders stand.

REGULATIONS AND OTHER STATUTORY INSTRUMENTS

FIFTH REPORT OF COMMITTEE—ORDER STANDS

On the Order:

[Senator Molgat]

Resuming the debate on the motion of the Honourable Senator Nurgitz, seconded by the Honourable Senator Murray, for the adoption of the Fifth Report of the Standing Joint Committee on Regulations and other Statutory Instruments (Statutory Instruments No. 32), presented in the Senate on 20th March, 1986.—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I believe that this order must also stand, for the same reason as was previously given.

Order stands.

NATIONAL DEFENCE

CONSIDERATION OF THIRD REPORT OF SPECIAL SENATE COMMITTEE—DEBATE ADJOURNED

• (1520)

The Senate proceeded to consideration of the Third Report of the Special Senate Committee on National Defence entitled: "Military Air Transport", tabled on Thursday, February 20, 1986.

Hon. Paul C. Lafond: Honourable senators, I apologize for the long delay in pursuing this item, which has now been on the Orders of the Day for several weeks. My persistent optimism led me to believe that a firm statement would be forthcoming on the where, when, what and how of a white paper on Canada's Defence Policy, which your committee has been requesting for years. At this point, it appears that the possibility of such a statement is rapidly diffusing into the drizzle and fog of double talk.

Throughout the last general election campaign, Canadians were lured by the promise of an early review and statement of defence policy. The Prime Minister, and successive Ministers of Defence, reiterated that commitment in many instances after reaching office, putting back the deadline each time. As recently as October 24, 1985, the Associate Minister of National Defence stated before our committee, and I quote:

> The white paper has been a long time coming. It is very high on the priority list. There is a lot of work going on. The target is to have it by year end.

On March 20, I asked the Leader of the Government in the Senate a straightforward, simple question as to the status of the white paper. I have received no reply.

On April 29, Senator Molgat asked a question along the same lines, which the Leader of the Government in the Senate answered off the cuff in his best evasive manner.

On April 30, the Prime Minister made a hit-and-run statement at a pre-departure press conference which the Ottawa *Citizen* headed: "Brutal Economic Realities Have Shrunk Policy Options on Defence."

Answers to questions on the same subject in the other place by the Associate Minister on May 1, by the Minister and Deputy Prime Minister on May 2, have further obfuscated the issue, and effectively relegated the questions of security, terri-

torial sovereignty and defence to the marsh, three miles in the bush, behind the backlot of Canadian self-esteem.

Honourable senators, I shall return to the absenteeism of defence policy later in my remarks.

May I at this point call attention to the fact that the other place, after at least two generations of parliamentarians, has reinstituted a committee dedicated exclusively to matters of national defence.

May I also note, for the record, the announced retirement, on July 11 next, of General G.C.E. Thériault as Chief of Defence Staff. General Thériault was one of the first senior defence staff officers to appear before your committee in 1981 and since then has been extremely open and co-operative in providing the committee with the information and assistance it needed.

He is to be succeeded by General Paul D. Manson who, as Co-ordinator of Air-Sea Rescue when we were inquiring into Maritime Command, and as Chief of Air Command during our inquiries into Canada's Territorial Air Defence and into Military Air Transport, was equally forthcoming with information, assistance and guidance.

Both of these gentlemen are the personification of the high competence and efficiency of the senior officers of the Canadian Armed Forces, many of whom members of our committee have come to know. Now retired or coming through the ranks, they are as essential an element of the Canadian fabric as may be our entrepreneurs, our prime producers, our artists, our teachers or our labourers. Pity that so few of our military on retirement enter politics. Their discipline might teach us and others many valuable things.

Now to the Senate Special Committee on National Defence's latest report.

Your committee over the last five years has envisaged its task as carrying out an audit of our requirements, in manpower and equipment, vis-à-vis our territorial defence needs, our stance on sovereign integrity, our commitments to our allies and our peacekeeping undertakings.

We have dealt in turn with manpower, Maritime Command, territorial air defence and now military air transport. We have pointed out the deficiencies; showed up the procrastination at remedying them; have been conscious of the costs involved and posted them up; and have concluded that we can afford them over phased periods, which we have very carefully outlined.

We have attempted to encourage the political will to give national defence the attention and resources it demands and have succeeded, in my estimation, to a considerable extent with Canadians, with the media, but apparently have not permeated Canadian governments.

In our fourth report, on military air transport, we have established that both our equipment and our manpower are sadly inadequate.

Many of our transport aircraft are too old and on the verge of retirement. Attrition is not being compensated for. Two Hercules lost in an accident a year ago have not yet been replaced. We are told this replacement has a high priority but no move has yet been made. Our fleet of Hercules, reduced to 26 aircraft, aged from 2 to 21 years, would be due for retirement in 1995 unless some action is taken.

Because of the lack of numbers our aircraft are overflown and their crews are overstressed in meeting our normal peacetime requirements. Of course there are some planned replacements in the normal course of things, but there is no assurance they will be proceeded with. They should be overreached without delay.

There are many technical and other details of the unacceptable state of Air Transport Group given in our report. I urge senators to take note of them. Our Air Transport Group faces bloc obsolescence of its equipment in the early 1990s, yet no concrete move appears in the offing. In only a few years we will be faced with the inability to meet our own territorial peacetime requirements. There will go our reliability in the eyes of our allies, and God help us should disaster strike. Yet we readily invest DND funds in Challenger jets for "administrative flights" for non-military VIPs.

The 10 Tactical Air Group is in a similar situation—short of personnel and equipment, obsolescent equipment, aircraft and crews committed simultaneously both at home and in Europe. Yet we volunteer a commitment of nine CH-135 Twin Huey helicopters to serve in Sinai as of this April.

This deplorable state of affairs can be remedied, as our report demonstrates, at a moderate increase of $255 million annually over the next 15 years; that is, roughly 0.05 per cent of GNP, surely a modest and affordable cost. If only the political will were there.

Our report demonstrates as well that the cumulative cost of all recommendations in our four reports requires increased expenditures on defence of about $1.2 billion annually over the next 15 years, an increase of 0.27 per cent to 2.33 per cent of our GNP in defence costs. Surely, here again a modest and affordable amount to assure the credibility and the efficiency of our defence establishment.

• (1530)

One important aspect of military air transport which the committee spent some time on is the availability of civilian resources in this field, both equipment and personnel.

It is obvious when one takes up the subject of military air transport that no country should, and few countries could, maintain a fleet sufficient to answer all needs in times of crisis or hostilities.

In most other countries this can be achieved without major disturbances because there are in place other modes of transport. Canada, however, because of its vast distances and its geography, would have to maintain the operation of a large nonmilitary air transport capacity to avoid complete paralysis.

We therefore must have in place plans based on an up-to-date inventory of civilian capacity, establishing the numbers that can be diverted and mechanisms and legal means through which such requisitioning of equipment and personnel as is available and as is needed can be achieved.

Your committee submits therefore the following recommendations:

> Prompt action should be initiated to permit the requisitioning of civil aircraft in times of emergency and to encourage the participation of civilian air and ground crews in the common defence effort. New emergency legislation is urgently required, government management systems should be strengthened, and government-industry co-operation enhanced.
>
> Noting the very limited number of large cargo aircraft available in Canada in the civilian sector, the Committee urges the government to encourage the development of such capability where it seems practical and cost-effective.
>
> The government should pursue the current negotiations on Integrated Lines of Communications (ILOC) and Safe Haven arrangements with the aim of establishing effective bilateral or other agreements as soon as possible.

These do not involve extraordinary expenditures and surely could be proceeded with without delay.

If I may return now to the hide-and-seek white paper on National Defence.

On April 15, the Honourable Allan McKinnon, an ex-Minister of National Defence, stated:

> I think we should get a little more definite about it. We are either going to have one or we are not.

And later he said:

> —the period of time this thing has been in gestation is for longer than would be necessary to write a white paper, if the aim of the white paper is to clarify the goals you hope to attain and leave it at that, rather than to hope it will fit an upsurge in the economy.

On the same occasion, the Assistant Deputy Minister of Defence, Policy, Mr. John F. Anderson stated:

> This is a good time to be producing a white paper that would try to look well ahead as to where we should be going.

Mr. Anderson appears to be the designated official to manage the production of a white paper on defence. I surmise that he has already done so. In fact the press has reported many times over the last eight to twelve months that this white paper was before cabinet.

I suspect the irresolute and "fraidy" influences of the ministers and Departments of External Affairs, Finance and Treasury Board prevailed in an irresolute and "fraidy" government and they sent the proposals back to DND.

The quotations from Mr. McKinnon I gave earlier defined one of the aims of a white paper as "clarifying the goals you hope to attain." What is so difficult about that if you address the problem with determination?

So we cannot afford to achieve those aims at the present time! What is shameful or demeaning about saying so? As we go along and can afford more, these are the guidelines we intend to follow. This should be stated.

[Senator Lafond.]

Your committee has proposed a series of programs phased over 15 years or so. Let the government in office adopt them, modify, prolong or shorten them, but let that government tell us where it wants to lead us in terms of defence, then we shall judge. Prolonged stagnation was unacceptable under the previous government; it is no more acceptable under the present one.

An editorial in the Winnipeg *Free Press* of April 21 noted:

> The last thing the government should do is to shelve its plans to produce a white paper on defence policy. Fifteen years have gone by since the last white paper on defence was produced. More important than the elapsed time is the need within Canada for a clear statement, like that heard on the election stump, of the government's priorities in defence matters. The members of Canada's armed forces need to know where they are heading, and the taxpayers of the country need to know the costs involved.

I continue that quotation:

> Fiscal restraint should not prevent the government from announcing its long term goals in defence, even if these goals amount to little more than a wish list.

Of late the Prime Minister and the Ministers of National Defence have been leaning on the inadequacies of the previous government to justify their own. What utter nonsense! Your committee in its reports has highlighted the failures and neglect of defence by the last Liberal government in more forceful terms than has any other source. But that government made no commitments. The present one has.

Let me quote Jeffrey Simpson in the *Globe and Mail* of April 22:

> The federal government has backed away from a sorely needed national debate on defence, leaving our defence priorities as poorly considered as ever.
>
> The Speech from the Throne of November 1984, promised a national debate. "My government is convinced that Canada's defence forces urgently require a new definition of their role." The Speech declared. "The strategic context in which we defend our own territory and that of our allies has changed considerably since the early 1970s . . . My ministers are undertaking a comprehensive examination of these matters."

And Mr. Simpson concluded:

> In the Tories' marshmallow election campaign, the need for a debate was brushed aside in the airy promises to boost real spending on defence by 6 per cent per year.
>
> That promise has gone the way of many good intentions. The country would be well served if we got those issues back on the table and thrashed them out.

Honourable senators, a white paper on national defence must be produced now and the pattern must be set for the tabling of such a document annually as do most of our allies. Nothing more should need to be said on this chapter.

• (1540)

We have made some progress. In terms of personnel, we are increasing at the set snail's pace of about 400 additional persons per year. The promised increase of 1,200 in the Central Europe establishment has not materialized. Lip-service is still being paid to the reserves with no improvement in their numbers or in their lot.

We have acquired some tanks and some land vehicles. We are refurbishing our small arms arsenal. We have acquired half as many Aurora aircraft as we need. Deliveries of CF-18 aircraft are on schedule.

Phase I of the frigate program is proceeding not painlessly. Phase II, for an additional six units, which should be contracted for no later than next year, is persistently set aside. There have been no moves on conventional submarines or mine-sweepers.

We have recently had blatant announcements of the selection of contractors—Oerlikon-Buhrle for low-level air defence systems and Litton systems for updating four Tribal class destroyers. Two billion dollars has been spent and there has been much gloating about the number of jobs involved. As of a week ago, in the Litton contract, there was no discussion of cost, of times of delivery or of any final matters. This, apparently, was announced last Friday. The Oerlikon-Buhrle contract is up in the air. Many of these initiatives remain wrapped in the envelope of bombast and, not to say, blarney.

NATO documents reveal that in 1985 we remained 13th out of 14, only ahead of Luxembourg in percentage of the gross domestic product devoted to defence expenditures. We stand sixth in terms of defence equipment expenditures, having obviously so much catching up to do. We stand second last, again just ahead of Luxembourg, in terms of our total armed forces as a percentage of our total labour force.

Spain joined NATO too late to be included in these tables, but the annual report entitled "The Military Balance 1985-86," compiled by the London Institute for Military Studies places it ahead of Canada in this equation.

Senators may be interested to learn that this same report reveals that the most neutral of nations, Switzerland—small, compact, with natural geographical defences, a population of 6.5 million—devoted 2.16 per cent of its GDP in 1984 to defence expenditures as compared to Canada's 2.2 per cent. Regular Swiss armed forces amounted to 1,500 plus 18,500 recruits who are taken in twice a year for 20 weeks of service and reserves of 625,000 of which 400,000 undergo refresher training annually. Canada has 83,000 regular and 24,700 reserves.

Canada may be far removed from the historical areas of conflict, but Canada has more land and more coastline to stand on guard for than any other country. We are not doing it nor are we putting ourselves in a posture to honour all of our commitments. I do not like it and the population of Canada does not like it, particularly in view of the rescue of corporate clients of mismanaged banks, of the tax relief accorded mismanaged petroleum consortia or Olympia and York, at a billion dollars a shot, all in the space of one year or less, and then pleading poverty when it comes to defence.

Canada and its governments must soon rediscover the political will and the determination to assure its security, its sovereignty and to carry its weight honourably among its allies.

Hon. Senators: Hear, hear.

On motion of Senator Marshall, debate adjourned.

RULES OF THE SENATE

MOTION TO AMEND RULE 67(1)—DEBATE ADJOURNED

On the Order:

> Resuming the debate on the motion of the Honourable Senator Molgat, seconded by the Honourable Senator Barrow:
>
> That Rule 67(1) of the *Rules of the Senate* be amended by striking out paragraph (*n*) and substituting the following:
>
> "(*n*) The Senate Committee on Agriculture and Forestry, composed of twelve members, four of whom shall constitute a quorum, to which shall be referred, on order of the Senate, bills, messages, petititions, inquiries, papers and other matters relating to agriculture and forestry generally, and the Canadian Wheat Board."; and
>
> That the following new paragraph be added immediately after paragraph (*n*):
>
> "(*n*.1) The Senate Committee on Fisheries, composed of twelve members, four of whom shall constitute a quorum, to which shall be referred, on order of the Senate, bills, messages, petitions, inquiries, papers and other matters relating to fisheries generally.".—(*Honourable Senator Marshall*).

Hon. Jack Marshall: Stand.

Hon. D. G. Steuart: Honourable senators, I believe Senator Molgat pointed out in Question Period that we, on this side, would like to see this order proceeded with. I should like to notify Senator Marshall that we would like to proceed with it tomorrow because we think this subject is of the utmost importance to the agricultural community. I hope he will be prepared to deal with it tomorrow notwithstanding his comments regarding the return of the deputy leader. Some of us on this side feel that we do not want to wait but that the debate should proceed although the matter may not be finalized until the deputy leader returns.

Senator Marshall: I will discuss this with the powers that be. I will be ready to proceed in a very short time.

Hon. Royce Frith (Deputy Leader of the Opposition): Senator Marshall may consider yielding to someone else who wishes to participate in this debate. We are not being asked to vote on this matter but Senator Marshall may consider yielding to someone else.

Senator Marshall: I agree that could be done. If anyone wants to speak before I do, they are welcome to do so.

Hon. H. A. Olson: Honourable senators, I do not want to repeat the arguments I made earlier today in Question Period, but I would like Senator Marshall to understand that I support what Senator Steuart has just said. Whether the decision is Senator Marshall's or that of the, as he said, "powers that be"—and I think he is sitting right here in the chamber, that is, the Leader of the Government—we want to get on with this matter. Perhaps we should debate the matter tomorrow but at least later this week or early next week, we hope to be in a position to vote on it so that the matter is completed.

As has been pointed out or ought to be pointed out, this motion is based on a committee report and we are ready to deal with it. Any further delay is unacceptable.

Hon. Duff Roblin (Leader of the Government): I think we should make it clear that if any senator wishes to speak in this debate now, we are quite willing to stand down and let him do so.

Senator Steuart: Honourable senators, I will take advantage of that.

The Hon. the Speaker *pro tempore:* Is it agreed, honourable senators?

Hon. Senators: Agreed.

Senator Steuart: It is not my intention to speak at length but I would point out that for many years we have had an active Agriculture Committee. Some time ago it was melded with the committee which dealt with forestry and fisheries, a decision, which, at that time, was agreeable to everyone.

The Standing Senate Committee on Agriculture, Fisheries and Forestry is now dealing with a question of the utmost importance, namely fisheries. In due course it will, no doubt, produce a report and recommendations which I think will be welcomed and timely.

I will not touch on the subject of forestry which is of vital interest both from considerations of trade and reforestation. I will deal only with the matter of agriculture. Everyone is aware that agriculture is in probably the most serious situation it has been in since the depression of the 1930s.

If we have any reason for being here, it is to express regional considerations. If ever there was a segment of our economy that needed discussing in view of the talk regarding free trade, the whole problem of the debt structure and the debt problems that farmers, especially in western Canada, find themselves facing, it is agriculture. People from the western region are crying for people to speak out and for those in authority to listen to what individual farmers and farm organizations are saying.

If ever there was a vital time to have a committee of the Senate studying purely agricultural matters, listening to problems and coming up with recommendations for the consideration of the government—not only the Government of Canada but the governments of the provinces—it is now. I hope that we can settle this matter and go back to where we were in terms of giving agriculture, forestry and fisheries a full voice. I do not mean to downgrade the fishery because I realize that it is of vital importance. But I do wish to put squarely on the table in the Senate, before the people and before the Government of Canada, the problems in the agricultural sector. I repeat that I do not think there was ever a time when it was more important to do so.

[Senator Marshall.]

• (1550)

Honourable senators, I hope that we will finish this debate. I hope that we will support this motion, that we will set up the committee and that it will get moving on this vital matter.

I have been asked many questions, as I am sure other senators have, about what is happening to the Senate with regard to agricultural matters. I have been asked why the Senate is so silent in the face of the fantastic problems facing this industry in Canada. I have been asked why we have not been listening to farmers and speaking up for them. I hope that this situation will be corrected and I am sure that it will be very soon.

Senator Marshall: Honourable senators, I should like to respond. Perhaps Senator Steuart is not aware that Thursday afternoon has been allocated to the committee for issues relating to agriculture. He need only bring in a reference to that committee to initiate a study of any issue that he wants to bring up. He may also follow the procedure of an inquiry in the Senate chamber. There are many avenues he can follow to highlight the problems facing the agricultural sector.

I still recognize the importance of agriculture. It is very difficult to do everything in the amount of time committees have within which to do their work. I repeat that the committee does have a time block set aside on Thursday afternoons with which to deal with agricultural matters.

Senator Steuart should also recall that it was Senator Molgat who brought up the question when the Freshwater Fish Marketing Corporation was being discussed and an amendment came before the chamber. The Leader of the Government agreed that it would be referred to the committee. We have been dealing with that for a year. We cannot do everything at the same time. But I say again that there is no reason why we could not deal with agricultural matters on a Thursday afternoon.

Senator Steuart: In response to Senator Marshall's remarks, I hope I did not sound critical of the committee's giving a high priority to all questions regarding fisheries. We agreed to do so at the time the matter first came up. But I think the time has come to give a much higher priority, in terms of both what we do and what we appear to do, to agriculture.

Hon. Ian Sinclair: Could Senator Marshall inform me whether there is an allocated time for the committee to meet on issues respecting forestry?

Senator Marshall: The Standing Senate Committee on Agriculture, Fisheries and Forestry has two time allocations, one at 11 o'clock Tuesday morning and one after the Senate rises or at 4 o'clock Thursday afternoon. I remind senators that we dealt with the herbicide report, which nobody outside this chamber paid much attention to, on a Thursday afternoon. If there is another order of reference to that committee, we

will respond to it. I am sure that if it is important enough we will find time to deal with it.

Senator Sinclair: Honourable senators, we have heard a lot in this chamber about the problems concerning agriculture. As many honourable senators are aware, there is an extreme problem in the forestry sector—one which extends beyond questions of trade. I have nothing against a special inquiry into agriculture, but I would impress upon honourable senators the grave situation facing our forestry industry. I would remind them of the misconceptions, particularly south of the border, about the Canadian forestry.

Senator Marshall: I could not agree more with Senator Sinclair. In the region of Newfoundland where I come from, the only stable industry is provided by the three paper mills there. I recognize the importance of that sector and the difficulties it faces for the future. It is all a matter of the time we have to spend on such matters. It is important that we should be flexible enough to deal with them all. I am ready to deal with them all.

Hon. John M. Godfrey: Honourable senators, I would like to make one comment. The committees of the Senate, for all intents and purposes, generally depend upon the chairmen to initiate this sort of thing. In this case—and I am not denigrating Senator Marshall for this—the chairman happens to be oriented more towards fisheries than towards agriculture. I think the main reason we need a separate committee for agriculture is so that there will be a chairman in place who will push these things and who will not wait for someone else to suggest an inquiry or put forward a reference.

Senator Marshall: I would like to point out to Senator Godfrey that when the present committee was originated there was already an agriculture committee. Someone in his wisdom decided to add to it fisheries and forestry. Here we are, three years later, going around the circle again back to where we started. That is fine, but perhaps whoever decided to do that in the first place should have been wiser in looking at the broad picture.

Senator Olson: Honourable senators, I think that Senator Marshall can answer his own question because he knows very well that this matter was raised some time ago. It was sent off to the committee under Senator Molgat, which looked at the situation, considered the options and came back with a report and a recommendation. The recommendation is contained in Order No. 16. We can argue all of that again if honourable senators so wish, but that was what the Senate decided, that was what the committee decided and here is the recommendation. In the name of common sense, I cannot understand why Senator Marshall wants to put forward all of the other ways in which to deal with the situation when the Senate committee has put a specific recommendation in front of us. I repeat that it is contained in Order No. 16. What Senator Godfrey has suggested is part of the reason why that is a valid recommendation before the Senate.

Now we need to get to it. We need to pass the motion so that all of the other requirements, such as those respecting a reorganization committee and so on, can be set up. The reasons for an agriculture committee are very simple and they are exactly the same reasons that were advanced so effectively by Senator Marshall on behalf of fisheries some time ago. One of those reasons is that we have a sector of an industry that is in grave economic difficulty. It is hurting and the people involved in it are being hurt severely. Therefore, we must set up a forum and a mechanism by which those people can appear to state their positions and the difficulties they find themselves facing.

I am sure that there are many ways, such as those which Senator Marshall has pointed out, in which to deal with this problem. Perhaps there are other ways, too. Perhaps some of the other committees, such as the Banking, Trade and Commerce Committee or the Finance Committee, could take it on.

Senator Argue: They did that for 40 years.

Senator Olson: I know they did. But what we have before us is a specific motion contained in Order No. 16. That, I repeat, is the result of the consideration of both the Senate and the committee. Why do we not go forward with this and do it?

Senator Frith: Hear, hear!

Senator Olson: As Senator Steuart and others have said, it is our primary responsibility to bring before the legislature of Canada the problems in the regions, and they are extremely severe. I do not understand the arguments that are put forward by Senator Marshall. They no longer have any validity. I do not understand his objections. Why does he not give us the real reason for his trying to stonewall this motion by standing the order? Why does he not just let it go?

Honourable senators, I want to say in conclusion that this order may be further stood once or twice while those opposite consider what they are going to do with it, but as far as I am concerned we need to get on with the actual application of what the committee is going to do. Whether it be tomorrow or Thursday, I am going to do what I can to see that this order is not "stood over" any more.

Senator Frith: Hear, hear! Well said, sir.

The Hon. the Speaker *pro tempore:* Does Order 16 stand?

Senator Argue: I believe it has been standing in Senator Marshall's name. Does he want that to continue?

Senator Marshall: The order can stand in my name unless someone else wishes to speak to it.

On motion of Senator Marshall, debate adjourned.

UNITED NATIONS FOREIGN ARBITRAL AWARDS CONVENTION BILL

THIRD READING

Hon. Orville H. Phillips moved the third reading of Bill C-107, to implement the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards.

Motion agreed to and bill read third time and passed.

COMMERCIAL ARBITRATION BILL

THIRD READING

Hon. Orville H. Phillips moved the third reading of Bill C-108, relating to commercial arbitration.

Motion agreed to and bill read third time and passed.

The Senate adjourned until tomorrow at 2 p.m.

THE SENATE

Wednesday, May 14, 1986

The Senate met at 2 p.m., the Honourable Martial Asselin, Speaker *pro tempore*, in the Chair.

Prayers.

NEW SENATOR

The Hon. the Speaker *pro tempore:* Honourable senators, I have the honour to inform the Senate that the Clerk has received a certificate from the Registrar General of Canada showing that Michel Cogger has been summoned to the Senate.

INTRODUCTION

The Hon. the Speaker *pro tempore* having informed the Senate that there was a senator without, waiting to be introduced:

The following honourable senator was introduced; presented Her Majesty's writ of summons; took the oath prescribed by law, which was administered by the Clerk; and was seated.

Hon. Michel Cogger, of West Brome, Quebec, introduced between Hon. Duff Roblin and Hon. Jacques Flynn.

The Hon. the Speaker *pro tempore* informed the Senate that the honourable senator named above had made and subscribed the declaration of qualification required by the Constitution Act, 1867, in the presence of the Clerk of the Senate, the Commissioner appointed to receive and witness the said declaration.

STANDING RULES AND ORDERS

ELEVENTH REPORT OF STANDING COMMITTEE PRESENTED

Hon. Orville H. Phillips, Deputy Chairman of the Standing Committee on Standing Rules and Orders, presented the following report:

Wednesday, May 14, 1986

The Standing Committee on Standing Rules and Orders has the honour to present its

ELEVENTH REPORT

On October 10, 1985, a suggestion was made by the Honourable Senator Godfrey that your Committee examine the matter of whether or not senators who are cabinet ministers, including the Leader of the Government in the Senate, should be members of Senate Committees.

In accordance with Rule 67(1)(f), your Committee agreed to consider the matter and held meetings on October 24, 1985 and May 5, 1986.

Your Committee reviewed the practice now in place and concludes that it is desirable to have the Leader of the Government in the Senate and the Leader of the Opposition in the Senate as members *ex officio* of all select Committees of the Senate, as provided for in Rule 68, but that your Committee considers it undesirable to have any cabinet minister other than the Leader of the Government as a member of Senate Committees.

Respectfully submitted,

ORVILLE H. PHILLIPS
Deputy Chairman

The Hon. the Speaker *pro tempore:* Honourable senators, when shall this report be taken into consideration?

On motion of Senator Phillips, for Senator Molgat, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

LEGAL AND CONSTITUTIONAL AFFAIRS

On Reports of Committees:

Hon. P. Derek Lewis: Honourable senators, I have a report to present on behalf of the Standing Senate Committee on Legal and Constitutional Affairs. It is not to hand at this time, so I ask leave to revert to this item later in the sitting.

The Hon. the Speaker *pro tempore:* Is leave granted, honourable senators?

Hon. Senators: Agreed.

● (1405)

BUSINESS OF THE SENATE

ADJOURNMENT

Hon. Orville H. Phillips: Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(g), I move:

That when the Senate adjourns today, it do stand adjourned until Tuesday, May 27, 1986, at two o'clock in the afternoon.

Before the motion is put, honourable senators, I would like to add that the House of Commons is presently involved with a number of opposition days and, as all honourable senators know, no legislation appears from those. It is my understanding that there are ten opposition days between now and the summer recess—out of a total of some 27 sitting days for the House of Commons—and Monday next being a statutory holiday no legislation is expected.

I need not remind honourable senators that committees will be meeting as usual. I mention particularly two committees scheduled for tomorrow: Agriculture, Fisheries and Forestry, with the Minister of Fisheries appearing before that committee at 11 o'clock, and at 3 o'clock in the afternoon the Standing Senate Committee on Energy and Natural Resources is having a special meeting in order to hear witnesses from western Canada who can only appear at that time.

The Hon. the Speaker *pro tempore:* Is it your pleasure, honourable senators, to adopt the motion?

Hon. Royce Frith (Deputy Leader of the Opposition): Not only that, but leave is given.

Senator Phillips: Honourable senators, in case some of you tend to stray too far from Ottawa, I would remind you that rule 14(a) allows the Speaker to recall the Senate. We can anticipate that happening if legislation arrives from the House of Commons.

Hon. Allan MacEachen (Leader of the Opposition): In an emergency.

The Hon. the Speaker *pro tempore:* Is leave granted to put the motion forward, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

QUESTION PERIOD

[*English*]

CANADA-UNITED STATES RELATIONS

BILATERAL TRADE NEGOTIATIONS—BENEFITS ACCRUING TO OTHER TRADING PARTNERS

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I have a question for the Leader of the Government which arises from the statement which the Prime Minister made when he announced the opening of trade talks between Canada and the United States.

The Prime Minister indicated what he thought were the benefits which would accrue to Canada as a result of a successful outcome of these bilateral trade negotiations. Then, he went on to refer in his statement to the benefits which would accrue not only to Canada and the United States, but, also, to our other trading partners—including those in the Third World who see trade as the best avenue to prosperity.

What is not clear to me is what benefits the Prime Minister foresaw would accrue to our other trading partners and to developing countries as a result of a successful outcome of the negotiations between Canada and the United States.

• (1410)

Hon. Duff Roblin (Leader of the Government): Honourable senators, I will make inquiries on that point.

[Senator Phillips.]

Senator MacEachen: In making his inquiries, would the Leader of the Government, if possible, find out whether any discussions are contemplated with other countries which would permit them to have additional access to the new proposed trade area which would be created if a successful outcome followed such negotiations?

For example, since the words "developing countries" are used by the Prime Minister, I should like to know whether it is expected that Canada and the United States together, if they do succeed in creating this huge trade area composed of two of the richest countries in the world, would be prepared to offer any beneficial access to the developing countries in their trade with Canada and the United States.

That thought is, in a sense, suggested by the Prime Minister's reference to benefits to other partners and, particularly, to the developing world.

Senator Roblin: I know that Canada is interested in pursuing multilateral trade negotiations as well as bilateral trade negotiations, so I feel that is relevant to the question. However, I will obtain more information.

ENERGY

PRICING—DEREGULATION OF INDUSTRY—GOVERNMENT POLICY

Hon. H. A. Olson: Honourable senators, as we are likely to adjourn until May 27, it forces me to ask the Leader of the Government a number of questions in respect of which I might have been willing to wait a little longer for the answers.

I hope he understands the gravity, indeed the almost desperate urgency of the situation with respect to the high number of people who are losing their jobs every day in the oil and gas industry.

I should like to ask the Leader of the Government if it is still the position of this government that the price of oil will average $22.50 per barrel during the period covered by the budget, and if they have revised that figure, could he give an indication of the basis on which the revision was made and where it is going? I am not asking about the consequential ramifications of the budget projections at this time, but I think the industry and the people who are employed in it would like to know whether or not the government has a view as to where these prices are going and how long they are going to be at these levels so that they can make their plans accordingly.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I will ask my colleague, the Minister of Finance, if he can shed any light on this question.

Senator Olson: I take it the Leader is not willing to shed any light on it himself today. I say that because I make the assumption, rightly or wrongly, that he attends a number of cabinet meetings where this is discussed. If we are not going to be here the remainder of this week and all of next week, I think he probably could give some indication about where we are going although if that is as far as he is prepared to go I have to accept that reply. In fact, his response may even be an

improvement over the situation on other occasions because he has at least given an indication that he is willing to make the inquiry.

Is the government aware of the fact that the so-called "deregulation of oil prices" has resulted in producers in Canada now receiving the lowest price per barrel of equal quality crude of any oil in the world? Was the government aware of this when they started out on this deregulation and, if so, are they going to continue to allow the industry to be devastated by this kind of action?

Senator Roblin: I think my honourable friend knows that the situation, which I think he correctly describes, is one that has arisen in the last few months, in fact, since the beginning of the year. I know the situation is being looked at by the Minister of Energy, Mines and Resources and I am sure a statement will be made about it in due course.

Senator Olson: Could the leader give us an indication of what he means by, "in due course"? People are going bankrupt daily. New groups of companies are declaring bankruptcy almost every day. As I indicated yesterday, there is an average of 100 people per day laid off from what was considered permanent employment in Calgary alone. The number in Edmonton is probably equally high and is proportionately so in the rest of the gas and oil producing areas. Their whole economic well-being depends on this pricing arrangement. Even if the government could not see it when it started down this disastrous road of deregulation—or what is really a cop-out in terms of giving any governance in this respect—at least now, in retrospect, it can see what has happened. Is the government prepared to take any action to deal with it?

• (1415)

Senator Roblin: We are certainly not prepared to go back to the policy espoused by my honourable friend.

Senator Frith: Shame!

Senator Olson: If the government is not prepared to take any portion of the policy that was in place, which did have aspects to it that could deal with some of the situations that have arisen, surely the Leader of the Government can tell us what the government is prepared to do. We have heard what it is not prepared to do. What is the government prepared to do, positively?

Senator Roblin: This question is very similar, if not identical, to the one I answered yesterday.

Senator Olson: The only difference is that you did not answer it.

Senator Roblin: I know, and I cannot give you any more information today. When there is a policy announcement to be made, I will be glad to make it. I cannot make one today.

Senator Olson: Can the Leader of the Government give us an indication of when we can expect this policy announcement to be made? People are desperately interested because they are losing their whole economic base.

Senator Roblin: Honourable senators, I am sure that the situation is serious. I am cheered up moderately, at any rate, by the news this morning that the Home Oil Company has reactivated some 300 oil wells in Saskatchewan. That is a pleasant change from what we have seen. My colleague, the Minister of Energy, is aware of the situation and is giving it serious attention.

Senator Olson: Honourable senators, I would like to know the government's attitude with respect to proceeding towards full deregulation of the natural gas industry by November 1, 1986. Does the government intend to pursue that policy? Even one of its greatest advocates, former Premier Lougheed of Alberta, is reported to have changed his mind about whether it is a good idea for Canada and for the industry. Is the government now modifying its view on what will again turn out to be a disastrous course of events?

Senator Roblin: Of course, I do not agree with any of the conclusions reached by my friend, but then, I seldom do; I do not think he expects me to. But I can tell him that the question of deregulation of natural gas is on the table for discussion between the federal government, the provinces and the industry. We are not yet at a point where any firm decision has been made as to what should be done.

Senator Olson: Honourable senators, the government has stated that it is going to have full and complete deregulation by November 1. Thus far, that is the stated position of this government. Surely, if it is about to modify that, the government leader in the Senate could let us know and give some comfort to those people who are involved in the industry.

Senator Roblin: We think it advisable to consult as widely as we can in this matter and that is what we are going to do. If there is any change in government policy, my friend will be one of the first to know.

• (1420)

[*Translation*]

INSURANCE

BANKRUPTCY OF INSURANCE COMPANIES—REQUEST FOR STUDY BY BANKING, TRADE AND COMMERCE COMMITTEE

Hon. Léopold Langlois: Honourable senators, I have a question for the Leader of the Government about the recent bankruptcy of the Northumberland General Insurance Company.

As a preamble, I would like to quote from the program *As it is* of April 20, on which Mrs. Marilyn Weston, reporter for the CFCF station in Montreal, interviewed a few of the victims insured by this company as well as insurance experts. This was a report entitled "The Insurance Illusion".

This is an eight page document, but I shall quote only a few passages as background for my intervention.

First of all, of the 50,000 Northumberland policy holders, 29,000 are Quebec residents.

Of 1,000 claimants insured in all Canada, 800 live in Quebec.

The total amount of individual claims is $3 million for all Canada, while claims by individuals and corporations amount to about $80 million.

The claims against Northumberland amount to a total of $170 million and the assets of the company are evaluated at only $120 million.

Because of this, the victims of this bankruptcy can only wait for a final settlement, which could be in about five years according to the experts. The creditors of Northumberland, including the insured victims, can only hope to recover part of what is owed to them.

During the interview, Mr. Nolan Buteau of the Quebec Consumers' Association said the following:

[*English*]

> There is no help for them anywhere. The insurance industry has no compensation fund. We asked the government to advance money with no interest, loans, and we were refused—although they are financing depositors of all failed banks! The brokers are saying they give professional advice to the public. Well, they take the public's money and they deny responsibility.

[*Translation*]

Mrs. Weston pointed out that, before 1980, insurance company failures were practically unknown in Canada while the following bankruptcies have occurred since then.

In 1981, the Pitts Insurance Company and Strathcona General Insurance Company. In 1982, Cardinal Insurance, in 1985, Northumberland General Insurance, and in February 1986, United Canada.

These last failures are the result of the following problems, according to Mr. David Atkins, insurance expert and senior partner of Coopers and Lybrand:

[*English*]

> Lack of liquidity by the insurance company, a rush for growth.

Mr. Garth MacGirr, an expert on bankruptcies and President of the accounting firm Price Waterhouse and President of the Insolvency Association, said:

> Simply they have not been writing quality business and I think that is common in just about every one of them. I suspect if you look beyond that, you would find a reaching out for volume and sacrificing quality at the same time . . . We have seen too many people trying to share in the same premium, whether it's by excessive commissions, or by management fees.

[*Translation*]

Mrs. Weston added that an "in house" investigation had showed that this situation resulted from the following practices:

[*English*]

> We investigated the insurance business and discovered some practices which, although legal, are wide open to abuse. They are:

[Senator Langlois.]

> 1. SPECIAL DEALS BETWEEN INSURANCE COMPANIES AND BROKERS
>
> 2. INSURANCE MANAGEMENT COMPANIES
>
> 3. REINSURANCE
>
> Here's what can happen under our present system. When you pay your broker for your home or car insurance policy, he is entitled to take part of it as his commission. The normal commission would be about 12.5% on automobile policies; about 20% on home policies. But insurance companies can arrange what are called "sweetheart deals" with the broker. Some companies give fatter-than-normal commissions—perhaps 25%. That's to make sure the broker is especially energetic in selling the company's products . . . There can be other incentives: free trips and cars, for example—

[*Translation*]

Mr. Garth MacGirr emphasized this point with the following remark:

[*English*]

> I have seen sweetheart deals in the insurance industry, I have seen it in fifty other industries. Wherever there is a large pool of money, over which there perhaps is inadequate regulation, there is always the danger that unscrupulous people will look after themselves first. And since I practice in the area of insolvency, I tend to see it more often than not.

[*Translation*]

Before I end this series of quotations from the "As it is" program, I wish to read a last remark from Mrs. Weston's text, and I quote:

[*English*]

> The problems of affiliated reinsurance and management companies surfaced in the Northumberland bankruptcy documents. As well, the documents cite "a lack of proper financial controls and records".

Northumberland was a concern to the federal Department of Insurance for a long time. In the fall of 1983, the department believed that Northumberland might be short of the required amount of assets to the extent of $4 million to $8 million. In late 1983 the department began to chase the money chain in discussions with Northumberland to try to find out how big the shortfall was. That December, Northumberland reported an excess of required assets to the tune of $7 million. The department believed that there was a shortfall of at least $6 million. In June 1984, the government gave Northumberland a deadline. It had until the end of the year to make good on the shortfall. The government forbade Northumberland to sell more in 1984 than it did in 1983. That was two years before the bankruptcy arose.

However, as recorded in *TRAC*, the insurance industry's bible, Northumberland's volume almost doubled from 1983 to 1984. This should have sounded an alarm bell, but these statistics did not come out until well into the next year. Northumberland, like all insurance companies, did not have to

file its 1984 financial statements with the federal Superintendent of Insurance until February 28, 1985.

[*Translation*]

I am concluding here my references to the transcription of Mrs. Weston's program, and I come to my questions to the Leader of the Government in this House:

First, can he inquire from the Minister of Finance whether the Superintendent of Insurance has reported to him on the Northumberland situation before the latter's bankruptcy, and, if so, on what date?

Second, if there was such a report, was he informed that, two to three months before Northumberland went bankrupt, the Superintendent of Insurance was issuing monthly certificates of registry rather than annual ones?

I must note here, in passing, that under the Insurance Act the Superintendent may issue certificates of registry on an annual or a shorter term basis.

In order to better inform the Leader of the Government, I am sending a complete copy of the program's transcription to him, and to our colleague, Senator Murray, the Chairman of the Standing Committee on Banking, Trade and Commerce, with the hope that his Committee will undertake a thorough study of the circumstances which lead to that situation. At first, I had intended to put forth such a motion for referral to his Committee; but I thought I would rather leave it to the Committee Chairman to take the initiative of ensuring that his Committee would undertake without delay an in-depth study of the situation, not only in the Northumberland case but also in the area of insurance generally.

Also, I was provided this morning with another very interesting document. It is an abstract from the magazine *Insurance TRAC Report*. As you may know, that magazine is published by Colandor Publications Limited of Toronto. In Mrs. Weston's program, it was referred to as the "insurance people's Bible".

The role of that publication is to establish insolvency forewarning tests. The job of determining whether an insurance company is solvent or not is a complex and hazardous one, especially if it is done by a layman.

The TRAC report includes yearly surveys of eight insolvency forewarning tests made under procedures currently in use in Canada, the United States and Great Britain.

As an example—and this is a very interesting part—in that TRAC report dated November 1985—

The Hon. The Speaker *pro tempore:* Senator Langlois, perhaps you would let the Leader of the Government answer the question. Also, perhaps you could send him your documents to complete your question.

Senator Langlois: Thank you, Mr. Speaker.

As an example, in 1983, the Northumberland Insurance Company passed five tests out of eight, in 1984 one only, and in 1985 it went bankrupt.

I think there was sufficient information available for the Superintendent of Insurance to act before the bankruptcy came about, and especially to make the Northumberland General Insurance Company's policy holders aware of the situation.

• (1430)

[*English*]

Hon. Duff Roblin (Leader of the Government): Honourable senators, I am not authorized to speak for the Standing Senate Committee on Banking, Trade and Commerce, but I think the idea that my friend has of sending his papers to them for their consideration is a good one. If he sends the papers to me, I will be pleased to inquire of the Superintendent of Insurance through my colleague, the Minister of State for Finance, as to whether or not they can throw any light on the problems that have been set forth by my friend.

CANADA-UNITED STATES RELATIONS

BILATERAL TRADE—U.S. COUNTERVAILING DUTIES—GOVERNMENT ACTION

Hon. Jerahmiel S. Grafstein: Honourable senators, yesterday in a committee in the other place, Mr. Kelleher, Minister for International Trade, threatened to retaliate if the United States imposes countervailing duties on Canada's softwood lumber exports to that country. He said that the United States has no monopoly on countervailing actions, and here I quote his remarks:

> Canada, too, has equipped itself . . . to deal with injurious subsidized imports.

Can the Leader of the Government in the Senate inform the Senate what specific actions directed toward what specific products the government has in mind when it makes these threats?

Hon. Duff Roblin (Leader of the Government): I would not describe what my honourable friend has said as a threat. I think it is a statement of the options that are open to the government under GATT and under our other laws and regulations with respect to international trade. It is simply a statement of the fact that if we feel that we are unjustly dealt with, we have means by which we can respond.

A prime example of that has been the flood of European beef into Canada in the past little while. When we could not reach an understanding with the European Community on that, we took other measures which had the result of solving the problem. Therefore I think there is nothing sinister in what the minister has said. It is merely a statement of the means that are available to all countries in dealing with trade disputes with their neighbours.

Senator Grafstein: Can the Leader of the Government tell us whether the government has collected evidence with respect to specific and outstanding cases that might prove injurious subsidization, on which the government has not yet acted? Is that what the Leader of the Government in the Senate is telling us?

Senator Roblin: I am telling you that when trade measures are taken which we feel are unfair, the international trading rules and the international trading community provide a remedy, and if we have to have recourse to those remedies in the course of a trade dispute, I think you would expect us to do so.

Senator Grafstein: I would assume that the Leader of the Government in the Senate and the Minister for International Trade have received legal advice which indicates that we can take random retaliatory measures which, to my mind, appear to be consistent with Canadian practices in Canadian law.

Senator Roblin: The minister and his colleague hope very much that there will be no need for such considerations.

UNEMPLOYMENT INSURANCE

WITHDRAWAL OF BENEFITS OF ARMED FORCES PENSIONERS

Hon. M. Lorne Bonnell: Honourable senators, I have a question for the Leader of the Government in the Senate. Today, as I was crossing the front lawn of Parliament Hill, I saw hundreds of people from the province of Quebec asking for their rights to receive both their pensions from the armed services and their unemployment insurance. I believe that there are approximately 30,000 armed forces personnel on pension who have lost their eligibility for unemployment insurance. Of those 30,000, about 1,000 have appealed and 200 of those have won their case before the appeal board. The Government of Canada has not only taken their unemployment insurance but now is refusing to pay back the unemployment insurance that they won before the appeal board.

Can the Leader of the Government in the Senate advise me if the Minister of Employment and Immigration, the Honourable Flora MacDonald, is considering the plight of these people who, over the years, have paid their unemployment insurance premiums and if she is intending to reinstate the payment of unemployment insurance to these people?

Hon. Duff Roblin (Leader of the Government): I can tell my honourable friend that the Government of Canada foots the bill for the appeals to the board that he refers to, and of course in these cases we have done that.

The question as to whether or not those decisions are to be appealed is outstanding at the moment. Approximately 1,000 appeals were laid; 200 were successful and 800 were not. The minister has the responsibility for deciding what to do next. She is considering this matter, and I do not think I can say any more about it at the present time.

Senator Bonnell: I wonder if the Leader of the Government in the Senate would use his strong voice in cabinet to speak on behalf of those people in order to see that they receive justice. The opinion across the country now, from Newfoundland to Vancouver, is that you cannot trust this government, but I know that we can trust the Leader of the Government in the Senate. We saw what he did yesterday with respect to the statement he made about fairness and integrity, of which we are very proud. He is our leader and we know that he will speak justly for those armed forces personnel who faithfully paid their dues, with a view to getting this money back when they retired.

I understand the Leader of the Government has said that the Government of Canada paid for the appeals. I am wondering whether he means that the Government of Canada paid for the lawyers hired by these members of the armed forces personnel in order to defend their rights before the courts.

Senator Roblin: My reference was to the expenses of appearing before the appeal board. That is the process we are talking about. I did not say anything about other legal matters, and I have nothing to say about other legal matters. However, I have no hesitation in telling my friend I will convey his very sincere view on this matter to those concerned.

GRAIN

WHEAT PRICING—TERMS OF REFERENCE OF HOUSE OF COMMONS TASK FORCE

Hon. Hazen Argue: Honourable senators, I have a question for the Leader of the Government in the Senate. We are all aware of the House of Commons task force that is looking into the question of making a recommendation with regard to a two-price system for Canada with respect to wheat. My information is that they have run into a great variety of opinions, and that some of them, at any rate, may be considering the possibility of recommending a two-price system that would apply to all wheat that is marketed in Canada.

My question is: Does the minister know whether it is within the terms of reference of this committee to make a general recommendation regarding the general price level of wheat in Canada that will be guaranteed to the producers? Perhaps if that were done, it could then be paid to those producers by way of a deficiency payment. Does this task force, in fact, have the flexibility within its terms of reference to bring in that kind of recommendation?

Hon. Duff Roblin (Leader of the Government): I do not have the terms of reference in front of me, but my impression is that my friend is right. They have the power to bring in broad recommendations in this field.

IMMIGRATION

REFUGEE DETERMINATION—GOVERNMENT POLICY

Hon. Stanley Haidasz: Honourable senators, as you know, today it is one year and one month since the federal government received the Rabbi Gunther Plaut report on refugee determination. Perhaps the Leader of the Government in the Senate could allay the concerns and, indeed, the agony of many refugees, some awaiting their turn now for almost five years for their case to be heard, and tell them and us why the federal government, to date, has not responded to the Gunther Plaut report. Perhaps the Leader of the Government in the Senate can also tell us whether the response will, indeed, be tabled before the end of this session.

Hon. Duff Roblin (Leader of the Government): There are a wide variety of factors, over and above the report my friend has mentioned, that are being considered in respect of this whole problem. It is not just that report alone; there are several other factors of great importance that have been referred to.

I can tell my friend that the legislation to give effect to these changes is presently being drafted so we hope that before long it will be cleared for presentation to the Parliament of Canada.

ENTRY OF SOVIET JEWS—GOVERNMENT ACTION

Hon. Stanley Haidasz: Honourable senators, I have a related supplementary question. Today, on the 30th anniversary of the Declaration of Independence of the new State of Israel, a youth freedom caravan on behalf of Soviet Jews proceeded to Parliament Hill. A demonstration addressed by some of us was held in front of the Centennial Flame. One of the issues raised was: What more is the federal government doing to help expedite the issuance of exit visas for Soviet Jews who want to emigrate to Canada?

• (1440)

Hon. Duff Roblin (Leader of the Government): I have no information that there is any problem in securing visas for entry into Canada; the problem is securing exit visas from the Soviet Union.

Senator Haidasz: That is what I meant. My question was: Has the federal government taken any further steps to expedite the emigration process to Canada from the U.S.S.R.?

Senator Roblin: I am sorry, that is not within our control. All we can do is put forward in the most emphatic way we know our recommendations to that government that it should let those people go.

This government, and I am sure the one before it, has never failed to do that, and we hope to continue doing that.

What effect that has had is difficult to determine, but there seems to have been some movement.

EMPLOYMENT

PUBLIC SERVICE STAFF REDUCTIONS—JOB CREATION—GOVERNMENT POLICY

Hon. L. Norbert Thériault: Honourable senators, my question arises from an article I read in *Parliamentary Alert* dated May 12-16. That article states, in part, that public service numbers are down in Canada.

When I read on, I noticed that the number of public servants employed in 1985 by the Government of Canada was down by 101 in Nova Scotia, by 66 in New Brunswick, had increased by 90-odd in Prince Edward Island—which was the result of the Department of Veterans Affairs moving there, which reflected a decision made by the previous government—that it was up by 15 in Newfoundland, that it was down by 400-odd in Quebec, and up in the other provinces of Canada.

My question to the Leader of the Government in the Senate is: Do these figures reflect this government's policy?

Hon. Duff Roblin (Leader of the Government): I can say that it is this government's policy to reduce the number of public servants in a humane and discreet fashion to the lowest number that can adequately carry out the public business. As to the particular reductions the honourable senator has mentioned, I think they are probably a reflection of that policy. As to the detail, I would have to look into the matter to make a sensible comment.

Senator Thériault: It is striking, honourable senators, to note from reading that article that the higher the unemployment rate the quicker the government has been to fire people. My question is: Does that reflect government policy?

Senator Roblin: Government policy is to increase employment in Canada. In fact, there have been 640,000 jobs discovered or made available since this government assumed office.

Senator Argue: Discovered!

Senator Roblin: That is the policy of this government. The policy of this government is to run an efficient operation.

If my honourable friend thinks that we have been unfair in any way, let him give me his objection and I will certainly see that it is examined.

Senator Thériault: Honourable senators, for months we have been hearing that 640,000 jobs have been created or that 580,000 jobs have been created.

I invite the Leader of the Government in the Senate, or anybody else in the government, to go down to the Atlantic region and tell the people that there has been an increase in the number of jobs created since this government took office. The people down there will tell you something else.

Senator Argue: They have been getting the answer.

Senator Thériault: Inquire of your colleagues from the Maritimes and you will realize that unemployment is higher in every province east of Ontario, including Quebec, than it was in 1984 when this government took office.

Senator Roblin: I take it that my honourable friend is asking for statistics on employment in those provinces, and if so, I will get those for him.

Hon. Royce Frith (Deputy Leader of the Opposition): May we have the source of the figure of 640,000 jobs?

Senator Roblin: The source is basically with Statistics Canada.

Senator Frith: Where in Statistics Canada?

Senator Flynn: Find it for yourself.

Senator Frith: Find it for yourself! That's the answer.

Hon. Joseph-Philippe Guay: My question is for the Leader of the Government in the Senate. Why is it the policy of the Government of Canada to lay off people in various government departments—and I can name some of the departments—

while, at the same time, it is hiring part-time workers who are not allowed to work over 100 hours a month? Is the government calling that job creation? I should like to know what the Leader of the Government in the Senate has to say about that.

Senator Roblin: I will give my honourable friend the figures on full-time jobs, part-time jobs, jobs for youth and jobs for women. I will look up those facts for him.

Senator Guay: The matter I should particularly like the leader to look into relates to the fact that these positions have been filled by part-time employees. Those people who are being hired on a part-time basis cannot become permanent, even though some of them have been employed for two years. I should like the leader to look into that aspect of the matter.

Senator Roblin: If my honourable friend will give me facts to go on, I will do so.

TRANSPORT

CN SHOPS—MONCTON LAYOFFS—GOVERNMENT POLICY

Hon. Charles McElman: Honourable senators, respecting the questions raised by Senator Thériault and the answers given by the Leader of the Government in the Senate, the leader asked for specifics.

It was the commitment of this government in its election campaign that the employees of the CN shops at Moncton would be protected and that those shops would continue in the fashion they had followed for so many years.

At that time there were some 1,150 employees in the shops at Moncton. Despite assurances that have been received since the election, the CNR has been carrying out a policy of attrition and the number now employed at the CN shops is down to approximately 900, a drop of approximately 250 personnel.

That, in itself, is a very serious situation for a community of that size. Related to Toronto or Montreal, one would appreciate that that number would be in the thousands.

Currently, I know that the Minister of Transport, Mr. Mazankowski, has been trying hard to find a solution, but there are now some 900 families—not just in Moncton, but in that whole general area—which are daily left with the extreme worry that those jobs, too, will disappear in the rationalization as to where CNR shop repair and maintenance work will be carried out. The rumour runs strong that Moncton may be on the chopping block.

In light of the dreadful worry that rests with those families—and I am sure the leader can appreciate that—would he please ask the Minister of Transport to bring this matter to a head as quickly as possible in favour of the retention of the shops at Moncton?

Hon. Duff Roblin (Leader of the Government): Yes, I will, honourable senators.

[Senator Guay.]

ORDER OF CANADA

APPOINTMENT OF FORMER MEMBERS OF FEDERAL CABINET AND FORMER PROVINCIAL PREMIERS—REVISED REPLY TO ORDER PAPER QUESTION—EXPRESSION OF THANKS

Hon. Charles McElman: I wish to take this opportunity to thank the Leader of the Government in the Senate for the speedy and sensitive action that he took in having published in yesterday's *Debates of the Senate* a corrected list of those distinguished Canadians, former cabinet ministers and former provincial premiers, who have in the past and up to the present been appointed to the Order of Canada, and I note that that list, through his action, now includes the name of the late Brigadier the Honourable Milton F. Gregg, V.C., P.C., O.C.

On behalf of his widow, Mrs. Erica Gregg, and our former colleague and Speaker, Senator Fergusson, I express appreciation.

Hon. Duff Roblin (Leader of the Government): I thank my honourable friend. Let me say that I appreciate the interest that he takes in this matter. I hope he will continue to keep a sharp eye on those returns.

IMMIGRATION

ENTRY OF SOVIET JEWS—GOVERNMENT ACTION

Hon. Peter Bosa: Honourable senators, my question is supplementary to that put by my colleague, the Honourable Senator Haidasz, concerning Soviets of Jewish origin who want to emigrate from that country.

I wonder whether the Leader of the Government in the Senate is aware of the magnitude of the change that has taken place over the past six or seven years. If my figures are correct, in 1979 some 53,000 Soviet Jews emigrated from that country. That figure has dwindled to something of the order of 50 to 60 this year.

I understand from estimates taken from people in authority and in the know that there are some 400,000 applications that have been made by Soviet Jews to emigrate from that country. Would the Leader of the Government in the Senate bring us some statistical information and, also, tell us—this is a non-partisan issue—what action his government is taking in order to influence the Soviet government to relax their rules of emigration of Jewish Soviets?

• (1450)

Hon. Duff Roblin (Leader of the Government): I am sure I can get the figures as to the number of Soviet Jews who have been received in Canada, say, in the last five years; I will produce that information.

Senator Bosa: From 1979.

Senator Roblin: Since 1979? All right, we will go back to that.

But, I have to tell my honourable friend that one has to use some care about pressure on the Soviet government because we all know too well what happened when some American senators attached some conditions to inter-state relations dealing

with the emigration of Jews from the Soviet Union to elsewhere in the world; it did not produce a helpful response, quite the reverse, and may have been—I say may—part of the reason why there has been this tragic slow down. So, one has to use considerable finesse.

With that in mind, I would like my honourable friend to excuse me from answering the details of what we have done because to do so may very well not be helpful.

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have some delayed answers to questions.

THE ECONOMY

DECLINE IN VALUE OF CANADIAN DOLLAR—GOVERNMENT ACTION

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on March 4 last by the Honourable Senator Sinclair regarding The Economy—Decline in Value of Canadian Dollar—Government Action.

(*The answer follows:*)

The Canadian dollar has been trading above 71.5 U.S. cents since the beginning of April and recently has been above 72 cents. The present situation contrasts with that experienced earlier this year when our dollar was under intense downward pressure, touching a record low of 69.13 cents on February 4th. This pressure was spilling over into domestic financial markets and interest rates were rising.

At the time the dollar was showing signs of weakness an Honourable Senator asked if the Government was "... prepared to take extraordinary steps to restore confidence in our currency." The Government's actions in this regard can leave no doubt about its commitment to a sound currency. At the time when the dollar was under strong downward pressure, the authorities responded to the situation by stepping up official operations in both the foreign exchange and money markets. In early February, the Minister of Finance stated in the House of Commons that the government was raising additional funds abroad to bolster its capacity to intervene in the foreign exchange market as the occasion required. In addition, the budget presented in late February clearly indicated the government's commitment to sound financial management.

The dollar has strengthened and interest rates have declined.

There was some downward pressure in late February and early March as the market took time to digest the new budget; this pressure was both moderate and short lived and the dollar resumed its upward course as the budget's message became more fully understood.

It was widely recognized that the downward pressure on the Canadian dollar earlier this year was not due to a deterioration in Canada's economic fundamentals—on this score, the government's economic performance and prospects compare very favourably to other industralized countries. Rather the source of the pressure appeared to lie with short-term capital outflows, which were partly speculative in nature and related to misconceptions about our economic situation. The government felt that it was advisable to send a strong signal to the market and did so.

Finally, on occasion honourable senators have made inquiries about the precise timing and extent of the authorities' actions in the foreign exchange market. It would not be appropriate for the minister to make comment on this matter.

BANKING

PROMOTION OF INTERNATIONAL BANKING CENTRES

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on March 4 last by the Honourable Senator Grafstein regarding Banking—Promotion of International Banking Centres.

(*The answer follows:*)

The city of Toronto has already attained the status of an international banking centre in its own right. The proposal announced in the Budget Speech of February 26, 1986, has two underlying objectives: to strengthen our financial and commercial ties with countries in Europe and the Pacific Rim; and to bolster the reputation of Montreal and Vancouver in the field of international banking.

However, it cannot be over-emphasized that the stimulation of international banking activity in these cities is not intended to occur at the expense of the city of Toronto or other cities. Instead, the focus of this project is upon the attraction of activity which, in the absence of this incentive, would not otherwise have taken place in this country. In other words, the purpose of this proposal is to increase the amount of international banking activity in Canada as a whole, rather than to merely reallocate that activity which presently occurs within our borders.

It is not believed that this incentive will involve inordinate cost to either the federal or provincial governments involved. This proposal should also not be regarded as the first in a series of projects which will discriminate between cities and regions in Canada, but rather as an isolated instance in which the benefits to be derived from an incentive targeted to two centres justify its restriction in this manner.

The incentive which is contemplated by this proposal is directed towards the profits of international banking activity conducted in Canada. A great deal of this activity presently occurs outside of this country and does not form

part of the Canadian tax base; consequently, a tax concession which exempts the profits of such transferred activity from Canadian tax should not prove costly. However, the structure of the international banking centre system has not been finalized and will depend, in some measure, upon the views and recommendations of the provincial governments and members of the banking community. Due to this fact, the revenue cost of the proposal cannot be determined with precision at this time.

CANADA-UNITED STATES RELATIONS

BILATERAL TRADE NEGOTIATIONS—ROLE OF LOBBYIST—POSITION OF UNITED STATES

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to questions asked in the Senate on April 15 and 17 last by the Honourable Senators Croll and Olson regarding Canada-United States Relations—Bilateral Trade Negotiations.

(*The answer follows:*)

Mr. Michael Deaver was retained by the Government of Canada for the period of July 1, 1985 to June 30, 1986, for the sum of $100,000.00 U.S. and expenses limited to $5,000.00 U.S.

Mr. Deaver was engaged as part of a program initiated in 1983 under which the Canadian Government seeks knowledgeable advice on issues of importance to Canada in the United States.

BILATERAL TRADE NEGOTIATIONS—AGRICULTURE—CONSULTATIONS WITH CANADIAN PRODUCERS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on April 29 last by the Honourable Senator Hays regarding Canada-United States Relations—Bilateral Trade Negotiations—Agriculture—Consultations with Canadian Producers.

(*The answer follows:*)

There are two parts to the trade advisory committee system. One is the International Trade Advisory Committee (ITAC), which is chaired by Walter Light and has already held two meetings. Its mandate is to advise the Minister for International Trade on bilateral and multilateral trade negotiations, market access and trade development issues from a national perspective. Included in the membership are two individuals with agricultural backgrounds. One, Arthur Kroeker is past president of the Canadian Horticultural Council and a former working farmer.

The Sectoral Advisory Groups on International Trade (SAGIT) will approach trade questions from a detailed sectoral perspective. The Agriculture, Food and Beverage Group will be comprised of about 15 members. The producer interests will be drawn from suggestions submitted by associations that represent working farmers. In this way they will be assured of an effective voice in the committee system.

[Senator Roblin.]

MEETING BETWEEN PRIME MINISTER AND PRESIDENT OF THE UNITED STATES—ACID RAIN—STATUS OF AGREEMENT

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on April 30 last by the Honourable Senator Frith respecting acid rain.

Hon. Royce Frith (Deputy Leader of the Opposition): Could you read that one, please?

Senator Roblin: Certainly.

As the minister stated in the House of Commons on the same day, the honourable member is referred to the transcript of what was actually said in the relevant congressional committee.

The Energy Secretary—in the United States that is—went on to say:

Technology transfer

—in other words, for the purpose of acid rain control—

can be promoted by resolving present regulatory constraints that may work against innovation. This is under way and the acceptance of the envoys' report

—by the U.S. administration—

has given new impetus to this process

Senator Frith: I can't imagine any question that I asked to which that would be an answer, but I will have a look at it.

Senator Roblin: Oh, have a look at it; you might be surprised.

REQUEST FOR ANSWERS

Hon. Philippe Deane Gigantès: Honourable senators, there are two questions which I had asked the honourable Leader of the Government and to which I am still awaiting answers. I hope he has not forgotten them.

The first question is whether Mr. Ed Broadbent was invited to the gala after the first Shamrock Summit.

The second question is whether he would do something about that unfortunate young Greek peasant girl who was "done wrong" by a Canadian—unfortunately of Greek descent, I am ashamed to say—who gave her a child and then abandoned her. Her child was born here. The father of the child is a Canadian citizen; therefore, the child is a Canadian citizen on two counts and, yet, this young woman is being told she must leave the country, though she is the mother of a child who is not yet one year old.

Hon. Duff Roblin (Leader of the Government): I am a little embarrassed that we haven't answered the first question heretofore.

Concerning the second question, did my friend give me the name of the person concerned so that I can make reference to it? Otherwise, it is a little too vague to handle.

Senator Gigantès: I gave you all the correspondence, sir; I brought it over to your desk.

Senator Roblin: Thank you. I will look for it. If I can't find it, I will come back to you and ask for a repeat.

Senator Gigantès: Thank you, sir.

PAROLE ACT
PENITENTIARY ACT

INTERIM REPORT OF LEGAL AND CONSTITUTIONAL AFFAIRS COMMITTEE ON SUBJECT MATTER OF BILL C-67 TABLED AND PRINTED AS APPENDIX

Leave having been given to revert to Reports of Committees:

Hon. P. Derek Lewis: Honourable senators, I have the honour to table the twenty-first report from the Standing Senate Committee on Legal and Constitutional Affairs, respecting the subject matter of Bill C-67, to amend the Parole Act and the Penitentiary Act.

I would ask that this report be printed as an appendix to the *Debates of the Senate* and the *Minutes of the Proceedings of the Senate* of this day and form part of the permanent records of this house.

The Hon. the Speaker *pro tempore:* Honourable senators, is it agreed?

Hon. Senators: Agreed.

(*For text of report, see Appendix "A", p. 2484.*)

Hon. Earl A. Hastings: Honourable senators, on a point of clarification, does the Honourable Senator Lewis propose a debate on the report at this stage?

Senator Lewis: I presume that it would be considered at the next sitting.

The Hon. the Speaker *pro tempore:* The report has been tabled, if anyone wants to take the floor on the report.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, in order for it to appear on the order paper Senator Lewis would have to move that it be taken into consideration at the next sitting.

Hon. Jacques Flynn: But he doesn't have to move it.

Senator Frith: No, he doesn't have to; I am not suggesting that. I am saying that for it to become the subject of a debate he would have to move that it be taken into consideration at the next sitting—which is what I think he was proposing to do.

On motion of Senator Lewis, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

NATIONAL FILM BOARD

CONSIDERATION OF REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON FILM ENTITLED: "THE KID WHO COULDN'T MISS"—MOTION TO REFER REPORT BACK TO COMMITTEE—MOTION IN AMENDMENT—DEBATE ADJOURNED

On the Order:

Resuming the debate on the consideration of the Eighth Report of the Standing Senate Committee on Social Affairs, Science and Technology entitled: Production and Distribution of the National Film Board Production "The Kid Who Couldn't Miss", tabled in the Senate on 15th April, 1986,

And on the motion of the Honourable Senator Molson, seconded by the Honourable Senator McElman, that the Report be referred back to the Committee with instructions to consider and report upon the following:

Strike out page 20 and substitute

RECOMMENDATIONS

1. That after the titles of the film, the following disclaimer be added: "This film is a docu-drama and combines elements of both reality and fiction. It does not pretend to be an even-handed or chronological biography of Billy Bishop.

Although a Walter Bourne did serve as Bishop's mechanic, the film director has used this character to express his own doubts and reservations about Bishop's exploits. There is no evidence that these were shared by the real Walter Bourne."

2. That the National Film Board be requested to take action to eliminate from the film the unproven allegations, charges and innuendoes against the integrity of Billy Bishop.

3. That a copy of this Report as it stands or as it may be amended, be formally submitted to the Honourable Minister of Communications, with the request that it be transmitted to the National Film Board along with the Minister's specific instructions of action required of the Board to correct the wrong that has been done to the factual record of the late Air Marshall William Avery Bishop, Victoria Cross.—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, this order stands in my name. I am not able to speak to it today, but Senator Lang is ready to proceed and I yield to Senator Lang.

Hon. Daniel A. Lang: Thank you, honourable senators.

Some Hon. Senators: Hear, hear.

Senator Lang: I must say that for a person like myself one pays an awful penalty to get on to the Orders of the Day, having to sit for one hour and fifteen minutes through what I would call the most boring and uninformative situation—

Some Hon. Senators: Oh, oh!

Senator Lang: —we have in this house which we now label "Question Period."

Hon. Hazen Argue: You had better make it good if you want us to sit this long. Do you want us to support you, or don't you?

Senator Lang: Honourable senators, I don't want to reiterate what has been so eloquently expressed in this debate, both

pro and con, as to the report of that subcommittee. Other senators have done it well and ably, and I think I can understand the points of view expressed, both pro and con, in that debate.

What really bothers me is the fact that this is probably one of the best written, carefully analytical reports that any committee has put out, but I cannot make the substance of the report conform with its conclusions and recommendations. In fact, the conclusions and recommendations in my opinion are almost a non-sequitur.

Honourable senators, we are involved here in a debate that far transcends the issue before us. We are involved in a balancing act between two values in our society; namely, the rights of a person to his reputation against free speech, or what might otherwise be described as artistic expression.

Honourable senators, we all sometimes think that this is the first thing that has ever happened in the world in this way and we find, so often, that it is not the case.

In 1980, the University of Western Ontario published a report entitled: "Libellers of the Dead." I would like to quote one paragraph contained in that report which I think bears so well on what is before us now.

> Because of the lack of direct protection in tort for the reputation of the dead, there are several recent instances in England of literary or mass-media attacks on a famous deceased personality, causing acute distress to the relatives, who have been unable to strike back. One of the most notorious of these instances was in Hochhuth's play, *Soldiers,* wherein the late Sir Winston Churchill was alleged to have conspired in the murder of the Allied Polish General Sikorski. More recently, however, the so-called current fashion in England of "demythologising famous historical figures" is evident, for example, in the newly published book *Scott and Amundsen,* . . . Scott in respect of his ill-fated expedition to the South Pole.

● (1500)

Accordingly, his surviving son, Sir Peter Scott, who, incidentally, served with me in the same flotilla of torpedo boats during the war, issued a writ for libel as well as for breach of contract and infringement of copyright.

I believe that in the issue before us today we have that same phenomenon appearing in our society. In looking at this matter we must realize that we are confronting an issue of what is defamatory libel in law.

Defamatory libel can either be a tort or a crime under our Criminal Code. As a tort, it comes under provincial jurisdiction; as a crime it comes under our federal Criminal Code. On both those scores, that is, in a personal tortious way and in a criminal way, this film is a defamatory libel.

If you examine it carefully, you will see that what we have here is something akin to what I would call hate literature except that the film is not directed against a group but against an individual. I know the Senate would stand up to defend any

[Senator Argue.]

provisions we have in our law against hate literature. I think here we are looking at the same thing, and I am afraid the committee has missed or underestimated the serious nature of the offence.

On the question of non-criminal but tortious liability, the normal tests of the court have been: Does the publication bring a person into hatred, contempt and ridicule? Another test is: Is it a "designed insult"? On all scores, honourable senators, this film does exactly that. In terms of bringing Billy Bishop into hatred, it brings him into hatred because he fought in a war. That extends not just to World War I but, in fact, it tends to bring into hatred and contempt all of us who are veterans of World War I or World War II.

In terms of contempt, it certainly brings the man into contempt. The film starts out by saying that he lacked intelligence because he could not get into a university so he had to go to the Royal Military College. It brings him into contempt by making him look as though he is full of fear by being sick on board a ship on the ocean. As regards ridicule, it is just laden with ridicule. It is suggested that he faked the raid on an airport for which he was awarded the V.C.; and that he faked the shooting down and destruction of a number of enemy aircraft. If we add all these things together, it is indeed a "designed insult" on the part of the producer and the National Film Board.

If this matter were before a court of law, the National Film Board would have no defence whatsoever. There is no "absolute privilege" involved such as there is when I speak in this chamber; there is no "qualified privilege" involved; there is no "justification," that is, proof of truth; there is no "fair comment" weighing the pros and cons of the evidence; and, certainly, honourable senators, there is no "public benefit."

What defence does the Film Board have? It has that one powerful, cowardly defence: The man is dead.

What are we faced with now? A criminal offence or a tortious offence in civil law? Honourable senators, reputation is a fundamental value in our society. Attacks upon reputation may result in serious consequences to the victims and their kin. I am not sufficiently proficient in the Quebec Civil Code but under that code, I understand, there may be a recourse by kin against the National Film Board. However, I think I know Billy Bishop's survivors well enough to know that they would not pursue that avenue.

However, deliberate character assassination ought not to be tolerated in our society in the name of artistic expression or free speech any more than hate literature ought to be tolerated in our society in the same name.

Honourable senators, I have unearthed a reference which was not produced at our committee hearings regarding the raid made by Bishop on a German airfield and for which he was awarded the Victoria Cross. I should now like to read that reference into the record.

It is found in a book entitled *The Years of the Sky King* written by Arch Whitehouse and published by Doubleday and Company, New York, in 1959. Arch Whitehouse is an histori-

an and writer of repute and, particularly, an authority on World War I flyers, he having been one himself. In that publication it is stated:

> It was for this solo feat that he was recommended for the Victoria Cross. After long weeks of careful investigation as to the authenticity of his report the decoration was confirmed on August 11, 1917. Agents inside the German lines discovered that the two seater had been seriously damaged, several of the single seaters had been put out of action and the fourth Albatross pilot had been lightly wounded.

I want to underline that this says, "After long weeks . . ." Honourable senators, in actual fact, it took nine weeks of careful investigation. British agents went behind the German lines and confirmed the damage and destruction that he had accomplished. How can we possibly conceive of anyone awarding a Victoria Cross without substantiation such as that?

Arch Whitehouse further wrote the following:

> Raid on the German airfield became the high point of Bishop's career, although he continued his wild attacks on enemy aircraft and ran his score up to 47. British agents inside the enemy line eventually confirmed that three Fokkers had been shot down. Several of the single seaters had been damaged seriously and a two seater so shot up it had to be completely rebuilt.

He then said:

> It is interesting to note that after the war German officials said that no such attack had been made on any of their airdromes on that date. The British, however, were more than satisfied and by August 11, 1917, Bishop was awarded the Victoria Cross for his efforts.

Of course, the Germans would deny that. I can remember much damage that was done to them in World War II which they denied. Remember, for example, the air raids on London in 1940 and 1941. Many German planes were shot down and the Germans denied that they had lost any planes.

• (1510)

Honourable senators, we must go to the best evidence available. Unfortunately, Cowan and the National Film Board did not do so. They set sail on their own course to prove something—what, I do not know. But the Film Board is an agency of the government and I think that it has to be brought more sharply to heel than will be accomplished by adopting the report of this committee. That may be done by referring the matter back, as was suggested in Senator Molson's motion yesterday.

In conclusion, I will refer to a quotation which I know is familiar to all honourable senators:

> Good name in man, and woman, dear my lord,
> Is the immediate jewel of our souls.
> Who steals my purse steals trash. 'Tis something, nothing;
> 'Twas mine, 'tis his, and has been slave to thousands;
> But he that filches from me my good name
> Robs me of that which not enriches him,
> And makes me poor indeed.
>
> Shakespeare—*Othello*

[*Translation*]

Hon. Jacques Flynn: Honourable senators, I am not a member of the Committee that submitted this report on the film: "The Kid Who Couldn't Miss". I did not take part in the Committee's proceedings. I did not see the film.

I am satisfied that the report described the film as it is. The report's conclusions are founded in that this film is a docudrama and combines elements of both reality and fiction and does not pretend to be an even-handed or chronological biography of Billy Bishop.

I agree with all those who described the way the film was made and produced and who accused the National Film Board of tarnishing Billy Bishop's reputation without reason.

Actually, the point I want to make differs from the one the Committee made and which Senator Molson made as well in his amendment to the report or in his motion to refer the matter back to the Committee, to add to the conclusions or recommendations we have before us now.

My point is: Is this a film that the National Film Board could produce by virtue of its mandate? After examining the provisions of the relevant legislation and the contents of the report on the film, my conclusion is that this is not a film that can truly be said to fit the mandate of the National Film Board.

Consequently, I believe the Senate has every reason to censure the National Film Board and indicate to it in some way that this type of production is unacceptable in terms of the legislation by which the Board is governed.

I examined the original legislation which goes back to 1939. It has been changed somewhat since then but has remained substantially the same with regard to the purpose of the NFB.

I would like to quote section 9 of the present legislation, chapter N-7 of the Statutes, which says:

> 9. The Board is established to initiate and promote the production and distribution of films in the national interest and in particular
>
> (*a*) to produce and distribute and to promote the production and distribution of films designed to interpret Canada to Canadians and to other nations;
>
> (*b*) to represent the Government of Canada in its relations with persons engaged in commercial motion picture film activity in connection with motion picture films for the Government or any department thereof;
>
> (*c*) to engage in research in film activity and to make available the results thereof to persons engaged in the production of films;
>
> (*d*) to advise the Governor in Council in connection with film activities; and
>
> (*e*) to discharge such other duties relating to film activity as the Governor in Council may direct it to undertake.

It is clear, even when we look at other sections of the act, that the work of the National Film Board is essentially technical. It is supposed to promote the production and distribution of films and represent the government in its relations with other agencies with the same avocation. However, the NFB has no mandate that can be said to be ideological.

We can say that the Canadian Broadcasting Corporation, with its cultural mandate, can produce works on controversial subjects.

None of the provisions of that act gives the National Film Board free rein to indulge in an ideological controversy. I make a distinction between production and creation. In this case we have someone who created a scenario, and then produced the film. But the creation of the scenario does not really come under the responsibilities of the National Film Board. Its duty is not to promote the careers of scenario writers but only to produce films. Production is a technical element which ensures the progress of cinema. Cinema is a medium which is becoming ever more powerful, challenging and entertaining.

But the National Film Board should not express its ideological or political opinion. The National Film Board is not in a position to lecture us about war, about the merit or demerit of Billy Bishop, or about this or that. In my opinion, such a production is definitely outside its jurisdiction.

I read with interest the remarks of Senator Le Moyne. I agree with him that we must avoid censuring government agencies which enjoy a rather flexible mandate. However, when we have the unmistakable impression that a government agency goes far beyond its mandate, I think we can and must intervene. In my judgment, such is the case with respect to the production of this film.

The committee is unanimous in stating that this is not a documentary but a docu-drama—in other words, a film which combines facts and fiction. The film seems to make an argument about the behaviour of certain military people during the war, or perhaps about the policy governing the award of military decorations, etc. That is not its role.

For that reason, I agree that the Senate should censure the National Film Board. In what terms? Of course there can be no doubt about the real meaning of the unanimous report which includes the following recommendation:

> That after the titles of the film, the following disclaimer be added.

This is censure all right. Senator Molson would add two paragraphs which are recorded on page 2455 of the *Debates of the Senate* of May 13, 1985. They read as follows:

> 2. That the National Film Board be requested to take action to eliminate from the film the unproven allegations, charges and innuendoes against the integrity of Billy Bishop.

● (1520)

This recommendation is more specific in allocating blame than the report. I think that the facts justify the addition of this paragraph.

[Senator Flynn.]

Senator Molson would go even further, and I now quote paragraph 3:

> 3. That a copy of this Report as it stands or as it may be amended, be formally submitted to the Honourable Minister of Communications, with the request that it be transmitted to the National Film Board along with the Minister's specific instruction of action required of the Board to correct the wrong that has been done to the factual record of the late Air Marshal William Avery Bishop, Victoria Cross.

We now enter a technical area which could lead to confusion. The Minister of Communications is certainly responsible for the National Film Board. However, true responsibility lies with the Commissioner and members of the board.

Should the present minister receive instructions from the Senate? This is another very delicate matter which could be debated at length.

Since it makes the problem of the Senate's opinion about this film more complicated, I suggest that the third paragraph is uncalled for. In fact, I would have concluded that the Senate believes that the National Film Board should not have produced this film and should keep strictly to the technical making of films which cannot give rise to ideological controversies. I believe that to do otherwise would go beyond the terms of reference of the board and that this film goes against this principle.

By removing the third paragraph from the recommendations proposed by Senator Molson, we would be allocating blame as specifically as necessary, more so than was done in the report, and that this would clearly indicate that the Senate disagrees with the production of this film.

In these circumstances, I move, seconded by Senator Walker, that the motion be amended by deleting paragraph 3. [*English*]

The conclusion would certainly be clear—not necessarily expressed in the manner which I would have liked, but in a manner sufficiently clear to represent the viewpoints which so far have been expressed by most of those who have spoken on this report.

The Hon. the Speaker *pro tempore:* It has been moved by the Honourable Senator Molson, seconded by the Honourable Senator McElman:

> That the Report be referred back to the Committee with instructions to consider and report upon the following:

Hon. Senators: Dispense.

The Hon. the Speaker *pro tempore:* In amendment, it is moved by the Honourable Senator Flynn, seconded by the Honourable Senator Walker:

> That the proposal in amendment by Senator Molson be amended by deleting paragraph 3.

Is it your pleasure, honourable senators, to adopt the motion in amendment?

Hon. William J. Petten: Honourable senators, if no other senator wishes to speak at this time, I move the adjournment of the debate in the name of Senator Frith.

On motion of Senator Petten, for Senator Frith, debate adjourned.

RULES OF THE SENATE

RULE 67(1) AMENDED

On the Order:

Resuming the debate on the motion of the Honourable Senator Molgat, seconded by the Honourable Senator Barrow:

That Rule 67(1) of the *Rules of the Senate* be amended by striking out paragraph (*n*) and substituting the following:

"(*n*) The Senate Committee on Agriculture and Forestry, composed of twelve members, four of whom shall constitute a quorum, to which shall be referred, on order of the Senate, bills, messages, petitions, inquiries, papers and other matters relating to agriculture and forestry generally, and the Canadian Wheat Board."; and

That the following new paragraph be added immediately after paragraph (*n*):

"(*n*.1) The Senate Committee on Fisheries, composed of twelve members, four of whom shall constitute a quorum, to which shall be referred, on order of the Senate, bills, messages, petitions, inquiries, papers and other matters relating to fisheries generally.".—(*Honourable Senator Marshall*).

Hon. Jack Marshall: Honourable senators, I rise to speak to the motion covered by this order. On February 11, Senator Molgat moved an amendment to rule 67(1), which, in effect, would split the existing Committee on Agriculture, Fisheries and Forestry into two committees, one on agriculture and forestry and one on fisheries—the justification being that the importance of the three fields and the complexity of the issues within them imposed tasks beyond the capacity of the current committee.

The motion is of particular interest to me as chairman of the committee which Senator Molgat proposes to split. The argument is persuasive, and, in view of the crisis which has now occurred in the agriculture industry—which is certainly in the news; we hear about it every day—certainly it can be supported.

However, I wish to take this opportunity to address a problem concerning the overall structure of the committees. This indeed involves some major problems and fails to raise some broader considerations which should be addressed in any debate about the modification of the current committee system.

While it is true that the existing Committee on Agriculture, Fisheries and Forestry is sometimes hard pressed to deal with the range of issues which are now current within its field, the solution, to my mind, is not a piecemeal exercise in committee splitting. What is needed instead is for us to look at the committee structure as a whole in light of the purposes and capacities of the Senate. We must look at them in order to identify some general directions in which the Senate committees should develop.

The problem that exists with Senator Molgat's proposal in favour of splitting the existing committee is that to the extent that it applies to the Committee on Agriculture, Fisheries and Forestry, it applies also to other committees. The best example is the Committee on Social Affairs, Science and Technology, headed by Senator Tremblay, which at the present time is split into three subcommittees. There is a subcommittee on Veterans Affairs. As chairman of that subcommittee, I can never attend the main committee meetings. There is a Subcommittee on Elderly and Child Benefits which is presently doing a study, and another Subcommittee on Training and Employment. Each of those committees has about five or six members. It means that there are more members on the subcommittees than there are on the main committee. This is one of the problems we face.

• (1530)

I want to make it clear that I am well aware of the purpose of Senator Molgat's motion and his sincerity in proposing it. Senator Molgat and I, as well as other members of the committee, have discussed the problems we face in our responsibility to administer and to deal with perhaps three of the most important sectors of our country's economy. Further, we have to be flexible enough to deal with all the problems that exist and that arise almost on a daily basis in these three vital areas. I am also aware of the honourable senator's interest in the agricultural aspect of the region he comes from and his desire to fulfil that responsibility as a representative of that region, just as other members of the committee have the same desire. I refer here to Senator Argue and to Senator Olson, who were so strong yesterday in their questioning. Neither do I hesitate to express to Senator Molgat my appreciation of his interest in the study on the marketing of fish and the expertise he contributed to the first phase of our study, the freshwater fishery, which we will be reporting on very soon.

I also say without hesitation that when the committee began its work, the first topic raised was that of how to cope with our far-reaching mandate. I agreed with the opinions expressed on the difficulties with which we were faced, to the point of discussing them with my leaders, almost on a weekly or bi-weekly basis, and indicating the consensus of the committee. One of the ideas raised at that time was that we form three subcommittees on the three components of our responsibility. After experiencing the duties of chairman of two committees and deputy chairman of another one and being a member of two others, I have come to the conclusion that the apparent trend toward more and more committees is too simplistic an answer to the problems of our operation. In proposing that the present committee be split, Senator Molgat rightfully pointed out that four cabinet ministers deal with the fields addressed by the one Senate committee; namely, the Minister of Agriculture, the Minister in charge of the Canadian Wheat Board, the

Minister of Fisheries and Oceans and the Minister of State for Forestry. Senator Molgat could have pointed out as well that the House of Commons also has under its new rules three committees covering the subjects which the Senate covers with one committee. They are a committee on fisheries and oceans, a new committee on the environment and forestry and a committee on agriculture.

The suggestion is that these levels of specialization respond to requirements of the renewable resources area and that the Senate follow the example of cabinet and presumably the House. However, it can be argued that this is exactly what the Senate should not do. It should not develop its committee structure by emulating that of the lower house. Instead, it should base its committee system on the distinctive purposes and capabilities of the Senate itself. The purpose of the Senate is not to echo judgments expressed in the other place, but to complement those judgments by employing the distinctive perspectives of an appointed body. The committee system in the Senate should foster the development of global and longer term approaches to issues by counterbalancing the increasingly specialized committees of the House with committees structured around the linkages between diverse government portfolios. Far from emulating the example of the House, senators should remember that they belong to an independent body with a distinctive role to play and, where practical, structure Senate committees in deliberate contrast to the House.

Dealing with the motion itself, let us look at what has happened in just a year and a half or so with the Agriculture, Fisheries and Forestry Committee. Perhaps this will indicate the amount of thought or lack of thought that went into its formulation. Everybody knows that we had a committee on agriculture. As a result of requests from me and from others to the effect that more attention should be focused on the topics of fisheries and forestry, somebody decided to expand the committee to take in these two subjects in addition to agriculture. Now, here we are, going full circle and recommending that we go back to where we started. The only difference is that the committee that was originally agriculture will now take on forestry, and another separate committee will be formed to take on fisheries. Would it not have been simpler, shown more common sense and thought if we had left the committee on agriculture alone in the first place and formed a committee on fisheries and forestry, if we are to copy the other place?

I would like to dwell on forestry, because it is always tagged onto the end of something else. The situation is quite different if we consider the three in line of importance. I have with me some figures that I received from the research people. Of the three areas, forestry has the highest annual exports at $16 billion. Agriculture is second with exports of $10.8 billion and fisheries has exports amounting to $1.6 billion. Nobody has mentioned minerals, which come second to forestry in exports and ahead of agriculture and fisheries. We export minerals worth $13.5 billion each year. It seems that we are applying band-aids, rather than doing what we are supposed to do. That is, form the committees to respond to the method of how we may best serve these areas.

When I became Chairman of the Agriculture, Fisheries and Forestry Committee, we decided that we would direct our efforts toward the fishery, since a study had already been done on soil conservation. That study was a good one and was hailed across North America. The then chairman was commended throughout the country. On the advice of some learned colleagues, it was felt that the most important aspect to be addressed at the time was the marketing of fish. First, however, we had to deal with some unfinished business left over from the old committee, which had completed the study entitled "Soil at Risk." Further, we decided to withhold our start on the marketing of fish to allow the committee to do a study arising out of the report, "Soil at Risk", which resulted in the herbicide pricing report that was tabled a few months ago and about which Senator Molgat spoke in glowing terms. So, honourable senators, this committee has not neglected agriculture.

Senator Molgat will recall that last year we dealt with a bill which affected the Freshwater Fish Marketing Corporation. Senator Molgat and Senator Steuart spoke on the bill and requested of our leader that the matter be referred to the fisheries committee. In response on behalf of the party, I indicated that we would deal with it in committee during our study on the marketing of fish and, furthermore, that it would be the first phase of our study on marketing. I think we fulfilled that commitment to its fullest, as we have spent the last months dealing extensively with that aspect. I should also mention that in an attempt to deal with all aspects of the committee's mandate, the whip agreed to give us another time slot. This meant that the committee had available two time periods every week and we used those periods to good advantage. This proves that we had some flexibility in dealing with other aspects of our mandate.

I am sure that if Senator Molgat were here, he would be saying to himself that I should not be complaining, because if the committee is split it will give me back the fisheries committee that I lobbied for in the first place. I can only repeat that after my experience as chairman I have learned to recognize that we cannot expect to have a committee for every topic that is of concern to an individual senator or group unless we are prepared to combine our efforts, as we have attempted to do, or to extend our sittings. I am also sure that Senator Molgat and other honourable senators who have strong feelings on the matter are aware of the difficulty we have on this side with only 20-odd members in manning all the committees.

Senator Bosa: You will soon have the majority.

Senator Marshall: I hope so.

Nor do I wish to leave the impression with those who propose the establishment of the committee, that concentrating on their own particular interests is not important. I have been as guilty as anyone. My efforts resulted in the formation of the Subcommittee on Veterans Affairs, as well as increasing the mandate of this committee by including fisheries. But we have

to learn to be able to divide. We have to learn to be able to divide the number of senators who attend committees into the number of committees we have times the number of hours and days we are prepared to attend and stick to a schedule commensurate with some realistic objectives and rules by which we should abide. There are already 11 Standing Senate Committees, two Special Committees, five Joint Standing Committees and one Joint Special Committee, for a total of 19 committees. I do not know how we are to divide that number of committees into the number of people available to sit on them. It can thus be argued that the existing committee system is already ill-suited to the actual capabilities of the Senate, because it subdivides scarce resources to the point where overall effectiveness suffers.

• (1540)

However, honourable senators, in view of the crisis that exists, and after discussions with my leader, it is very obvious to me that we have to be more flexible in trying to pool all of our resources in order to provide support for agriculture which is in such a dire crisis at the present time. I want to make just one point, and it has to do with the discussion which is taking place today. Just last week, all of the committee chairmen met on the particular problem of the proliferation of committees, the budgets we have to contend with and the fact that, together with the 19 committees I have already mentioned, we are looking at the formation of a committee on Parliament, a committee on Indian affairs and northern development, a committee on human rights and a committee on terrorism. Therefore there are four more committees. If you multiply that by 12, that indicates that another 48 people are needed to sit on those committees.

Apart from that, no one is yet talking about one of the most important topics in the country today, namely the environment and, as I mentioned before, the subject of minerals which is of great export value to the country.

Honourable senators, let me just leave you with one example of the Social Affairs Committee which Senator Tremblay chairs. Under his mandate, he has 12 responsibilities. There is a Subcommittee on Veterans Affairs, which I chair now and which takes up a great deal of my time; there is a committee on Indian and Inuit affairs, and now we are facing the formation of a committee on Indian affairs and northern development, which is justified. Senator Tremblay also is supposed to look after matters of cultural affairs and the arts, which is important. There is a committee on social and labour matters and another committee on health and welfare. I am wondering why we do not have a committee on health and welfare or a committee on pensions, subjects which are so important today. Perhaps we should have a committee on housing, since there are people across the country today who do not have a place to live. Fitness and amateur sports is another topic that we could be discussing, as is employment and immigration, which is a topic close to our hearts today. Another topic is consumer and corporate affairs, which is so important. Another aspect which should be considered is youth affairs. Instead of dealing with youth affairs under the committee that already has that responsibility, we formed another special committee with a big budget and thereby stretched our numbers even further.

Another important matter is the present financial crisis that has struck agriculture, and in that respect there was a meeting last night and I believe there is a debate going on in the other place today. This crisis in agriculture is the most severe since the 1930s, and the negative psychological effects of that crisis are becoming so apparent.

Therefore I feel, despite the problems that we face, we have the flexibility and the resources here in the Senate to be able to improvise and to set up a committee on agriculture. I would therefore urge the adoption of the motion.

Motion agreed to.

CANADA-EUROPE PARLIAMENTARY ASSOCIATION

MEETING IN ITALY—REPORT PRINTED AS APPENDIX

On Inquiry No. 3:

By the Honourable Senator Macquarrie:

> That he will call the attention of the Senate to the meetings of the Canada-Europe Parliamentary Association held in Italy from March 21 to 31, 1986.

Hon. Heath Macquarrie: Honourable senators, I would like to intervene on a matter of order and procedure. Some time ago, I remember Senator Stanbury requesting leave of the Senate to have a report that he had available published as an appendix to the *Debates of the Senate* so that, when the time came for debate a few days later, honourable senators would have had the opportunity to read that report.

I propose not to drop my oratorical gems today, but would like to proceed after our adjournment till the 27th. In the meantime, I would ask that this small report be appended to the *Debates of the Senate* of today.

The Hon. the Speaker *pro tempore:* Is it agreed, honourable senators?

Hon. Senators: Agreed.

(*For text of report, see Appendix "B", p. 2486.*)

Inquiry stands.

INTER-PARLIAMENTARY UNION

SEVENTY-FIFTH CONFERENCE, MEXICO CITY

Hon. Peter Bosa rose pursuant to notice of May 13, 1986:

> That he will call the attention of the Senate to the Seventy-fifth Conference of the Inter-Parliamentary Union, held in Mexico City, Mexico, from 7th to 12th April, 1986.

He said: Honourable senators, yesterday I gave notice that I would draw the attention of the Senate to the Inter-Parliamentary Union Conference which took place in Mexico City in April. However, at that time, I was not aware that the Senate would not meet tomorrow. I discussed this matter with Senator

Phillips and with Senator Petten, and I am wondering whether the Senate would have any objections to my proceeding with the matter today.

The Hon. the Speaker *pro tempore:* Is it agreed, honourable senators?

Hon. Senators: Agreed.

Senator Bosa: It gives me great pleasure to report to you today on the Seventy-fifth Conference of the Inter-Parliamentary Union which was held in Mexico City between April 7 and April 12, 1986.

The Canadian delegation was made up of Mr. Benno Friesen, Mrs. Suzanne Duplessis, Mr. Simon de Jong, Mr. François Gérin, Mr. Bill Gottselig and Mr. Marcel Prud'homme representing the House of Commons, and Senator Robert Muir and myself representing the Senate. Mr. Friesen was the chairman of the Canadian delegation and Mrs. Duplessis and I were vice-chairmen. The delegation was accompanied by Mr. Stephen Knowles of the Parliamentary Relations Secretariat, who served as our executive secretary, and by Mrs. Barbara Reynolds who served very capably as our adviser.

The meetings of the Association of Secretaries-General of Parliament were held concurrently with the IPU Conference. Canada was represented at those meetings by Mr. Charles Lussier, the Clerk of the Senate, Mr. Richard Greene, the Clerk Assistant of the Senate, and Mrs. Nora Lever, the Principal Clerk of the House of Commons.

Before leaving home, the Canadian delegation was briefed by officials of the Department of External Affairs and the Canadian International Development Agency on the various subject matters that were to be on the agenda. In Mexico, we were greatly assisted by the staff of the Canadian embassy. The Ambassador, His Excellency, Mr. Raymond Chrétien, invited us to the embassy to review various aspects of Canada-Mexico relations including bilateral trade and commercial relations, the debt situation, cultural exchanges and Canada's ongoing and emergency aid to Mexico including the assistance provided following the earthquake of September, 1985.

Mr. and Mrs. Chrétien are a charming couple and excellent hosts. All members of the delegation felt very much at home with them. I would be remiss in my duty if I did not single out at least two gentlemen from the embassy: Mr. Terry Wood, Third Secretary and Vice-Consul, and Mr. Emile Martel, Counsellor and Consul. Both of them displayed an eagerness to assist us in all our endeavours. They attended our caucus meetings which took place at 7.30 in the morning at the Camino Real Hotel where we were staying. They provided valuable advice to some of us on speeches we were called upon to deliver and, in short, they made it easier for us to carry out our duties at the conference.

● (1550)

Mexico is a country of approximately 80 million people and has an area of 1.98 million square kilometres. It has one of the highest foreign debts of the Third World countries. During the last five years it has begun to sell sizeable amounts of oil and petroleum products. Last year Canada imported $1.33 billion worth of goods and services from Mexico while exporting $391 million worth of goods and services to it. Our relations with Mexico are good. Our trade and exchanges are on the increase. At the time of the earthquake in Mexico City last September, Canada responded generously to the plight of the victims. The government has so far pledged $5 million in emergency aid—$1.25 million was dispensed in immediate relief and a further $3.75 million for reconstruction purposes was announced by External Relations Minister Monique Vezina on 7 November 1985. The funds will be allocated as follows in keeping with the priorities identified by the Mexican government: $1 million for reconstruction of the National College of Technical Education; another $1 million for housing and community services, to be jointly administered by a Reconstruction and Reorganization Committee, which includes representatives of CIDA and IDRC; a third $1 million for a drinking water and public health project initiated by UNICEF in the State of Guerrero. In addition, the Canadian embassy has been given $250,000 in discretionary funds for local needs. The remaining $500,000 will go toward various projects in the areas of housing, health and education.

Three days before the conference began, Mr. Friesen and I represented Canada at a meeting of the Ten-Plus group. The formation of this group arose out of the fact that, increasingly, various like-minded countries are forming "caucuses" in international organizations to discuss issues of common interest and to co-ordinate their positions. The Ten-Plus group began a few years ago with the ten members of the European Economic Community and, subsequently, countries from Western Europe, North America and the Pacific region decided to join them. The name Ten-Plus was chosen because the group was formed from the ten members of the EEC, plus a number of other countries. The name was changed at this meeting to Twelve-Plus in recognition of the recent admission of Portugal and Spain to membership in the EEC. Today the group consists of all the members of the EEC, all the democratic countries of Western Europe—except Finland—Canada, the United States, Australia and New Zealand.

The group discussed various issues expected to arise at the conference, such as the relationship between the IPU and other supra-national parliamentary organizations; the preparation of a commemorative publication to mark the 100th annversary in 1989 of the founding of the IPU; the election of the new Secretary General of the IPU; and themes for the October 1986 conference. In addition to this first meeting, the group continued to meet each morning of the conference.

The Executive Committee of the IPU also met before the conference began. Canada was represented by the head of its delegation, Mr. Friesen. The committee reviewed various issues relating to the organization of the IPU, such as the appointment of a new Secretary General, the recommendations on admission of new member delegations, the organization of future conferences, topics for the 76th Inter-Parliamentary Conference in Buenos Aires, and the possible duplication of the IPU's work by other inter-parliamentary organizations.

The conference was opened by His Excellency, Senor Miguel de la Madrid Hurtado, the President of Mexico, Senator Antonio Riva Palacio Lopez, the President of the Grand Committee of the Senate and of the Mexican IPU group, Dr. Hans Stercken, the President of the Council of the IPU, and Mr. Hugo Navayas Mogro, Under Secretary General of the United Nations. During the opening ceremony, tribute was paid to the memory of the people killed in the earthquake of September 1985 and in the recent aircraft crash in Mexico.

Following the inaugural ceremony, the Inter-Parliamentary Council met and welcomed Honduras and Guatemala to membership in the Union. It also readmitted Liberia and suspended temporarily the membership of Haiti and the Philippines.

During the first plenary session, the conference considered requests for possible inclusion as supplementary items on the conference agenda. Four items were suggested: the plight of Jews in the Soviet Union; the question of the Palestinians, Lebanon, occupied Arab territories and the Iraq-Iran war; armed conflict and international law; and American aggression against Libya. After the Iranians and Syrians had withdrawn their proposals, the Iraqi proposal was accepted as the supplementary item on the agenda.

Also on the agenda were resolutions on disarmament, terrorism and the Contadora process; the role of science and technology in the economic advancement of developing countries; and the general world situation.

Mr. Gottselig and I spoke on the Contadora process. I noted that despite various efforts at disarmament, there had been almost 150 armed conflicts in the world since World War II. I stated that one cannot give up hope, however, and noted the importance of verification in making real progress in arms control and disarmament. I discussed the importance of international co-operation in dealing with terrorism and raised the Contadora process, and Mexico's role in it, as attempts to reach a reconciliation in Central America.

Mr. Gottselig spoke on terrorism and Canada's support for international efforts against it, including this country's co-sponsorship of the United Nations resolution against terrorism passed unanimously in December, 1985. He said that tough measures were required to stop terrorism and pointed to Canada's firm opposition to the making of concessions to terrorists. He also felt that terrorists must meet with certain and severe punishment for their acts and that the "prosecute or extradite" clauses of various treaties that relate to terrorism in civil aviation should be extended to other forms of transportation.

Mrs. Suzanne Duplessis and Mr. Simon de Jong spoke on the item dealing with the role of science and technology in economic development. Mrs. Duplessis noted the importance of transferring the results of fundamental scientific research to developing countries. She felt that priorities should be placed on the promotion of literacy programs and on the provision of clean water.

Mr. de Jong spoke of the cost of the ongoing arms race which, he felt, had resulted in a lower standard of living for everyone. He also emphasized the need for a new international economic order to aid the progress of developing countries. On the topic of technological development, Mr. de Jong said he believed that the primary concern of science should be the improvement of life for people and that it should assist rather than exploit them.

In the debate on the general world situation, Mr. Friesen and I both spoke. Mr. Friesen talked of the proliferation of terrorism in the world today. He noted that some people feel that one cannot deal with terrorism until economic conditions have changed. He felt, however, that economics was not the only cause of terrorism and that terrorists also act on outdated notions of morality and society. He urged countries never to concede to terrorism and reminded them that the rule of law is an absolute necessity in their societies.

I spoke on the tension among nations, pointing out that the United Nations is not being used as a forum for the resolution of international conflicts. I called for confidence building measures in order to alleviate the deep mistrust that exists among nations of the world. I concluded my remarks by asking for respect for the individual, for human rights, for non-intervention in the internal affairs of other countries and for democracy and freedom.

Two committees of the IPU met during the conference: the First Committee on Political Questions, International Security and Disarmament and the Third Committee on Economic, Social, Cultural and Environmental Questions.

The First Committee, under the Chairmanship of Mr. Marcel Prud'homme, and with Senator Robert Muir serving as the Canadian representative, considered the supplementary item proposed by the group from Iraq. After a plenary debate on the substance of the resolution, a committee was selected to examine the draft resolution.

● (1600)

The first committee also considered the third item on the agenda, the resolution concerning the contribution of Parliaments to halting the arms race, combatting terrorism and supporting the efforts of the Contadora Group. The Canadian group, represented by Mr. François Gérin, submitted a memorandum and a draft resolution on the subject of international terrorism which was based on the December, 1985 United Nations resolution with two additional points: a policy of no concessions and an enactment of a prosecute or extradite policy. Both of these points were accepted. The draft resolution prepared by the drafting committee was adopted without a vote by the full committee.

The Third Committee on Economic, Social, Cultural and Environmental Questions considered agenda item No. 4 which dealt with the role of science and technology and the economic advancement of developing countries and their effects on the welfare of mankind. Canada was represented on this committee by Mrs. Suzanne Duplessis. The draft resolution presented

by the drafting committee was adopted without a vote of the full committee.

On Wednesday, April 9, Mrs. Duplessis attended the meeting of women parliamentarians chaired by Senator Guadalupe Gomez Maganda of Mexico. During the session on women in the workplace, Mrs. Duplessis discussed measures taken by Canada in this field including the employment equity legislation and the establishment of a task force on child care. The meeting decided to hold a one-day meeting at the 76th Conference in Argentina to allow for a full discussion of various agenda items including the preparation of the 1987 report. Women parliamentarians also planned to meet at a conference in Bonn in May, 1986.

During our stay in Mexico, Mr. Bill Gottselig took the opportunity, along with officials from the Canadian embassy and Agriculture Canada, to visit the International Maize and Wheat Improvement Centre to which the Canadian International Development Agency will contribute $1.65 million this year to help research into ways to improve farming in developing countries.

The final plenary session of the conference was held on Saturday, April 12, to examine the various draft resolutions. The conference adopted unanimously the resolution on agenda Item No. 3 on disarmament, international terrorism and the Contadora process. The draft resolution on Item No. 4, dealing with science, technology and the economic advancement of developing countries was adopted by consensus of the conference. The draft resolution on the supplementary item concerning the Palestinian question, Lebanon, occupied Arab territories and the Iran-Iraq war was ultimately accepted by the conference after amendments by the Netherlands and Canada were passed. The Canadian amendments were moved by Mr. Marcel Prud'homme.

Mr. Prud'homme has served on the executive of the Canadian National Group for a number of years in various positions including being its chairman during 1983 and 1984. At the IPU international he has served as rapporteur on disarmament at the Rome conference in 1982 and as a one-man committee to reconcile the wording of two resolutions submitted at the Seoul Conference in 1983 by the states of Iran and Iraq on the Gulf war.

Mr. Marcel Prud'homme was elected chairman of the Interparliamentary Union Committee on political questions, international security and disarmament for two years in Geneva in 1984, and ended his mandate in Mexico in April, 1986. Throughout his involvement with the IPU, Mr. Prud'homme has taken a special interest in establishing contacts with the non-aligned Arab and African nations. In Mexico he has performed a valuable role in chairing the sessions dealing with Item No. 3 on disarmament, international terrorism and the Contadora process, as well as the sessions dealing with the supplementary item on the Middle East, Lebanon and the Iran-Iraq war. Because of his special relationship with many IPU members, he was able, in plenary session, to introduce successfully two amendments to the draft resolution on the supplementary item to delete contentious words.

[Senator Bosa.]

This is why I wanted to give Marcel a plug! Because of what he was able to achieve in plenary session.

Hon. Heath Macquarrie: Hear, hear.

Senator Bosa: First, he moved deletion of the words "to recover their entire territory" from the phrase "affirms the inalienable rights of the Arab Palestinian people to recover their entire territory, to return to their homeland."—which means that the state of Israel would have had to disappear.

Second, he moved the deletion of the contentious words "U.S. and Israeli as well as" and "other" from the original text which reads as follows:

> Strongly condemns U.S. and Israeli as well as any other actions which pose a threat to civil aviation security and endanger passenger safety.

At the final session of the IPU Council, the President, Dr. Hans Stercken, thanked Mr. Prud'homme—as he retired as chairman of the political committee—for his untiring efforts.

To sum up, the 75th Conference was a great success.

Notwithstanding the success, though, of this conference, there are a number of delegates who believe that the IPU activities should be reviewed and reformed again to make them more effective.

Honourable senators might recall a speech I made on the history of IPU on June 27, 1985, during which I outlined the reforms that had been effected in 1984. Prior to 1984 the conferences were too cumbersome. In the last decade the number of national groups grew from less than 70 to more than 100. There was a tendency to crowd the agenda with more and more supplementary items, numbers of speakers, specialized meetings, caucuses, receptions, and so on. The union adopted a series of measures designed to make it more efficient. It was decided that two annual conferences were to take place rather than adhering to an annual cycle, which included preparatory meetings in the spring and a main conference in the autumn. The conferences were to last one week rather than two; the number of delegates was reduced, in the case of Canada, from 12 to 8; the agenda was limited to a maximum of four items rather than the very extensive list which had been possible previously.

Only two and a half years after this major reorganization there is a movement afoot at this time to further reform the conferences to make them more reflective still in dealing with the very important problems that prevail in the international community. These are signs of vitality, and I hope that the IPU, the world's oldest international organization—it will be 100 years old in 1989—will continue to provide a forum where international issues will be debated and bridges built among nations. This is the aim of the IPU. It is up to the national groups, then, to convince their respective parliaments to live up to the spirit of the resolutions that have been adopted at these international conferences.

Some Hon. Senators: Hear, hear.

The Hon. the Acting Speaker: Honourable senators, if no other honourable senator wishes to speak, this inquiry is considered as having been debated.

THE SENATE

RECEPTION FOR NEW SENATOR

The Hon. the Speaker *pro tempore:* In accordance with tradition, you are all invited, senators, officers and pages, to come to the Reading Room to meet Senator Cogger and his family immediately after the Senate rises.

Hon. Senators: Hear, hear.

The Senate adjourned until Tuesday, May 27, 1986 at 2 p.m.

APPENDIX "A"

(*See p. 2473*)

STANDING SENATE COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS

INTERIM REPORT ON SUBJECT MATTER OF BILL C-67

WEDNESDAY, May 14, 1986

The Standing Senate Committee on Legal and Constitutional Affairs has the honour to table its

TWENTY-FIRST REPORT

Your Committee to which was referred the subject-matter of Bill C-67, intituled: "An Act to amend the Parole Act and the Penitentiary Act", in advance of the said Bill coming before the Senate, or any matter relating thereto, has, in obedience to the Order of Reference of Tuesday, December 17, 1985, examined the said subject-matter and now submits an interim report thereon. This report is not intended to be exhaustive, and the Committee will continue its pre-study of the Bill pursuant to the order of reference. There are four areas of concern about the proposed legislation that we wish to deal with at present.

1. Judicial Determination of Detention

The first issue has to do with the question of what is the appropriate body to make decisions with respect to the detention of allegedly "dangerous" inmates beyond the date of their eligibility for release on mandatory supervision. It is the opinion of the Committee that the legislation should reflect the principle approved by the Senate when it adopted Bill S-32, *An Act to amend the Penitentiary Act and the Parole Act* (on June 6, 1983 in the First Session of the Thirty-Second Parliament), namely, that the courts, rather than the National Parole Board, should make decisions respecting the continued incarceration of inmates who would otherwise be eligible for release on mandatory supervision. We have heard the comments of the Solicitor General with respect to the appropriateness of the Board taking on this responsibility, but with respect we must disagree. While recognizing that the legislation attempts to ensure that, in the words of the Minister, "inmates are afforded the best procedural safeguards available to administrative tribunals", we are still of the view that such decisions, affecting as they do the liberty of individuals, are more appropriately addressed in a judicial rather than an administrative forum, where affected inmates would have recourse to all the procedural rights and protections available in the criminal courts, as well as a distinct right of appeal.

2. Entrenching Guidelines in the Legislation

The second issue concerns the decision to allow the Governor in Council to make regulations dealing with: guidelines with respect to detention orders; the right to assistance at hearings of the Board into such detention orders; and the withholding of information from inmates subject to the detention process. Our comments on these matters would be equally applicable if the courts were the decision-makers with respect to detention orders.

The Committee considers that the substance of the regulations contemplated to be made pursuant to section 15.6 of the *Parole Act*, as it would be amended by Bill C-67, should instead form part of the legislation itself. The proposed section would give the Governor in Council authority to make regulations "establishing guidelines with respect to the application by the Board of subsections 15.3(7) and 15.4(4) and section 15.5". It is clear to your Committee that any such guidelines will have an effect upon decisions touching personal rights and liberties and that policy directions as to how these decisions should be reached ought to be given by Parliament itself. We hold a similar view with respect to the power to prescribe what information may be communicated to or withheld from an inmate about the evidence which will be presented at a hearing to determine whether that inmate's incarceration should be continued, and with respect to the power to determine whether an inmate is entitled to assistance at a hearing and the kind and extent of such assistance as well as the persons or class of persons who may provide it. In this latter regard, we note that the right to counsel was guaranteed under Bill S-32 as proceedings of this nature would have been conducted before a court. In addition, section 15.6(2)(b) allows the Governor in Council to prescribe the offences the commission of which will trigger an automatic review. Once again, this is a matter critical to the liberty of incarcerated individuals and in our view the offences should be determined by Parliament itself.

3. Limiting "One Shot" Mandatory Supervision

The third issue has to do with what has become known as "one-shot" mandatory supervision - the denial of the right to earn further remission to certain inmates whose mandatory supervison has been revoked. We note that the scope of this amendment was considerably narrowed in the legislative committee of the House of Commons. Only inmates who have been made the subject of formal consideration for detention under

proposed s. 15.4 of the Bill, but who are *not* detained by order of the Board, are to lose the right to earn further remission on reincarceration following revocation of their release on mandatory supervision. This amendment, however, fails to take account of the criticism that an inmate may have his release revoked for the contravention of terms and conditions of that release which have nothing to do with his or her perceived or potential dangerousness. Even the narrow class of inmates who would become subject to the "one-shot" amendment should not lose the right to earn remission by reason of a "technical" or minor breach of conditions which results in revocation. That right should only be lost if there is a criminal conviction while on release.

4. Review and Termination of the Legislation

The fourth, and final issue has to do with the duration of this proposed legislation, and the process by which it should be reviewed. The Solicitor General has indicated that Bill C-67 is, in many respects, a stop-gap measure, intended to deal with some pressing issues pending a more thorough revision of corrections legislation in the near future. In view of this, the Committee is of the opinion that the Bill should contain a "sunset" clause which would deem its provisions to have no force after a certain date. We would fix that date at five years from the coming into force of the legislation. Bill S-32 contained a "sunset" provision (on its main amendments) of three years. The provision for a review of the operation of the Bill after three years, which was added in the Legislative Committee of the House, should remain. We feel, however, that such a review should be undertaken by a joint committee of both Houses of Parliament, and not only a Committee of the House of Commons. The deliberations of the joint Committee would be of assistance in the formulation of new legislation to replace the Bill.

Respectfully submitted,

DEREK P. LEWIS
for Nathan Nurgitz (Deputy Chairman)

APPENDIX "B"

(*See p. 2479*)

CANADA-EUROPE PARLIAMENTARY ASSOCIATION

MEETING IN ITALY, MARCH 21 to 31, 1986

The Official Parliamentary delegation which visited Italy from March 21 to 31, 1986 has the honour to present its

REPORT

The Canadian parliamentary delegation was led by Mr. Jack Ellis, M.P., Chairman of the Canada-Europe Parliamentary Association. The other members of the delegation were:

The Honourable Lorne Bonnell, Senator
The Honourable Heath Macquarrie, Senator
Mr. David Orlikow, M.P.
Mr. Jean-Claude Malépart, M.P.
Mr. John A. MacDougall, M.P.
Mr. Vincent Della Noce, M.P.
Mrs. Danielle Parent-Belisle,
Executive Secretary of the Association

To permit the number of delegates and spouses to participate in this parliamentary visit, it had been decided by the Executive of the Association that all delegates travel economy class (apex fare).

The Italian parliamentarians involved in the visit were:

On. Giuseppe Azzaro,
Vice-president of the Chamber of Deputies
Senator Giovanni Prandini,
Under-Secretary for Foreign Trade
Senator Learco Saporito
On. Karl Mitterdorfer,
Chairman, Italy-Canada Parliamentary Group
On. Romeo Ricciuti, deputy
On Bruno Stegagnini, deputy
On. Bruno Ferrari, deputy
On. Savio Gastone, deputy
On. Giovanni Giadresco, deputy

The delegation was in Italy from March 21 to 31, 1986. It was the first time that a delegation of Canadian parliamentarians travelled to Italy to meet their homologues to discuss a wide range of issues on an informal basis according to a mutually prearranged programme.

The official visit began on Friday, March 21 in Milan where the Canadian parliamentary group undertook a rigorous series of meetings and discussions with key local government leaders including the prefect of Milan, Dr. Enzo Vicari; the President of the Lombardy government, Avv Giuseppe Guzzetti; the vice-president of the regional parliament, Ing. Vittorio Korach; and the vice-mayor of Milan, Hon. Antonio Del Pennino. In addition to trade and economic issues, discussions dealt with subjects such as the structure and role of regional government, how political power is shared between Rome and the regions and the effects of increasingly decentralizing the political process.

In Rome, the delegates met with the Hon. Giuseppe Azzaro, vice-president of the House of Deputies, with Mr. Karl Mitterdorfer, president of the Italy-Canada parliamentary group and with several other parliamentarians. At a round table with members of the Italian Senate and Chamber of Deputies, the discussions focussed mainly on the subject of current Canadian immigration policy and more specifically, the proposed establishment of Italian Emigration Committees in Canada.

Such Committees had been proposed in May 1985 through legislation passed by the Italian Parliament. It specified that they be established in every sizeable community of Italian origin lying outside Italy. Their purpose would be to attend to the welfare of the communities by "taking on responsibility for, in cooperation and in coordination with the consular authorities, promotion functions, taking also appropriate steps with regard to subjects relating to social and cultural life, assistance, recreation, sports and the free time activities of Italian nationals resident in the Consular District."

The Canadian delegation expressed the views of the Government that the creation of such Committees would, amongst other reasons, be counter to the Canadian policy on Multiculturalism. It was also noted that the various Italian Canadian Committees across Canada had expressed opposition to the formation of these Committees. The Italians nevertheless expressed a strong desire to begin dialogue with Canada to avoid any future misunderstandings.

Questions regarding economic development and industrial cooperation, were also raised. The Canadian delegation underlined that promotion of industrial cooperation between Canada and Italy should continue to be a priority component of our trade activities with this country. Technology transfer and political cooperation matters were also discussed.

Previously arranged meetings with the Hon. Amintore Fanfani, president of the Senate and with Dr. Arnaldo Forlani, vice-president of the Council of Ministers had to be cancelled due to the events which had just occurred in the Mediterranean Sea (USA-Libyan crisis).

The official visit included a day in Florence and a day in l'Aquila where the Hon. Bruno Stegagnini, deputy and the Hon. Romeo Ricciuti, deputy were respectively host to the delegation's visit in their own riding. In Florence, the delegation also met with Hon. Massimo Bogianckino, mayor of the city and in l'Aquila with Dottor Enzo Lombardi, mayor of l'Aquila and Avv Sergio Cataldi, mayor of Avezanno. The delegation was also recognized by the regional Council of Abruzzo and the regional giunta of Abruzzo in their respective chambers. In the regional giunta, members representing each of the five recognized Parties spoke on the healthy state of current relations between Canada and Italy.

The group met with business representatives and toured manufacturing facilities in both the industrialized north as well as in the central Abruzzo area.

During their stay in Italy, the delegation had a private audience with His Holiness, Pope John Paul II, and visited the war grave cemetery at Cassino where a wreath was laid in honour of the 855 Canadians buried there.

The visit provided the delegation with the opportunity to familiarize themselves with several geographical areas of Italy and to meet with a cross section of Italians including top members of federal, regional and local governments. The meetings proved useful in sensitizing Canadian parliamentarians to the concerns of their Italian counterparts, in establishing a direct link between Canadian and Italian parliamentarians and in contributing significantly to efforts to enhance the bilateral relationship as a whole.

THE SENATE

Tuesday, May 27, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

[*Translation*]

SECHELT INDIAN BAND SELF-GOVERNMENT BILL

FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-93, relating to self-government for the Sechelt Indian Band.

Bill read first time.

The Hon. the Speaker: When shall this bill be read the second time?

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(f), bill placed on the Orders of the Day for second reading later this day.

[*English*]

GRASSY NARROWS AND ISLINGTON INDIAN BANDS MERCURY POLLUTION CLAIMS SETTLEMENT BILL

FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-110, to approve, give effect to and declare valid certain agreements between the Government of Canada, the Government of Ontario, Reed Inc., Great Lakes Forest Products Ltd., the Islington Indian Band and the Grassy Narrows Indian Band.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44 (1)(f), bill placed on the Orders of the Day for second reading later this day.

CANADA'S INTERNATIONAL RELATIONS

SPECIAL JOINT COMMITTEE—MESSAGE FROM HOUSE OF COMMONS

The Hon. the Speaker: Honourable senators, I have the honour to inform the Senate that a message has been received from the House of Commons in the following wording:

> Ordered,—That, notwithstanding the Order of the House made on Wednesday, June 12, 1985, the Special Joint Committee on Canada's International Relations be empowered to present its final report not later than Wednesday, June 25, 1986; and
>
> That a message be sent to the Senate to request that the Senate unite with this House for the above purpose.
>
> *ATTEST*
>
> MICHAEL B. KIRBY
> *for the Clerk of the House of Commons*

Honourable senators, when shall this message be taken into consideration?

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(e), I move:

> That, notwithstanding the Order of the Senate adopted on Thursday, June 27, 1985, the Special Joint Committee on Canada's International Relations be empowered to present its final report no later than Wednesday, June 25, 1986; and
>
> That a Message be sent to the House of Commons to acquaint that House that the Senate do unite with that House for the above purpose.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

OFFICIAL LANGUAGES

FIFTH REPORT OF STANDING JOINT COMMITTEE TABLED

Hon. Dalia Wood, Joint Chairman of the Standing Joint Committee on Official Languages tabled the following report:

Tuesday, May 27, 1986

The Standing Joint Committee of the Senate and of the House of Commons on Official Languages has the honour to present its

FIFTH REPORT

In relation to its Order of Reference from the Senate dated Tuesday, March 25, 1986 and its Order of Reference from the House of Commons dated Thursday, February 27, 1986, your Committee has considered Vote 15 under PRIVY COUNCIL in the Main Estimates for the fiscal year ending March 31, 1987, and reports the same.

Respectfully submitted,

DALIA WOOD
Chairman

[*Translation*]

PARLIAMENTARY AFFAIRS COMMISSION OF THE INTERNATIONAL ASSOCIATION OF FRENCH-SPEAKING PARLIAMENTARIANS

MEETING IN BRAZIL—NOTICE OF INQUIRY

Hon. Martial Asselin: Honourable senators, I give notice that on Wednesday next, June 4, 1986, I will call the attention of the Senate to a meeting held in Brazil from April 22 to 26, 1986, by the Parliamentary Affairs Commission of the International Association of French-speaking Parliamentarians on the following subject: Women in Parliament.

[*English*]

CANADA PETROLEUM RESOURCES

ENERGY AND NATURAL RESOURCES COMMITTEE AUTHORIZED TO STUDY SUBJECT MATTER OF BILL C-92

Hon. C. William Doody (Deputy Leader of the Government), with leave of the Senate and notwithstanding rule 45(1)(e), moved:

> That the Standing Senate Committee on Energy and Natural Resources be authorized to examine and consider the subject-matter of the Bill C-92, intituled: "An Act to regulate interests in petroleum in relation to frontier lands, to amend the Oil and Gas Production and Conservation Act and to repeal the Canada Oil and Gas Act", in advance of the said Bill coming before the Senate or any matter relating thereto.

Motion agreed to.

QUESTION PERIOD

[*English*]

CANADA-UNITED STATES RELATIONS

TRADE—IMPOSITION OF U.S. TARIFF ON CANADIAN SHAKES AND SHINGLES

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I would like to ask the Leader of the Government whether the Government of Canada is making representations to the Government of the United States to rescind the presidential order which placed a 35 per cent duty on shakes and shingles and which, if implemented, would cause the loss of thousands of jobs in British Columbia. Is the government making representations to have that order rescinded?

Hon. Duff Roblin (Leader of the Government): The answer is, yes, honourable senators.

Senator MacEachen: Would the Leader of the Government tell me whether representations have been made by the Prime Minister to the President? He will recall that on the occasion of the Libyan adventure, the President and the Prime Minister had several conversations. I wonder whether this incident justified the Prime Minister's making personal representations to the President and were those made by the Prime Minister himself?

Senator Roblin: Honourable senators, I think the first step will be a meeting between the Secretary of State for External Affairs and the American Secretary of State, Mr. Shultz.

Senator MacEachen: Representations have not yet taken place and the first representation will take place at a meeting between the two ministers. When will that meeting take place?

Senator Roblin: I cannot say for sure whether any representations have taken place so far. I am not aware of them if they have. However, I do know that the Secretary of State for External Affairs, Mr. Clark, will be meeting with Mr. Shultz on Friday to discuss this matter.

Senator MacEachen: A week will have elapsed and the government will not have made any direct representations to the Government of the United States requesting that this particular order be rescinded.

Senator Roblin: I cannot respond to that statement directly because I do not know, but I imagine that the letter sent by the Prime Minister to the President of the United States conveys some idea of our concern with respect to this matter.

I can say that we are formally seeking compensation from the American authorities if they decide not to rescind this order.

I can also say that the representatives of the shakes and shingles industry from British Columbia will be meeting in Ottawa tomorrow with Mr. Clark and other ministers to discuss the Canadian reaction.

Senator MacEachen: I am most surprised that the government would have allowed a week to go by without making a direct request to the President and to his officials to rescind this order in accordance with the unanimous resolution passed by the House of Commons last Friday. Is it a fact that the government has not transmitted that resolution to the Government of the United States? The Leader of the Government has said that representations will be made for the first time on Friday.

Yesterday, I believe, the Secretary of State for External Affairs stated that today the cabinet would be considering retaliatory action, that a range of options was being considered, and that a decision might be reached today regarding retaliatory action against the United States. Can the Leader of the Government tell us whether any decision has been reached?

Senator Roblin: My honourable friend must not put words in my mouth or make assumptions from what I have said. He said that we have not made representations to the United States with respect to the resolution passed by the House of Commons the other day. I have no specific information on that and I would not like him to think that nothing has been done. I can certainly ascertain what the facts are, but I would not like

him to think that the meeting between the secretaries of state of the two countries on Friday is the first action to be taken, because I am fairly confident that it is not.

Senator MacEachen: Based on his confidence, can the Leader of the Government tell me what form the representations have taken?

Senator Roblin: I cannot allow my honourable friend to draw me out because I have already said that I do not have the details at my disposal at the moment.

Senator MacEachen: Does the Leader of the Government know whether the government has made a decision about retaliatory action?

Senator Roblin: The government has considered the matter and has certain alternatives in front of it. No decision will be made on those until we have had a chance to speak with the people from British Columbia.

• (1410)

Senator MacEachen: Presumably, the same reasoning applies to the proposal for assistance to the affected persons in British Columbia; that no decision will be made until after the conversation tomorrow with those persons affected.

Senator Roblin: Generally speaking, we think it advisable to talk to the parties at interest.

Senator MacEachen: In spite of the allegedly intimate personal relationship between the President and the Prime Minister and the allegedly warm and unprecedented new era of American-Canadian relations, the Canadian embassy, the Prime Minister and the Secretary of State for External Affairs had absolutely no prior knowledge whatsoever of this action that was taken by the President of the United States. Can the government leader give us any plausible explanation as to how that could happen, in view of the allegedly warm relations to which the honourable senator has, himself, referred so many times in the Senate?

Senator Roblin: I think that will be a matter that will be discussed between the President and the Prime Minister.

Senator MacEachen: Neither the President nor the Prime Minister is here. I am asking the Leader of the Government why the Canadian embassy did not know about this pending action. Why did not Mr. Deaver, to whom we are paying over $100,000 a year as a consultant, know about this presidential action?

Senator Roblin: I think that the American government held that card pretty close to its vest.

Senator MacEachen: That is absurd. The card was not held close to the vest because the Premier of British Columbia wrote to the Prime Minister of Canada on May 6, telling him that this decision was imminent. In fact, I believe he indicated the date before which the decision had to be taken and asked the Prime Minister to call the President. The Premier of British Columbia was greatly afraid that this action would be taken by the President of the United States. Why is it that the Canadian government, Mr. Deaver and all of the others who have made themselves authorities on Canada-U.S. relations, did not know about this action when the Premier of British Columbia did know about it?

Senator Roblin: If my honourable friend will just reflect for a moment, he will understand very well that a lot of people knew the date by which a decision was to be taken. That is perfectly correct. What we did not know was that the answer of the President would be adverse to our interests. We knew that a decision would be made but it was our expectation that it would not be an adverse one.

Senator MacEachen: Did the government make any representations that led it to conclude that it would be a favourable decision? Was the government led to believe by anybody—and, if so, by whom—that it would be a favourable decision?

Senator Roblin: I am completely unable to answer that question because it is a matter of discussion between the two governments. I must tell my honourable friend that there is no way in which I can put myself in the place of those actually conducting the negotiations and advise him of an answer.

Senator MacEachen: The Leader of the Government has stated that the Canadian government believed that the decision would be favourable. That is what he said. Did they believe it so thoroughly that they did not bother picking up the phone to ask for a favourable decision? I think it is reasonable to ask what led the Government of Canada to this conclusion. Was it Mr. Gotlieb who called up to say that everything was OK? Was it Mr. Deaver who led the government to this belief? On what evidence did the government base its decision?

Senator Roblin: My friend is a great one for sketching scenarios that suit his purpose. I do not believe that that scenario is correct.

Senator Olson: He is asking a question.

Senator Roblin: All right; I will take the question as notice. Because it is clear to everybody here that I had no part in these negotiations, I will have to take the question as notice to find out if there is more information that I can provide. For my honourable friend to draw a sketchy scenario which suits the purpose of his argument is all very well for him, but it may have nothing to do with the facts of the matter.

Senator MacEachen: I am not introducing facts. I am basing my questions on what has been stated by the Leader of the Government within the last few minutes. I asked why it was that the Prime Minister of Canada did not respond to the urgent message of the Premier of British Columbia, who was terrified that this action would in fact be taken. And when I asked why the Prime Minister did not do something, the Leader of the Government said, "Because we had no reason to believe that the decision would be anything but favourable."

Senator Frith: Exactly.

Senator MacEachen: Is it stretching the scenario, honourable senators, to ask the Leader of the Government, "On what

did you base your view that the decision would be favourable?"

Senator Roblin: No, it is not stretching it at all. I have told my honourable friend three times that I will find out for him what I can.

Senator MacEachen: Honourable senators, the Leader of the Government has made the statement that the Government of Canada had reason to believe that the decision would be favourable. I want to know on what evidence. The Leader of the Government cannot say, "I believed it, but I had no evidence; the government believed it but had no evidence."

Senator Frith: He can say that.

Senator MacEachen: He said it, but it does not make sense. I ask the Leader of the Government, in view of an obvious breakdown in communication between Washington and Ottawa, whether the government is now re-appraising its foreign policy approach to the United States. After all, the Secretary of State for External Affairs described this action as "a surprise attack." Is the Leader of the Government still ready to repeat those soothing comments he has made about Canada-U.S. relations, in light of this development?

Senator Roblin: I am certainly not prepared to escalate the war as my honourable friend appears to wish to do. I have told him that I have been advised that we did not expect an adverse answer. I am entitled to make that statement, because that is the information given to me. If my honourable friend wants further information with respect to it and if it is available, I will be able to get it for him. But I refuse to allow him to stand up and pontificate on this matter in the way that he does in order to produce an effect.

Senator MacEachen: Honourable senators, it is hilarious to accuse me of escalating the matter. No other Prime Minister that I know of in the history of Canada has used such intemperate language with respect to a President of the United States, as the present Prime Minister of Canada has done. No one could escalate this.

Senator Frith: Or pontificate.

Senator MacEachen: The Prime Minister has called the action "unjustified", "unacceptable" and "bizarre". I would suggest that the Leader of the Government go to the Oxford dictionary to find out what "bizarre" means. That is the word used by the Prime Minister. Mr. Clark, the Secretary of State for External Affairs, called it, among other things, "eccentric." So the Leader of the Government should not accuse me of escalating a controversy the like of which we have never before seen between the Prime Minister of Canada and the President of the United States—never. The Leader of the Government had better not try that line. But I return to the utterance which he made in his unjustified rhetoric, his eccentric, bizarre, grotesque rhetoric. The Leader of the Government said that he had information that led him to believe that the decision would be favourable. Where did you get it?

Senator Roblin: Honourable senators, I have answered the question for the fourth time. I will make inquiries about this. My honourable friend cannot have a very long memory if he thinks that there have not been differences of opinion of a substantial nature between the governments of Canada and the United States, because I can remember one or two very easily. I say to my honourable friend that we will try to get the answers to his question, but I refuse to allow him to escalate the matter here.

Senator MacEachen: There have indeed been differences of opinion between the Government of Canada and the Government of the United States, but I challenge the Leader of the Government to produce any statement by any Prime Minister of Canada that equals in intensity the vocabulary used on this occasion by the Prime Minister with respect to the President. He described him as an unreliable partner, a man who would not keep his word, a man who would not permit Canadian goods to enter the United States if they could compete successfully. All these things were said by the Prime Minister of Canada in the House of Commons on Friday. I challenge the Leader of the Government to find any other Prime Minister who used such intense language with respect to the President of the United States.

● (1420)

In this case, it indicates a total reversal, a total failure of the policy of the Prime Minister—which he so angrily admitted in the House of Commons last Friday—a total reversal.

Senator Roblin: Honourable senators, my honourable friend had better wait and see. Before he arrives at such complete and unconditional judgments as the one he just rendered, he had better wait and see, because everybody knows that these matters are subject to negotiation and that we will have to wait and see what the outcome is. We do not like what the United States has done to us, and that is clear enough. The Prime Minister has made his views well known with respect to the matter. However, I still have the firm opinion that being candid as between friends is not such a bad thing, that there is no need to pussyfoot on every issue that comes along.

If the Prime Minister had been pussyfooting on this issue, what would the Leader of the Opposition be saying? I can just hear his speech. I can hear him saying, "Who is this wimp who will not stand up to the United States? Who is this man who sold out Canada to the American traders? Who is this fellow who cannot go into negotiations because he is not tough enough?"

Senator Argue: Mulroney!

Senator Roblin: That is the kind of language that he would be using, but because the argument falls on the other side we get from the Leader of the Opposition another speech of a different tenor. I tell him that we should be careful about passing judgment on these matters until we find out what the events produce.

Senator MacEachen: I have been very careful about passing judgments. In my first speech in this chamber I warned the Prime Minister about the folly of the approach he was taking to the United States, that it would not work. The Prime Minister felt that amiability was a substitute for the pursuit of

Canadian interests. He has painfully found out that the approach he was following was mistaken, and he admitted it publicly on Friday. The Leader of the Government should not accuse anyone else of escalating the situation. It has been created by the government.

Some Hon. Senators: Hear, hear!

Senator MacEachen: The Prime Minister said that the President of the United States promised, both at the summit in Quebec and at the summit in Tokyo, that he would not do what he did, and that he has broken his word.

I was telling the Leader of the Government not so long ago to be cautious, to seek deeper assurances from the United States on acid rain, and he replied that he was "willing to take the word of the President of the United States at its face value." Those are the words of the Leader of the Government.

Senator Roblin: That's right.

Senator MacEachen: On Friday, the Prime Minister as much as told the Leader of the Government that that is not the Prime Minister's view, that he cannot take the President's word, and he said so in his letter to the President and in the House of Commons. That is why I am asking the Leader of the Government: Is the government presently re-evaluating its overall approach to the United States to put it on a more realistic basis, and not on one of amiability and misguided sentiment, which has been the cornerstone of the Prime Minister's approach, thinking that the singing of duets is a good means of formulating foreign policy?

Senator Frith: And Irish smiles.

Senator Roblin: I have heard a lot of things, but I have never heard anything quite so insipid—

Senator Frith: "Insipid", that's a good word.

Senator Roblin: —as the suggestion that sentiment and singing ballads in Quebec City are substitutes for foreign policy.

Senator Frith: By George, I think he's got it!

Some Hon. Senators: Oh, oh!

Senator Roblin: They are not; they never have been and they never will be.

It is a little bit different from going to the United States with a chip on your shoulder, as some Prime Ministers have done, and making remarks that are hardly printable with respect to American officers of state, as one of the former Prime Ministers of this country did, and saying that that is a foreign policy. Anyone who says that that is his foreign policy would be wrong, because it was not. He indulged himself in those gestures, to be sure, but I would be the last one to say that that was the substance of his foreign policy. The same with my honourable friend.

The substance of the foreign policy of this country is to look after the interests of Canadians, and we intend to do it one way or the other.

[Senator MacEachen.]

Senator MacEachen: The Leader of the Government in the Senate has made an assertion about unprintable comments made by former Prime Ministers with respect to the President of the United States. "Remarks that are hardly printable," were the words. I wish he would back them up and give us the quotations from any former Prime Minister. Let us have them.

Senator Roblin: I was referring to the attitude of Prime Minister Trudeau with respect to certain officials in the State Department on one occasion when he was there, and my honourable friend knows that reference very well.

Senator MacEachen: I do not.

Senator Roblin: It was in the newspapers at the time. You ought to have been reading them.

An Hon. Senator: It is the other way around.

Senator Roblin: My friend says: "It is the other way around." I do not think so. However, let us come back to the point. If anyone thinks that the foreign policy of this government towards the United States is based on sentiment, well, they have heard the Prime Minister's speech! It is not based on sentiment. It is based on an endeavour to cultivate a relationship, and what is wrong with that? How can people go into a negotiating situation if they do not try to do that? Even in the course of those negotiations, if we run into problems—and heaven knows, we have run into one with respect to this—that does not mean that our policy is based on sentiment, or the singing of ballads. It is quite the contrary. Our policy is to defend the interests of this nation, and that is what we will do.

Senator Frith: That is what we are worried about.

THE ECONOMY

VALUE OF CANADIAN DOLLAR

Hon. H.A. Olson: Honourable senators, we seem to have a new diplomatic language, and perhaps some of us had better find out the definition of certain words, so that we will have a better understanding of what is being said and what is meant by what is being said.

I would like to ask the Leader of the Government whether or not Canada has been asked to shore up, or further increase, the relative value of the Canadian dollar in relation to United States currency. I do that because I think that shortly before we adjourned, the Secretary of the Treasury of the United States had indicated that they expect the value of the Canadian dollar to be increased. At that time he was referring to some of the obligations that Canada would be expected to take on as a result of being admitted to the group of seven.

I am sure that both the Leader of the Government in the Senate and I understand that it has been a concern of the Treasury of the United States and their trade departments for some time that the relative value of the Canadian dollar has been, in fact, an advantage to Canadian trade in a number of commodities going into the United States. Can the Leader of the Government, therefore, tell us if there has been any follow-up to the suggestion—or admonition, if you like—of the

Secretary of the Treasury that Canada ought to be more active in its intervention to increase the relative value of the Canadian dollar?

Hon. Duff Roblin (Leader of the Government): I do not think my honourable friend is correct in saying that entrance to the group of seven means that we are accepting the opinion of others as to what the value of our dollar should be. That is not one of the matters on which we are bound by any agreement. In fact, each one of the seven nations still follows its own policy except those that may be bound up in what is called the "snake" inside the European Community. Apart from that, it is not an issue in that respect.

With respect to the Canadian dollar, as recently as two weeks or a month ago, my friend was ripping the hide off me because the Canadians were supporting their dollar. It had gone down to 70 cents and we were trying to get it back to where we thought it should be. This was considered to be reprehensible in some way or another.

• (1430)

I think we have to tell the Secretary of the Treasury of the United States something that I am sure his officials have told him by now, and that is that the Canadian government has not been a party to the lowering of the value of the Canadian dollar; in fact, quite the reverse is true. If we had let our dollar go unsupported below the 69 cent mark, then perhaps he would have had something to complain about.

Senator Olson: A supplementary question, honourable senators. What I had to say had nothing to do with some action that may have been taken some time ago. When the Canadian dollar goes down, there are people in Canada who would like to know the reason for that and what the attitude of the government is, but that was not the question I asked the honourable leader, and I think he knows that. I asked him whether or not we had received any further messages from the United States and, in particular, any messages following the statement made by the Secretary of the Treasury, which indicated his view that Canada has an obligation to increase the value of its dollar relative to the American dollar.

Senator Roblin: I believe the Minister of Finance recently answered that question. His answer was "No."

CANADA-UNITED STATES RELATIONS

IMPACT OF FREE TRADE ON AUTO PACT—AVAILABILITY OF REPORT TO PROVINCE OF ONTARIO

Hon. Jerahmiel S. Grafstein: Honourable senators, the full, uncensored, unexpurgated government report on the impact of free trade on the auto pact—which has not been made available to either the Senate or to the House of Commons—according to a Canadian Press report has concluded that there are in the comprehensive-agreement-approach substantial risks and substantial costs to the auto pact with no discernible benefits.

Since the government has chosen not to make this information available to Parliament, would the government consider making this information available to the Province of Ontario on a confidential basis so that it can carefully assess the very detrimental effects that free trade might have on the auto pact?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I believe that document has been made available to the Government of Ontario, but I should like to take the question as notice to be sure that I am correct.

EFFECT OF ESTABLISHMENT OF JAPANESE AUTOMOBILE PLANTS IN CANADA

Hon. Jerahmiel S. Grafstein: Just as a corollary to that question, could the Leader of the Government in the Senate inform us as to what steps the Canadian government is taking to counter representations by industry representatives in the United States to the effect that any investment by Japanese car manufacturers in Canada by the establishment of automobile plants would be contrary to GATT?

Hon. Duff Roblin (Leader of the Government): I think that if the matter is contrary to GATT, it will fall within the province of the United States government to raise the subject with GATT.

EMPLOYMENT

SUMMER YOUTH EMPLOYMENT PROGRAM

Hon. Lorna Marsden: Honourable senators, the Leader of the Government in the Senate is, no doubt, aware of the evaluation report made by the Department of Employment and Immigration on Challenge '85, the Summer Youth Employment Program for last year, which report pointed out that the non-private sector was more successful than private sector firms in finding jobs for young people, especially jobs closely linked to their career interest.

In light of that, and in light of the reaction to this year's program by the group called "Save Our Summer", does the government have plans to redress that imbalance for the remainder of the Challenge '86 program?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I am not sure that I can accept the premise of my friend's question. I have not read the reports, so I am not in a position to judge them.

Senator Marsden: I wonder if the Leader of the Government in the Senate would be kind enough to have a look at that report—which is available from the Department of Employment and Immigration—and let the members of this chamber know whether there are such plans.

YOUTH

REPORT OF SPECIAL SENATE COMMITTEE—GOVERNMENT RESPONSE

Hon. Lorna Marsden: While I am on my feet, could the Leader of the Government in the Senate tell us when we can

expect a reaction from the government to the Report of the Special Senate Committee on Youth, which was promised some time ago?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I shall take both questions as notice.

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have some delayed answers to questions.

CANADA-UNITED STATES RELATIONS

SUMMIT MEETING IN QUEBEC CITY—ABSENCE OF GOVERNOR GENERAL

Hon. Duff Roblin (Leader of the Government): Honourable senators, I am disappointed to see that Senator Gigantès is not present in the chamber this afternoon to hear the answer to a question that he asked some time ago. If I may say so, the delay has been an unconscionable one.

Hon. Allan J. MacEachen (Leader of the Opposition): Please let us have it.

Senator Roblin: Honourable senators, this delayed answer is in response to a question asked in the Senate on March 19, 1985 by the Honourable Senator Gigantès regarding the Summit Meeting in Quebec City last year and whether Mr. Broadbent was invited to the gala.

(*The answer follows*):

Yes, the Leader of the NDP was invited to the gala performance.

PUBLISHING INDUSTRY

CANADIAN SHARE OF MARKET

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on May 7 last by the Honourable Senator Grafstein regarding Publishing Industry—Canadian Share of Market.

(*The answer follows*):

The Longman decision is the last transitional case where the rules in effect prior to the July 1985 book publishing policy announced by the Minister of Communications will apply. From now on all cases submitted to Investment Canada will have to be reviewed against the guidelines of the foreign investment policy in the book publishing and distribution sector as outlined by M. Masse on July 6, 1985.

As conditions of the sale, Longman undertook the following commitments:

—Longman will give Copp Clark's Canadian managers the opportunity within six months to acquire up to twenty per cent of the Canadian subsidiary's voting equity of which they currently hold none.

[Senator Marsden.]

—Longman will ensure that Canadian management will continue to enjoy full authority over editorial policy and general operations.

—A distribution agreement was reached whereby Longman will offer to transfer to a Canadian-controlled agent the right to distribute Longman's children's books and trade reference books.

—About 70 per cent of Copp Clark's revenues are and will continue to be derived from books by Canadian authors. To ensure that this level is maintained, Longman plans to triple over the next three years Copp Clark's investments in the development of new Canadian books.

The government is assured that the commitments offered by Longman, together with Copp Clark's established record in the Canadian publishing industry, compare favourably with any obtained under the criteria which applied to foreign investment review policy prior to July 1985. The government is also assured that these commitments will be beneficial to the Canadian publishing industry and to Canada's writers.

ENERGY

OIL AND GAS INDUSTRY LAYOFFS—GOVERNMENT POLICY

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on May 13 last by the Honourable Senator Olson regarding Energy—Oil and Gas Industry Layoffs—Government Policy.

(*The answer follows*):

Because Canada has important consumer and producer interests in energy, the impacts of lower oil prices are mixed. Consuming industries and regions will clearly benefit while the petroleum and related industries, and the regions dependent upon them will be subject to serious declines in employment and investment. These enormous differences in regional impacts are concerns to the government.

The federal government is watching this situation very carefully. We are committed to a fundamental reliance on markets in our economy. We would be very reluctant to return to the regulated oil markets of the past decade, even though such a move might result in the short-term amelioration of employment and investment declines.

Despite the less than optimistic short-term outlook, we can find some solace in a recent Wall Street Journal analysis that concludes that Canada is in a better position to weather the current low-price situation than the U.S. due in part to the relief provided by governments in the form of price decontrols and decreased taxation, initially by the Western Accord and more recently in response to the international oil price collapse.

CANADA-UNITED STATES RELATIONS

BILATERAL TRADE NEGOTIATIONS—BENEFITS ACCRUING TO OTHER TRADING PARTNERS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on May 14 last by the Honourable Senator MacEachan regarding Canada-United States Relations—Bilateral Trade Negotiations—Benefits Accruing to Other Trading Partners.

(*The answer follows*):

> Both the Canadian and U.S.A. governments have made clear to other trading partners that any Canada-U.S.A. trade agreement would be in conformity with the GATT and reflect the principle that it should be trade creating, rather than trade diverting. Any agreement reached by the two countries on contentious subjects in international trade such as agriculture, services and contingency protection could have an important exemplary and catalytic effect on Multilateral Trade Negotiations and help promote a great liberalization of the international trading system. Finally, a stronger and more dynamic North American economy that should result from such a bilateral agreement will represent a larger and more attractive market for exports from other trading partners, including the developing countries.
>
> No bilateral or trilateral discussions are planned with other countries to permit them additional access to a Canada-U.S.A. free trade area. Both Canada and the United States are strongly committed to the launching of a new round of Multilateral Trade Negotiations with a view to a general liberalization and expansion of international trade. If those negotiations are successful, they will result in additional access by other trading partners to the Canadian and USA markets.

VISITORS IN GALLERY

Hon. Robert Muir: Honourable senators, with your permission, may I draw to your attention the presence in the Visitors' Gallery of some distinguished guests: His Excellency, Ambassador Josè Francisco Pulit, the Ambassador of Argentina; Dr. Edouardo Jhantus, from the Embassy of Argentina; the Honourable Senador Fernando Mauhum and the Honourable Senador Miguel Mathus Escorihuela. These visitors are paying their first visit to Canada. Let us give them a good Canadian welcome!

Hon. Senators: Hear, hear.

SMOKING PROHIBITION BILL

SECOND READING—MOTION IN AMENDMENT—SPEAKER'S RULING

On the Order:

> Resuming the debate on the motion of the Honourable Senator Haidasz, P.C., seconded by the Honourable Senator Bosa, for the second reading of the Bill S-8, intituled: "An Act to prohibit smoking in certain work areas and on board certain modes of transport",
>
> And on the motion in amendment thereto of the Honourable Senator Godfrey, seconded by the Honourable Senator Steuart (*Prince Albert-Duck Lake*), that the Bill be not now read the second time, but that the subject-matter thereof be referred to the Standing Senate Committee on Legal and Constitutional Affairs for consideration and report.—(*Speaker's Ruling*).

The Hon. the Speaker: Honourable senators, on May 7 last, during the debate on the motion for second reading of Bill S-8 intituled "An Act to prohibit smoking in certain work areas and on board certain modes of transport", the Honourable Senator Godfrey moved the following amendment:

> That the Bill be not now read the second time, but that the subject-matter thereof be referred to the Standing Senate Committee on Legal and Constitutional Affairs for examination and report.

During the debate on the amendment, the Honourable Senator Frith stated "the question of whether this motion is in order is still in doubt", and, after discussion, asked for the Chair to rule on "whether it is technically correct for the Senate to ask a committee to help it consider the principle of a bill."

While Senator Godfrey's amendment is in order according to citation 746(1) of *Beauchesne's Parliamentary Rules and Forms*, Fifth Edition, the form of the amendment is incomplete. I would refer honourable senators to Form No. 40 of the Forms and Formulae of the same authority at page 280. In order for the amendment to conform to established parliamentary form, the following words should have been added to the amendment: "that the Order for the Second Reading be discharged, the Bill withdrawn and".

As I must base my ruling on established Parliamentary practice, I rule that the amendment, as drafted, being incomplete, is out of order.

However, may I be permitted to suggest that if Senator Godfrey were given leave of the Senate, he could modify his amendment so that it would conform to *Beauchesne's* Form No. 40 and would be in order.

Hon. Duff Roblin (Leader of the Government): Honourable senators, in view of the fact that Senator Godfrey is not present, perhaps it would be advisable to let the matter stand as it is at the present time so that when he is present we can get his reaction and suggestion. The Senate can then decide what it wants to do.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

Order stands.

SECHELT INDIAN BAND SELF-GOVERNMENT BILL

SECOND READING—DEBATE ADJOURNED

Hon. Brenda M. Robertson moved the second reading of Bill C-93, relating to self-government for the Sechelt Indian Band.

She said: Honourable senators, I rise to speak to Bill C-93, an act relating to the establishment of self-government for the Sechelt Indian Band of British Columbia. I must say, honourable senators, that before I finish my remarks I may have to call on Senator Marchand to help me with the pronunciation of some names of the Indian bands referred to in the document.

As honourable senators know, this bill has been thoroughly reviewed by the Standing Committee on Aboriginal Affairs and Northern Development of the other place. The bill received third reading in the House of Commons with the support of all parties on May 21, 1986. We now have the opportunity and responsibility to further Indian self-government in this country by supporting this legislation. Various forms of government have existed among the Indian people of this country for centuries, long before the first Europeans settled on this continent, but, with the encroachment of European civilization, and the eventual Confederation, the self-governing powers of Indian nations were replaced by Indian Act governments. It has taken Canadian legislators a long time to recognize fully the magnitude of this adjustment.

Bill C-93 is a reflection of the current government's commitment to responding to community-based self-government initiatives. The Senate has always supported the principle of Indian self-government, but it has not always supported the methods proposed for achieving it.

● (1440)

When Parliament's Special Committee on Indian Self-Government held hearings in 1983, Indian people from all parts of the country said that they wanted a new relationship with the federal government—one that would break the cycle of dependency and give them more control over their day-to-day existence.

Even then, honourable senators, the Sechelt people were leading voices supporting Indian self-government—and this is not surprising. The band comprises 33 reserves on Sechelt Peninsula, about 50 kilometres north of Vancouver on mainland British Columbia. The majority of the band's 650 members live on the reserve, where unemployment is below the national Indian average, and some band members have established and operate successful businesses.

In addition to leading the recent move to self-government, the Sechelt were the first Indian community in Canada to manage their own lands under the Indian Act. They assumed this responsibility in 1974 and have proven skills in handling land appraisals, negotiations, leases, rents and general administration.

Further, the Sechelt have a good record of administering funds coming to the community from the Department of Indian Affairs and Northern Development. For these and other reasons, they have earned the respect of surrounding communities and governments.

Honourable senators, well before the Special Committee on Indian Self-Government submitted its final report to Parliament, the Sechelt band presented the committee with their draft legislation for self-government for this community. They have been refining that legislation ever since.

Bill C-93 is, thus, the culmination of more than a decade of work for the Sechelt people in co-operation with officials from various government departments. Chief Stanley Dixon's diligent work in bringing this dream of self-government to reality is particularly commendable.

On March 5 of this year, the Sechelt held a referendum on Bill C-93. The voter turnout was 91 per cent, and 70 per cent of the voters were in favour of the legislation.

Honourable senators, this bill truly comes from the Sechelt people.

I should like to take a few minutes to review some of the basic concepts contained in the legislation, which will take effect over time.

Bill C-93 establishes the Sechelt community as a legal entity. This means that the Sechelt may enter into contracts and agreements, buy, hold and sell property; and spend, invest or borrow money.

The legislation also enables the band to develop a constitution which will eventually become the cornerstone of Indian government in the community.

The constitution will establish a governing council with specific terms of office and tenure of members. It will also likely establish procedures to be followed in exercising the band's powers, provide for a system of financial accountability to band members, establish a code for membership in the band and set out the specific legislative powers of the council.

Bill C-93 also grants the Sechelt band fee simple title to its lands and provides for ongoing funding from the federal government. It allows for the future establishment, with provincial co-operation, of a Sechelt Indian government district to act as the unit of local government for all residents of the community—Indian or non-Indian.

Under Bill C-93, the Sechelt council will be able to negotiate authority to pass laws on a wide range of matters, including access to and residence on Sechelt lands; zoning and land use planning; expropriation for community purposes; use, construction, maintenance, repair and demolition of buildings; local taxation of reserve lands, occupants and tenants; administration and management of property belonging to the band; education, social welfare and health services; natural resources; public order and safety; roads and operation of businesses, professions and trades—the same range of self-governing powers and authority, honourable senators, now taken for granted by non-Indian communities throughout Canada.

Honourable senators, the Sechelts are not the first Indian bands to pursue self-government. Under the Cree-Naskapi Act (1984), the Cree and Naskapi people of northern Quebec were

granted powers over land, hunting, fishing, trapping and other local government matters. But Bill C-93 is an important expression of the current government's new approach to Indian self-government.

This new approach is based on the simple premise that the desire for self-government, and the methodology for achieving it, must originate in the community. Self-government cannot be successful if it is imposed by another government.

Approaches to Indian self-government must be tailor-made to fit the aspirations of each individual Indian community—and according to a timetable set by the community. In some cases, the best route might be through legislation; in others, through policy changes and, in still others, through administrative changes. But the key is that each self-government initiative will be dealt with on its own merits.

Indian communities across Canada have welcomed Bill C-93 as a sign of the federal government's commitment to proceeding with self-government on a case-by-case basis and not as a model to be copied.

This legislation will open the door to Indian self-government for Indian communities across the country. Already, the federal government is receiving proposals from, among others, the Nishnabe-Aski people and the Mohawk Councils of Akwesasne, Kahnewake and Tyandinaga in Ontario, as well as the Swamply Cree bands in Manitoba and the Saddle Lake community in Alberta.

Self-government will not solve all of the problems faced by Indian people in Canada, but legislation such as Bill C-93 will represent a new beginning. I urge honourable senators to support this important legislation. The Sechelt people have decided that the time has come for self-government and this is how they want to achieve it. As responsible legislators, it is important that we return to them the most basic of all human rights—the right to govern themselves.

Hon. Senators: Hear, hear.

On motion of Senator Marchand, debate adjourned.

GRASSY NARROWS AND ISLINGTON INDIAN BANDS MERCURY POLLUTION CLAIMS SETTLEMENT BILL

SECOND READING—DEBATE ADJOURNED

Hon. Brenda M. Robertson moved the second reading of Bill C-110, to approve, give effect to and declare valid certain agreements between the Government of Canada, the Government of Ontario, Reed Inc., Great Lakes Forest Products Ltd., the Islington Indian Band and the Grassy Narrows Indian Band.

She said: Honourable senators, I have the privilege today of speaking in support of the Grassy Narrows and Islington Indian Bands Mercury Pollution Claims Settlement Bill.

I am certain that you are all aware of the years of frustration which precede this legislation. The tragedy of the Grassy Narrows and Islington Indian Bands has been playing far too long on the national scene. Indeed, the settlement has had a gestation period of 16 years. Allow me, then, to urge the members of this chamber against any further delay in putting the bill into effect.

This act will validate an agreement reached in November of last year. By doing so, it will enable the awarding of compensation for damages resulting from mercury pollution to two Indian bands in northwestern Ontario—about 1,500 members of the Grassy Narrows Band and the Islington Band, also known as Whitedog—located about 60 miles north of Kenora. The settlement is a six-party agreement between the federal government, the Province of Ontario, two pulp and paper companies and the two bands. It amounts to $16.667 million. Of that total, the federal government is contributing $2.75 million, the province $2.167 million, and the two corporations a total of $11.75 million.

• (1450)

It is a settlement both of band claims and of individual claims for damages, and abolishes any future rights of action, of the bands or their members, in consideration for the benefits to be conferred through the settlement.

This settlement is very much more than just the sum of its parts. It represents a triumph of patience on the part of the residents of those two reserves, and of the sincere, diligent efforts of the negotiators. We can see it as a symbolic end to injustice, while it marks the beginning of a return to independence, self-sufficiency and prosperity for the residents of the Grassy Narrows and Islington communities.

This settlement deals specifically with the effects of mercury pollution on the health and lifestyle of the two communities which occurred after contamination was discovered in the English-Wabigoon River system in 1970. Ironically, when Roy McDonald, the former Chief of the Islington Band, had to translate the word "mercury" into Ojibway for the first time to explain what was happening to the river, he called it "the silly little thing that rolls around and disappears and you don't know where it went."

To this day none of us knows where all the estimated ten tonnes of mercury that the Dryden, Ontario, paper mill discharged into the English-Wabigoon River system ended up, but we do know that dangerously large amounts of it found its way into the rivers' fish, was transformed by bacteria in the river from inorganic to organic mercury, or methyl mercury, and absorbed into the food chain in this form. We also know that those fish were a staple in the local diet, as well as a source of jobs through tourism and the commercial fishery.

The mercury was discharged into the rivers from 1962, and by 1970 fish in the first lake downstream from the plant had mercury concentrations as high as 24 parts per million. It is considered that fish can be eaten on a daily basis with mercury levels no higher than 0.2 parts per million.

Organic mercury attacks the central nervous system. Its effects show up as constriction of the visual field, tremor, sensory disturbance, slurred speech, hearing loss and other symptoms. More severe effects include cerebral palsy, mental retardation, psychosis, and, in the worst cases, paralysis, coma and death. But many of the long-term effects of consuming

methyl mercury are not clear. The possibility of delayed effects, perhaps years after the intake of mercury has stopped, is disquieting.

That is why $2 million of the total settlement has been devoted to a special fund, from which awards to a maximum amount of $800 a month are available for those with health problems consistent with mercury poisoning. This enhances the quality of the agreement and permits it to deal with individual health claims as well as the communities' requirements for social and economic reconstruction. This fund will be replenished by the province in the event of its depletion.

The symptoms of disrupted community life manifested by residents of these two bands were in many ways even more disturbing than the physical ailments. When the commercial fishery shut down because of mercury contamination in 1970, most of the bands' employment in the tourist industry simultaneously disappeared. Men who had worked as guides for 20 years lost their jobs, and unemployment rose to more than 75 per cent. As former Chief Arnold Pelly of the Grassy Narrows Band explained years later, the loss of jobs and opportunities "introduced an era where we had to be dependent on the governments, both governments. When the community loses its livelihood, it also loses its spirit."

A social tragedy unfolded on these reserves during the 1970s. At Grassy Narrows, at the end of that decade, almost three of every four people buried on the reserve had died violently. In one year, 1977-78, almost one-fifth of young people 11 to 19 years of age attempted suicide. The suicide rate on the reserve was 16 times the national average. In 1975, fully one-third of the child population aged 5 to 11 on the reserve was removed from parents because of physical neglect or abandonment.

In his 1978 *Interim Report and Recommendations of the Royal Commission on the Northern Environment,* Mr. Justice Patrick Hartt described the situation of the communities as follows:

> I have spoken to the people of Whitedog and Grassy Narrows, received submissions and held independent discussions. Even with the short exposure to the problem that I have had I can describe the current situation in one word—intolerable. I saw the despair over a situation which was not of their making and over which they have no control; fear for themselves and their children that the effects of mercury poisoning will one day strike or has perhaps already struck some of them. One sees the despair and fear in violence turned inwards, in assaults, suicides and an attitude of hopelessness. One cannot but be concerned about the ultimate effects of the situation on the people and their actions if they are not given something for which to hope.

But while the Grassy Narrows and Islington Bands attracted national and even international attention because of the mercury pollution, certain other factors made the social consequences of that pollution even more devastating than they might otherwise have been.

Both the Islington Band and Grassy Narrows were already, to some extent, disrupted communities when the mercury pollution was detected. In the 1950s, Ontario Hydro flooded sections of the reserve land occupied by members of the Islington Band. Permanent log houses were submerged and One Man Lake was rendered unfit for commercial fishing. Grave sites were eroded and skeletons exposed. Releases of water also damaged the wild rice crop in certain areas.

At Grassy Narrows, the federal government, in the early 1960s, relocated the band from its traditional site on the river to a new townsite four miles away, on a logging road leading into Kenora. This resettlement, in keeping with the policies of the Department of Indian Affairs at the time, was undoubtedly well-intentioned. The community was moving to a site where there could be access to more modern facilities with electricity provided in a cheaper manner and better access to government services and employment opportunities in Kenora. However, the road also brought problems with alcohol, and the close-built houses of the community site disrupted a traditional way of life.

Thus the communities were struggling to deal with the effects of flooding in the late 1950s and resettlement in the 1960s. In this context the discovery of mercury in the river system in 1970 had an explosive, unimaginably destructive impact. Uprooted and denied the traditional livelihood from the river, the people even found their perception of security in nature ripped away by a poison which they could not see, or smell, or taste. The waters that had sustained them for generations were poisoned.

These, for the two communities on the English-Wabigoon River system, were the so-called "benefits" of closer contact with modern services and industry: Loss of space; loss of a lifestyle; loss of a river; and, ultimately, loss of lives.

But the remarkable thing about the people of Grassy Narrows and Whitedog is not what they have lost; it is what they have preserved. The bands have accomplished young leadership. The communities have explored every possible avenue for redress. They have found legal advice which eventually has brought them this agreement: A settlement which has been endorsed by more than 90 per cent of residents on both reserves.

In the face of the grave social and psychological traumas the communities experienced, the bands have worked with federal, provincial and corporate negotiators to secure what is, in the words of John Olthius, the lawyer for Grassy Narrows, "the best settlement we could achieve under the circumstances." With an action pending in the Supreme Court of Ontario, the bands came to the table fully equipped to bargain effectively. They came with tough positions and won a fair, comprehensive settlement.

They also made some tough decisions and took initiative on the home front. In Grassy Narrows, for example, the people voted alcohol off the reserve in October, 1984. The crime rate has dropped dramatically. In fact, the reserve won a provincial crime prevention award about a year and a half ago, and the

local probation officer quit his job last year because he did not have enough to do. Teachers and day care workers say the children are happier and healthier, and the school attendance was 94 per cent for the 1984-85 school year. Band members have organized their own crisis intervention team and night patrol.

• (1500)

Former chief Arnold Pelly is quoted as saying:

> Now the little kids don't have to hide on the weekends. People are keeping their houses up, buying household goods. Every time I meet people who talk of Grassy Narrows I take the opportunity to say that's the old Grassy, you should come now and see the new Grassy.

When the Special Parliamentary Committee on Indian Self-Government turned in its report in 1983, all three parties in the House of Commons were unanimous in their support of recommendations supporting Indian self-government. The committee's report stressed again and again that self-government for Indian communities is only possible where the community itself can control its own economy and its own future. It is ironic but gratifying to see that these two Indian communities have come through a period of extreme adversity in a better position to do just that.

Anastasia Shkilnyk, a sociologist who studied the Grassy Narrows community in the 1970s, observed recently of the Grassy Narrows and Islington bands that:

> They are beginning to turn around quite solidly and what the settlement will do now is give them the potential to provide a very solid foundation for long term development. In essence, I think the settlement has the potential to change people's perceptions about what the future holds for them and their children. . . if it leads them to believe that they can influence the course of their lives, then I think it will have a very dramatic impact on that community.

Chief Roy McDonald of the Whitedog band has said:

> This is a new beginning for us. While money can never replace what we have lost, it provides a basis to begin to rebuild our people and community with hope and dignity.

The federal government realizes that the Grassy Narrows and Whitedog bands have been denied justice for too long. We cannot forget the 16 years' delay in reaching this settlement. As the Minister of Indian Affairs and Northern Development said in introducing this bill:

> Anyone who has had experience with the episode of the mercury poisoning in the English and Wabigoon rivers and how it affected those communities will know that, in a way, we will never be able to rectify what was done.

But he added that this settlement is, nevertheless,

> —a small way in which to begin a future with a new generation of people in these two communities.

The people of Grassy Narrows and Whitedog have been waiting for this settlement since 1970. The details were actually worked out in less than a year of intensive negotiations, starting in January, 1985, when the Minister of Indian Affairs and Northern Development appointed the Honourable Emmett Hall as his personal representative to facilitate an agreement. With his candour, his knowledge of the law, his energy and particularly his sense of social justice, the 87-year-old former Supreme Court Justice brought negotiators for the federal and provincial governments, Reed Inc. and Great Lakes Forest Products Ltd. together in a truly remarkable agreement.

There have been concerns voiced that this settlement is "just a cash settlement." But it is more than that. It is a commitment to help the members of these communities make their own way to a prosperous future.

Moreover, this settlement does not stand alone, but forms part of a comprehensive settlement package for both bands. It is additional, for example, to the 1982 agreement of the federal government to provide special assistance to the Islington band. This special assistance included a $1.5 million grant to establish an economic development fund and more than $900,000 to be spent on various social, economic and educational measures of benefit to the reserve, including a new high school facility. At Grassy Narrows, the federal government has provided $4.4 million to two band-owned corporations to undertake social and economic development measures on the reserve.

An agreement has also been reached between the Islington band and the province to provide special economic and social assistance to the band, including the construction of a seedling greenhouse to be managed by the band. A further agreement has been reached, and is now being finalized, to compensate the Islington band for the flooding, referred to earlier, that occurred in the 1950s. The Grassy Narrows band is engaged in continuing negotiations concerning the access to land and resources proposal it has submitted to the province.

Of course, existing federal and provincial services to the bands will not be reduced because of the agreement.

It is tremendously encouraging to note the plans the two communities already have for their future. The bands will be channelling their settlement funds into their social and economic development programs. The Grassy Narrows community intends to take over a well known tourist spot, Ball Lake Lodge, which was closed in the 1970s, to create jobs for the reserve. Other planned or proposed initiatives include participation in forestry development, the seedling greenhouse project earlier referred to and new initiatives to support hunting, trapping and fishing in waters off the river system where fish suitable for human consumption can be taken. The bands will also focus on establishing more life skills programs for their people, especially the young.

Ms. Shkilnyk once quoted *Proverbs* 29:18 to describe the situation at Grassy Narrows: "Where there is no vision, the people perish." Obviously, these bands have regained their vision. Justice has been long in coming to Whitedog and Grassy Narrows. I hope it will not encounter even the slightest delay at our hands.

Honourable senators, please give this bill your prompt and positive consideration. A lot of people are watching what we do.

On motion of Senator Watt, debate adjourned.

REGULATIONS AND OTHER STATUTORY INSTRUMENTS

FIFTH REPORT OF COMMITTEE ADOPTED

On the Order:

Resuming the debate on the motion of the Honourable Senator Nurgitz, seconded by the Honourable Senator Murray, for the adoption of the Fifth Report of the Standing Joint Committee on Regulations and other Statutory Instruments (Statutory Instruments No. 32), presented in the Senate on 20th March, 1986.—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, Orders Nos. 12, 13 and 14 deal with reports from the Standing Senate Committee on Internal Economy, Budgets and Administration, and then deal with supplementary budgets for the Banking, Trade and Commerce committee, the Energy and Natural Resources committee and the Joint Committee on Regulations and other Statutory Instruments respectively. I believe that the report which is the subject of Order No. 14 can be adopted. Orders Nos. 12 and 13 will have to stand until the other committee budgets are in. Those budgets that are approved by the Internal Economy Committee are entitled to three-twelfths by reason of an order of the Senate passed a few weeks ago. These two now qualify for that three-twelfths and we are waiting to give full approval by Senate adoption when we receive the budgets from those committees that have not yet submitted them. We will then have the required total picture.

I repeat that Order No. 14—which deals with the delegation to be authorized to represent Canada at the Conference of Subordinate Legislation Committees of the Parliaments of the States and Commonwealth, to be held in Brisbane, Australia—can be dealt with now.

Hon. Duff Roblin (Leader of the Government): Is it not true that the delegation has already left?

Senator Frith: What better reason for it to pass?

Senator Roblin: My words exactly.

Motion agreed to and report adopted.

● (1510)

NATIONAL FILM BOARD

CONSIDERATION OF REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON FILM ENTITLED: "THE KID WHO COULDN'T MISS"—MOTION TO REFER REPORT BACK TO COMMITTEE—MOTION IN AMENDMENT—ORDER STANDS

On the Order:

Resuming the debate on the consideration of the Eighth Report of the Standing Senate Committee on Social Affairs, Science and Technology entitled: Production and Distribution of the National Film Board Production "The Kid Who Couldn't Miss", tabled in the Senate on 15th April, 1986.

And on the motion of the Honourable Senator Molson, seconded by the Honourable Senator McElman, that the Report be referred back to the Committee with instructions to consider and report upon the following:

Strike out page 20 and substitute

RECOMMENDATIONS

1. That after the titles of the film, the following disclaimer be added: "This film is a docu-drama and combines elements of both reality and fiction. It does not pretend to be an even-handed or chronological biography of Billy Bishop.

Although a Walter Bourne did serve as Bishop's mechanic, the film director has used the character to express his own doubts and reservations about Bishop's exploits. There is no evidence that these were shared by the real Walter Bourne."

2. That the National Film Board be requested to take action to eliminate from the film the unproven allegations, charges and innuendoes against the integrity of Billy Bishop.

3. That a copy of this Report as it stands or as it may be amended, be formally submitted to the Honourable Minister of Communications, with the request that it be transmitted to the National Film Board along with the Minister's specific instructions of action required of the Board to correct the wrong that has been done to the factual record of the late Air Marshal William Avery Bishop, Victoria Cross.

And on the motion in amendment thereto of the Honourable Senator Flynn, P.C., seconded by the Honourable Senator Walker, P.C., that the motion be amended by deleting paragraphe 3.—(*Honourable Senator Frith*).

Hon. Jack Marshall: Honourable senators, I have a question for Senator Frith in connection with this order. Can the honourable senator give us an idea as to when he will speak on this order, so that we can dispose of it?

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, on entering the chamber I mentioned to Senator Molson that I intended to proceed with my intervention tomorrow. I hope also to proceed with the order standing in my name concerning Senator Kelly's motion.

Order stands.

The Senate adjourned until tomorrow at 2 p.m.

THE SENATE

Wednesday, May 28, 1986

The Senate met at 2 p.m., the Honourable Martial Asselin, Speaker *pro tempore,* in the Chair.

Prayers.

CLERK'S ACCOUNTS

STATEMENT TABLED PURSUANT TO RULE 112

The Hon. the Speaker *pro tempore:* Honourable senators, I have the honour to inform the Senate that, in conformity with rule 112, the Clerk of the Senate has laid on the Table a detailed statement of his receipts and disbursements for the fiscal year 1985-86.

REFERRED TO COMMITTEE

Hon. C. William Doody (Deputy Leader of the Government) moved:

> That the Clerk's Accounts be referred to the Standing Committee on Internal Economy, Budgets and Administration.

Motion agreed to.

[*Translation*]

THE ESTIMATES 1986-87

REPORT OF NATIONAL FINANCE COMMITTEE PRESENTED AND PRINTED AS APPENDIX

Hon. Fernand-E. Leblanc: Honourable senators, I have the honour to present the sixteenth report of the Standing Senate Committee on National Finance concerning its examination of the Main Estimates for the fiscal year ending March 31, 1987. I ask that the report be printed as an appendix to the *Debates of the Senate* and the *Minutes of the Proceedings of the Senate* of this day and form part of the permanent records of this House.

The Hon. the Speaker *pro tempore:* Is it agreed, honourable senators?

Hon. Senators: Agreed.

The Hon. the Speaker *pro tempore:* When shall this report be taken into consideration?

Senator Leblanc: Honourable senators, I move that the report be taken into consideration at the next sitting of the Senate.

Motion agreed to.

(*For text of report, see appendix, p. 2522.*)

[*English*]

PENSION BENEFITS STANDARDS

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE AUTHORIZED TO STUDY SUBJECT MATTER OF BILL C-90

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*e*), I move:

> That the Standing Senate Committee on Social Affairs, Science and Technology be authorized to examine the subject-matter of the Bill C-90, intituled: "An Act respecting pension plans organized and administered for the benefit of persons employed in connection with certain federal works, undertakings and businesses", in advance of the said Bill coming before the Senate or any matter relating thereto.

The Hon. the Speaker *pro tempore:* Is leave granted, honourable senators?

Hon. Senators: Agreed.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, Senator Doody did not mention in advance, as he usually does, his intention to ask support for this motion. I assume that he has spoken to the chairman of the committee and that there is room for this study on the committee's agenda, and that he has taken other usual steps, although he did not in this case let us know beforehand that he intended to make this request.

Senator Doody: Honourable senators, I have to admit that I was negligent in this particular instance. Usually I am quite faithful in checking on these things.

Last night I received a message indicating that there was some urgency with respect to this particular bill. Senator Robertson had been contacted and briefed on the bill, and agreed to sponsor it in the Senate. She is a member of the Social Affairs committee and is looking after the matter in that area. Senator Tremblay, the chairman of the committee, has been ill these past several days. I have not had an opportunity to check with him, but Senator Robertson is carrying the responsibility in this regard.

Hon. M. Lorne Bonnell: Honourable senators, for the information of the Deputy Leader of the Government in the Senate, there is a deputy chairman of that committee.

Senator Doody: I thank the deputy chairman. I had not seen him in the chamber recently and I did not notice that he had joined us today.

Some Hon. Senators: Oh, oh!

Senator Frith: We are off to a good start today.

Senator Bonnell: Honourable senators, if I may, I will say a few words to my honourable friend in rebuttal. I was absent from the chamber because I was down in the great province of Prince Edward Island, trying to protect the interests of secondary education. Forty million dollars will be cut off from the people of that province by one of the bills on EPF funding passed in the House of Commons. I was in Prince Edward Island with a task force, trying to obtain the views of the people of that province concerning this terrible catastrophe.

Senator Doody: I hope the honourable gentleman will give me credit for having given him the opportunity to say that.

Senator Bonnell: Thank you very much.

Motion agreed to.

QUESTION PERIOD

[*English*]

CANADA-UNITED STATES RELATIONS

TRADE—IMPOSITION OF U.S. TARIFF ON CANADIAN SHAKES AND SHINGLES—COMPENSATION

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, can the Leader of the Government tell us whether the Government of Canada has made a request to the United States for compensation for the unjustifiable and appalling action which that country took against the Canadian shakes and shingles industry? If so, what form has the request taken? What kind of compensation has been requested?

Hon. Duff Roblin (Leader of the Government): Honourable senators, a request has been made. I believe that it is in the form of a note and that meetings will be convened very soon in the United States to discuss the matter.

Senator MacEachen: Can the Leader of the Government tell us what form the compensation is to take? Is it to be a cash payment?

Senator Roblin: I do not have any information on the note, honourable senators.

Senator MacEachen: In the absence of information today, can the Leader of the Government find out whether the request is that the compensation take the form of a cash payment to be made by the Government of the United States to the producers, or is it a request that the Government of the United States give concessions to Canada on other tariff items to compensate for the action taken against this particular industry?

● (1405)

Senator Roblin: I think the form of the compensation is the subject of the negotiations. If there is any solid information that I can properly give my friend on this matter, I will do so.

Senator MacEachen: Am I to conclude that the government will be saying to the United States, "We want compensation,"

[Senator Frith.]

but it has not gone beyond that in defining the form of the compensation?

Senator Roblin: I do not think it is safe to conclude that.

Senator MacEachen: But the Leader of the Government—

Senator Walker: Don't be ridiculous!

Senator Frith: Steady, steady; don't lose your cool, David.

Senator MacEachen: The Leader of the Government is aware that the request for compensation has been made, but he is not sure whether it is a request for cash payment or whether it is a request for tariff concessions, or whether the Government of Canada is totally unclear with respect to what it is requesting; is that a fair conclusion?

Senator Roblin: It is not a fair conclusion.

Senator MacEachen: Well, can the Leader of the Government throw some light on the question in view of the fact that he has excluded the alternatives as being unfair conclusions? What is the fair conclusion?

Senator Roblin: The fair conclusion is that I will do what I said with respect to the question my friend asked me several questions ago.

Senator MacEachen: May I follow up, then, and draw the attention of the Leader of the Government to a statement made by the Prime Minister on Friday last, in which he said:

> We will try to prepare an appropriate response for the American administration which will convince them of the folly of this kind of action—

Is this request for compensation the "appropriate response" by the government?

Senator Roblin: I would not necessarily link the two matters.

Senator MacEachen: So we are to conclude that there will be a different "appropriate response" apart from the request for compensation?

Senator Roblin: My friend can conclude whatever he wishes.

Senator MacEachen: Will the Leader of the Government find out whether there is under consideration another response referred to by the Prime Minister apart from the request for compensation, which does not appear to be a response at all? It is merely a request to the United States, another request to "Please, Uncle Sam, help us by compensation." What, apart from the request for compensation, is the Canadian response? If the Leader of the Government says he does not know, I will ask him if he will provide the information.

Senator Roblin: I think I have already answered my friend's question on that point.

Senator MacEachen: I do not recall any such answer. The Leader of the Government has not answered the question and he has not indicated whether he will get the information; and I would like one or the other.

Senator Roblin: I have indicated that I will get the information.

Senator MacEachen: Thank you.

Senator Olson: Pure stonewall.

Some Hon. Senators: Oh, oh.

Senator Olson: Well, he did it to me yesterday; so I guess I know what it feels like.

THE ECONOMY

VALUE OF CANADIAN DOLLAR

Hon. H. A. Olson: Honourable senators, yesterday I asked the Leader of the Government whether or not the government had received any messages from the United States Treasury following the statement made by the Secretary of the Treasury that the Canadian dollar should be higher relative to the United States dollar, because of the trading advantage that the lower value gives us. I am sorry to say that I have to admit, from reading *Hansard*, that I was too specific in my request because I asked if there had been "in particular, any messages" following that press conference. In reply, Senator Roblin said that the Minister of Finance answered "No". I would like to know whether or not the government is aware that the United States is unhappy or dissatisfied with the relative value of the Canadian dollar because of the trading advantage it gives, and whether or not the Canadian government intends to respond to that situation that was clearly expressed by the Secretary of the Treasury.

• (1410)

Hon. Duff Roblin (Leader of the Government): Honourable senators, I am under the impression that the government has responded to the allegation, if I may put it that way, of the Secretary of the Treasury of the United States that somehow we were keeping our dollar down. I think the government has responded in terms of what our record on this matter will show. However, in order to be perfectly satisfied that my response is correct, I shall ascertain if my impression is correct.

Senator Olson: Honourable senators, a number of people are very concerned about this matter. If Canada does respond, one of the implications is that it will probably do so by more active intervention by the Bank of Canada and the government in relation to interest rates and that sort of thing. Some people are extremely concerned that we should not receive another surprise like we received last Thursday. Therefore, I hope that the minister will be able to allay the fears of these people that interest rates will be forced up again by government and Bank of Canada intervention.

Senator Roblin: Honourable senators, I think I can say that the government is quite clear in its position that it is not artificially manipulating the Canadian dollar in any respect whatsoever despite the complaint made by the Secretary of the Treasury of the United States.

CANADA-UNITED STATES RELATIONS

EFFECT OF CANADIAN CONTENT RULES ON U.S. TRADE INTO CANADA

Hon. Jerahmiel S. Grafstein: Honourable senators, apparently in recent weeks, the senior representatives of the film industry in the United States have made representations to the Ways and Means Committee of the House of Representives in the Congress to the effect that the Canadian content rules—appropriately passed by Parliament and approved unanimously by all parties—are an undue restriction on the U.S. trade into Canada, despite the fact that the film industry dominates our Canadian marketplace. Could the Leader of the Government in the Senate advise us what steps, if any, the Canadian government's representatives or its lobbyists in the United States are taking to counter this outrageous representation that, if followed, would seriously affect Canadian identity in Canada?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I expect that over the course of the next weeks and months every interest group in the United States will be raising some point or other about trade with Canada with which they do not agree or approve. I would not be in the slightest surprised if the same thing happened in Canada. Now that the trade negotiations are under way, every party or interest will be concerned about getting its special interests or its special views into the public arena, and I presume that that is what has happened in the United States. I think we can expect a great deal more action of this kind on both sides of the border.

Senator Grafstein: Honourable senators, I raised this issue because heretofore representatives of the U.S. film industry had never raised this matter as a particular issue. They were never concerned about the issue in the same way as it would appear they are today. I ask the Leader of the Government in the Senate if he can give the Senate some type of comfort as to what strategy or tactics the Government of Canada and its representatives will be taking in the United States to moderate some of these views, which, if unanswered, will be raised to a currency and a legitimacy that will build up suppport in the U.S. Congress for countermeasures against Canada. I think that this is an important issue and that to just say, in effect, that we will allow the Americans to debate this issue as we in Canada will debate certain issues is not addressing the core issue. As he said yesterday, we are trying to prevent an escalation of these claims being made that could seriously derail any fruitful exchange of trade in this area. I wonder if the government does have a tactic or strategy that can moderate these pleas to Congress in the United States when they are entering into an election year.

Senator Roblin: My honourable friend gives me a very good argument why we should proceed with the trade negotiations that are under way, because that is exactly the kind of situation that we are trying to bring under some system of order and control.

In the meanwhile, we will certainly put our best foot forward to defend the interests of Canada, wherever they may be challenged.

Senator Grafstein: It may very well be that the very process of these talks has brought to the fore in the United States arguments that heretofore have not and would not have been raised. Therefore if, in fact, the talks themselves or the way the government is going about them has raised these particular issues in the United States, I would like to know whether the government has any approach, tactic or strategy that could moderate these claims now, before they get out of hand.

Senator Roblin: I have answered my friend's question.

BROADCASTING

CAPLAN TASK FORCE REPORT

Hon. Keith Davey: Honourable senators, I have a question for the Leader of the Government in the Senate. I wonder if he can tell us what has happened to the Caplan broadcasting task force, which was to be such an important instrument and the findings of which all of us looked forward to receiving. As I am sure the government leader knows, those findings are now months and months overdue and I am wondering why the long delay.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have no idea. If my honourable friend would like me to make some inquiries about it, I will be glad to do so.

Senator Davey: I would be most grateful.

THE ENVIRONMENT

SUBMISSION TO WORLD COMMISSION ON ENVIRONMENT AND DEVELOPMENT—INPUT OF PEOPLE OF CANADA

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I have a question for the Leader of the Government in the Senate. I assume that all honourable senators have received copies of a submission to the World Commission on Environment and Development, dated May 1986. This is a blue-coloured document with the insignia or logo of Environment Canada on it. It is entitled: "Survival in a Threatened World—Submission by the People of Canada to the World Commission on Environment and Development." The document contains a foreword by the minister and, I must say, some excellent submissions on behalf of Environment Canada. However, it is an interesting process that I was not aware was taking place.

I wonder if the Leader of the Government in the Senate would ask his colleague, the Minister of the Environment, the extent to which the people of Canada were consulted and had direct input into this document. The minister is apparently speaking on behalf of all of the people of Canada, including me and, I suppose, his colleague in Ontario and all of the 25 million people he refers to. I must say I am inclined to support everything he says, but—

Hon. Duff Roblin (Leader of the Government): After the election of September 1984, I think the government had concluded that it was appropriate to speak in the name of the people of Canada, and it has been doing so ever since.

[Senator Roblin.]

Senator Frith: I beg your pardon.

Senator Roblin: To repeat my answer, I think, after the results of the election of September 1984, the government concluded that it was appropriate for it to speak for the people of Canada. It has been doing so ever since.

Senator Frith: Yes. That is a very good answer. That is the kind of arrogance we are getting used to. One election, and you can speak for 25 million people.

GRAIN

INTERNATIONAL CONFERENCE—GOVERNMENT APPROACH

Hon. Hazen Argue: Honourable senators, I have a question for the Leader of the Government in the Senate. Can the leader tell us what approach the Minister of State for the Canadian Wheat Board is likely to be taking at the upcoming International Conference on Grain to be held in Vancouver on June 1 and 2 of this year? If I might say so, it seems to me that the minister should be articulating a very strong and positive stand which would include criticism of what has been done by the United States in attempting to give away their grain and grain products. The same applies to the EEC.

However, I am disturbed by the reports that are coming out, through statements by the officials of the minister, that this conference is really just to get together; that we should not really be expecting anything positive to come from it. In other words, it is just a talk session.

● (1420)

It seems to me that in international negotiations, as in other things in life, if you want to get anywhere you have to go in with a positive, firm attitude. If the minister went in with that kind of attitude, I think there is a chance to get some movement, but by going in and saying, "Well, it is just a little talk session, better we get together—"

Senator Barootes: Just like the Senate!

Senator Argue: Let's hope not.

I would appreciate a statement from the Leader of the Government in the Senate.

Hon. Duff Roblin (Leader of the Government): Did you say, "Just like the Senate"? Well, of course it is. I have to say, however, that the minister is not going in to any talk show; he is going in to get results. Whether he can or not, heaven only knows, but he is going to give it all he has.

Senator Argue: If that is correct, the minister should ensure that the officials in his department are backing him up and going in with the same attitude and are preparing the ground in the same kind of way. What is happening today is that they are already cutting him down to size, and that is saying to the world, "We don't expect very much to come of it." I think that that is a bad approach.

Senator Roblin: I think it is rather peculiar that my honourable friend should launch his attack on the public service and not on the minister. If he has names of people who are being

unhelpful in this matter, let him name them and then the minister will take it up with them.

Senator Argue: This appears in an article written by Barry Wilson in *The Western Producer,* dated Thursday, May 22, 1986. This article is the result of an interview with Noel O'Connell, Director General, Department of External Affairs, Grain Marketing Bureau. In the article, Barry Wilson states:

> the only truly optimistic words about the meeting last week came from grain industry officials who hope it will lead to negotiations to end the grain price war that is ravaging the Canadian grain industry.

The article quotes Saskatchewan Wheat Pool president, E. K. Turner, as saying:

> "What I would like to see coming out of that is some kind of an agreement to get us back to a more market-responsive situation than we have now."

Mr. Wilson states that the director general said:

> "I think it would be unrealistic to expect they would immediately see eye to eye at Vancouver. The minister's view is that it is better that they at least get together and compare notes than stay apart.

I would agree with the leader in that I doubt very much that that is the minister's attitude. If it is, that is an admission of failure to start with. I think he needs to go in—

Senator Walker: Oh, oh!

Senator Argue: You can snort and make your guttural interventions in whatever way you like, but I would think that if the minister is going to have any luck at all he had better go in with a positive view, and he does not need that kind of support.

Senator Flynn: You can remember.

Senator Frith: Those senators sitting opposite think they speak for all of the people of Canada, so show them a little respect!

Senator Argue: You are as good at that as anybody I know, Senator Flynn.

Senator Walker: The trouble is that you are half-baked.

Senator Argue: And you are not baked at all.

Senator MacEachen: This cannot be the Senate!

Senator Frith: You are back in the green chamber.

Senator Stanbury: It sounds like the Prime Minister!

The Hon. the Speaker *pro tempore:* Order!

CANADA-UNITED STATES RELATIONS

BILATERAL TRADE NEGOTIATIONS—REQUEST FOR AMPLIFICATION OF DELAYED ANSWER

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I thank the Leader of the Government for providing a written answer to my question relating to bilateral trade negotiations. The answer states:

> Both the Canadian and U.S.A. governments have made it clear to other trading partners that any Canada-U.S.A. trade agreement would be in conformity with the GATT—

That leads me to ask whether, in the mind of the government, any mutual benefits negotiated between Canada and the United States would be made available to other trading partners under the most-favoured-nation principle.

Hon. Duff Roblin (Leader of the Government): My friend is asking me a question involving a technicality because of his introduction of the most-favoured-nation principle. I am not sure how that applies in the GATT or in these negotiations. I will have to make an inquiry.

Senator MacEachen: I thank the honourable leader for that undertaking.

There is one other point I want to raise. It derives from the succeeding sentence which says:

> Any agreement reached by the two countries on contentious subjects in international trade such as agriculture, services and contingency protection could have an important exemplary and catalytic effect on multilateral trade negotiations

—and so on.

What the statement raised in my mind was the status of agriculture in the negotiations between Canada and the United States because the answer refers to "any agreement reached by the two countries," as a result of the bilateral trade negotiations, "in international trade such as agriculture". It leads me to ask whether agriculture is on the negotiating table between Canada and the United States because it is alluded to in this answer.

I was under the impression that agriculture, particularly agricultural marketing boards, had been excluded from the negotiations by the Secretary of State for External Affairs. I have no complaint with that exclusion, if it is the case, but I am asking if agriculture is on the table and if all of the aspects are on the table, or are there certain exceptions stipulated by the government?

Senator Roblin: Well, there are certain aspects of agriculture that have nothing to do with marketing boards, for example, the export of livestock, and that may very well be on the negotiating table because we have something to gain.

Senator MacEachen: The Leader of the Government says "may well be on the table," and that is all right, but can the Leader of the Government find out for us if all agriculture products are on the table, including livestock as he mentioned, and that the only exclusion is the marketing boards?

I am looking really for information. It is not my intention to debate the question.

Senator Roblin: It seems to me that the general principle under which these trade negotiations are being conducted is called a clean start—what is the expression?

Senator MacEachen: A fresh launch.

Senator Roblin: Yes, "clean launch." That means that everything is on the table, but it certainly doesn't mean that everything is going to be negotiated away. So, there are certain areas in which we are quite clear that we are not going to be in a position to make concessions of any great magnitude, and I think the question of marketing boards is probably going to be one of them.

Senator MacEachen: So that I won't have to come back to this again—

Senator Roblin: You are welcome to come back to it.

Senator Flynn: If it is a promise.

Senator MacEachen: —can we get from the Leader of the Government a definitive conclusion on this point that agriculture will be on the negotiating table in all its aspects? I put the question directly so that the Leader of the Government can consider it and provide the information. My question is: Is it a fact that all aspects of agriculture, with the sole exception of marketing boards, will be on the negotiating table and will be among the items discussed? I add the comment that, of course I understand that when negotiations take place all things cannot be agreed to in advance—that is understood—but what are the pre-conditions in agriculture, apart from marketing boards?

Senator Roblin: I think the government has made it clear on many occasions in the past that it is a clean launch on both sides, so anything that has to do with the question of trade between the two countries, as defined by those who are negotiating—and that is probably one of the things that they are talking about—will be included in the clean launch. But, I am also quite clear, as my honourable friend says, that that does not mean that you are going to negotiate on all of those topics, because you are not.

Senator MacEachen: The Leader of the Government has complicated the situation by saying, "Anything that has a trade impact will be included," because that is precisely what Ambassador Murphy said with respect to social programs. I do not think that the Leader of the Government would go along with his statement. Mr. Murphy said, "Anything with a trade impact relating to social programs, naturally, I would want to consider." The Leader of the Government has just about said the same thing.

• (1430)

Senator Roblin: I hope I have not, because the opinion of the Government of Canada is that the American negotiator is stretching his mandate when he talks in that way about the trade negotiations. The Minister of State for External Affairs has said so in the most explicit and uncompromising terms.

Senator MacEachen: In other words, the Leader of the Government has modified his answer: It is not, therefore, true that everything with a trade impact will be on the table. Even if social programs do have a trade impact they will not be on the table.

Senator Roblin: I am saying that the Americans can say anything they like about what is going to be on the table, but we have the same right. We are now in the process of negotiation to define those limits.

Senator MacEachen: I hesitate to be tiresome on this point, but it is a fact that the Leader of the Government said that everything that had a trade impact would be on the table pursuant to the clean launch, and I built on the Leader's answer to seek clarification. It is legitimate to try to clarify pronouncements from the government. The Leader of the Government, however, having made a statement, has now withdrawn from it.

Senator Roblin: I have not withdrawn from my statement at all. My statement is quite clear: We have a clean launch but the question of what we negotiate on when we see what is on the table is another thing, and I do not know anyone in Canada who thinks that unemployment insurance or medicare, for that matter, is trade-related as the Americans seem to think. We do not think those are trade-related matters and other people do, but we are going to stand by our position.

ENERGY, MINES AND RESOURCES

ARTICLES SENT TO WEEKLY NEWSPAPERS

Hon. Philippe Deane Gigantès: Honourable senators, I would be grateful if the Leader of the Government would undertake to let me have the 30 articles the Minister of Energy, Mines and Resources sent to various weekly newspapers promising to buy a page of advertising in those newspapers should they print six of those 30 articles.

Someone has sent me those texts and I should like to check whether the person who sent me those texts sent me the real ones. I would like to get the real ones from the Leader of the Government, if I may.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I do not accept my friend's premise because I am not sure that the Minister of Energy, Mines and Resources made any such stipulation that they had to print six articles selected from the 30 that she sent—if she sent 30.

She said something quite different from that and if my honourable friend likes, I will get her reply in *Hansard* to him because I think it is important.

As for the 30 articles, I will make inquiries about them.

Senator Gigantès: Will the Honourable Leader of the Government, when he makes inquiries about the 30 articles with a view to securing the texts for me, also let me have whatever was sent accompanying those articles to the editors of the publications that received them so that we can determine whether the public servant who sent them misunderstood the purport of the minister's wishes and said something different from what the minister said in the House? Of course, we will believe the minister, but we would like to see whether a public servant misinterprets his boss.

Senator Roblin: I will give my honourable friend that information which I can obtain from the minister. I do not think it

is appropriate for me to try to obtain information that has been provided by public servants in this respect.

JUSTICE

CANADA COMMISSION OF INQUIRY ON WAR CRIMINALS— EXTENSION OF MANDATE AND COST

Hon. Stanley Haidasz: Honourable senators, I should like to ask the Leader of the Government if he can inform us today whether it is the intention of the government to prolong the life of the Deschênes commission of inquiry into the alleged Nazi war criminals who may be living in Canada.

Hon. Duff Roblin (Leader of the Government): Honourable senators, that matter is under consideration at the present time.

Senator Haidasz: As a supplementary question, would the minister, at some time—and I hope before the end of this month—answer a question I posed three months ago as to the estimates of the expenses of conducting this inquiry?

Senator Roblin: I think that information should be available quite soon, honourable senators.

VISITOR IN GALLERY

Hon. Hazen Argue: I should like to draw the attention of honourable senators to the presence in the gallery of a distinguished Canadian. I do this in the absence of Senator Lucier. I refer to Dr. Don Branigan, the Mayor of Whitehorse.

Dr. Branigan has been a distinguished member of the Science Council of Canada. For many years he has enjoyed the largest medical practice in the Yukon. He is in Ottawa to meet with authorities to discuss oil and gas development in the Yukon.

On behalf of all senators, I wish Dr. Branigan well in his negotiations on behalf of the citizens of the Yukon.

Hon. Senators: Hear, hear.

SECHELT INDIAN BAND SELF-GOVERNMENT BILL

SECOND READING

On the Order:

> Resuming the debate on the motion of the Honourable Senator Robertson, seconded by the Honourable Senator Doyle, for the second reading of the Bill C-93, intituled: "An Act relating to self-government for the Sechelt Indian Band".—(*Honourable Senator Marchand, P.C.*).

Hon. Len Marchand: Honourable senators, yesterday when Senator Robertson introduced Bill C-93 she talked about its many virtues. I do not plan to recount many of those today. As a matter of fact, it is not my intention to spend too much time on the remarks I am going to make before this chamber regarding this bill.

I am pleased to participate in the debate on Bill C-93 which is called, "An Act relating to self-government for the Sechelt Indian Band." I am quite familiar with this band. As a matter of fact, one of my great friends and mentors, in a sense, was the late Clarence Joe, a former leader of the Sechelt Band. He was a very wise individual who spoke out on a number of issues such as fishing. I see the former Minister of Fisheries and Oceans across the way nodding his head. Clarence Joe spoke about self-government and about the Liberal Party of which he happened to be a member. The late Clarence Joe was quite a man who had been talking about many of the things contained in this bill for a long time. That is one of the reasons I do not want to dwell on it.

Another reason I do not want to dwell on this bill is because it has some shortcomings, and they should not be emphasized.

Self-government has been talked about for a long time among our people. When I was a fairly young person back in 1958 and 1959, I recall when I first became involved with a group called the North American Indian Brotherhood. At that time we discussed self-government, education, alcohol and other issues of that kind which were facing us. Uppermost in our minds at that time was the issue of the federal vote. Of course, that was given to us back in 1960.

In those days we were pretty angry that we, as the first citizens of this nation, had to be governed by the Indian Affairs branch of the Department of Citizenship and Immigration. Here the first citizens of this land had their so-called branch of government within a department called Citizenship and Immigration. At that time, I had an opportunity to meet our esteemed Clerk of the Senate who was very much involved with that department as the head of the Citizenship branch.

• (1440)

The evolution of self-government has taken a long time and in one form it was one of the Liberal Party platforms in the election of 1965. The late Lester Pearson was of the view that the federal government had to do more for the original peoples of this country. His promise was that greater attention would be given to the Indian people and that that would be done by forming a new department of Indian affairs for them. It was in January of 1966 that the Department of Indian Affairs and Northern Development was formed. That was one of the responses given by the late Lester Pearson and his government to the question of self-government and greater autonomy for native people.

Over the course of time, various powers have been given to individual band councils. Most of them have been running their own programs for some time now, but this has essentially been done on a delegated basis. They are running their own education, their own welfare and a number of other things. But the Sechelt self-government bill changes this somewhat, even though the authority is still delegated from the federal government.

Although I do not want to dwell on this, what we actually want, and what was the subject of the last three constitutional conferences, is the recognition in the Constitution of a separate

order of government. We want a level of government recognized in the Constitution, and the powers would flow from there. That is where we want to start, and this is why the bill before us is not acceptable to a number of people in the Indian community. As a matter of fact, the Sechelt people themselves have said that this bill does not do everything that they wanted, but it does go some distance towards that goal. They have taken the view that they do not want to wait 10 years, 15 years or however long it would take to negotiate through the constitutional process—that is, to negotiate with the provincial and the federal governments—to get what they want. Therefore, they put this bill forward on behalf of their people.

As Senator Robertson mentioned yesterday, they held many meetings over a long period of time; they held a number of discussions to reach this point and I applaud them. I applaud the Sechelts greatly for their diligence, their foresight and the action they have taken in bringing forward this bill at this time in their history. I particularly like a few of the provisions contained in the bill.

Clause 6 has to do with the capacity and powers of the band. I really like this part:

> 6. The Band is a legal entity and has, subject to this Act, the capacity, rights, powers and privileges of a natural person and, without restricting the generality of the foregoing, may
>
> (a) enter into contracts or agreements;
>
> (b) acquire and hold property or any interest therein, and sell or otherwise dispose of that property or interest;
>
> (c) expend or invest moneys;
>
> (d) borrow money;

Honourable senators, this has been one of the most difficult things for the Indian people to do. My friend Senator Watt and a number of other people will tell senators about the difficulty that native peoples have had in borrowing money and in developing the resources that are on the reservations. Try to imagine what it is like for an Indian to go to a banker to ask for a loan. The banker will ask what his assets are and if he says that he has such-and-such a property on the reservation, well, "good-bye; too bad, Mr. Indian, you can go away." But as a result of this bill, the Sechelts will have legal powers that will enable them to do such things as borrow money, lease land and, basically, sign on the dotted line. Their leases will be legal documents as of the time they are signed, instead of being sent off to the Department of Indian Affairs, where they will finally wind up on the minister's desk or on the assistant deputy minister's desk, along with thousands of other leases that are awaiting approval. This bill will mean a great improvement for the Sechelt people. Over a number of years they have developed some property on a leasehold basis, so this provision is of importance to them.

However, a sticky point with me, and one on which I run into a little trouble, is the fact that some powers must be sought from the provincial government. On constitutional grounds, the Indian people of this country have historically had a relationship with the federal government, and they do not want that relationship changed. Constitutionally, it is only the federal government that has the power to legislate respecting Indians and Indian lands. We do not want to change that. That is a sacred trust, if I dare use that word. But under this bill, the Sechelts have to go somewhat "cap in hand" to the province and ask whether they may have some powers. Those powers they will be requesting of the provinces relate, for the most part, to taxation of those non-Indians who have a leasehold interest on Indian lands. I would much rather have it whereby we, from the federal government, through the constitutional power that we have, give directly to those people the power to tax whoever is occupying any kind of Indian land, whether it is leased or not. But under the law of the land today, that, apparently, cannot be done, and the Sechelts do not want to wait around until that is changed.

I think that the Indian community in general has taken the view that although we may not agree totally with the way in which the Sechelts have proceeded, especially on constitutional grounds, nevertheless we applaud them for the efforts that they have made, for the vision that they have had and for the initiative that they have taken in developing this bill. I, too, applaud the Sechelts and the action they have taken.

Honourable senators, through consultations with the senators in our party, I think it is fair to say that we do not want to hold up the bill. We do not think there is any need to refer it to committee. Although there are some topics worthy of discussion, there is nothing at this point that we feel we could really contribute with relation to the bill. If we wanted to make some improvements to it, it would take a long time to do so. The kind of improvements I have in mind are those fundamental constitutional changes that really need to be made. This is something that Mr. Mulroney and the premiers will have to do the next time they sit around that table, and I hope that they will pay a great deal of attention to what needs to be done in terms of the development of self-government and the constitutional recognition of self-government.

In any event, on behalf of our party I am prepared to give the bill second reading quickly and to proceed directly to third reading, if that is the desire of this chamber.

I thank honourable senators.

Hon. Brenda M. Robertson: Honourable senators—

The Hon. the Speaker *pro tempore:* I wish to inform the Senate that if Senator Robertson speaks now her speech will have the effect of closing the debate on the motion for second reading of the bill.

Senator Robertson: I thank honourable senators. I listened with interest to my good colleague's remarks and recognize the inadequacies that have been identified in the bill. However, everyone in this chamber knows that constitutional changes take a long time. I believe that the Sechelt band and the Department of Indian Affairs and Northern Development are wise in proceeding with this bill at the present time. Certainly it is a major step forward. I am delighted that Minister Crombie and his staff have been able to work with the

Sechelts. I applaud them, as my colleague has done, for their great contribution in this respect.

I have nothing further to add, except to point out that it has been brought to my attention that the leaders of the Sechelt would like to be present in the chamber at the time of Royal Assent. They would also like to have Mr. Crombie present at that time. I have discussed this matter with our house leader and I understand that the department has discussed this on the other side. It looks as if June 17 is a reasonably secure date for the Sechelt people to come to Ottawa, for the minister to be present and for us to arrange for this bill to receive Royal Assent. I believe it to be a reasonably historical moment and I am delighted that the members of Sechelt have taken such an interest. I again congratulate them on their tremendous contribution through their participation in the development of this bill toward the self-government of the native people.

• (1450)

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 Doody, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

GRASSY NARROWS AND ISLINGTON INDIAN BANDS MERCURY POLLUTION CLAIMS SETTLEMENT BILL

SECOND READING

On the Order:

> Resuming the debate on the motion of the Honourable Senator Robertson, seconded by the Honourable Senator Cogger, for the second reading of the Bill C-110, intituled: "An Act to approve, give effect to and declare valid certain agreements between the Government of Canada, the Government of Ontario, Reed Inc., Great Lakes Forest Products Ltd., the Islington Indian Band and the Grassy Narrows Indian Band".—(*Honourable Senator Watt*).

Hon. Charlie Watt: Honourable senators, it is my great pleasure to speak on behalf of the people who have been affected by what I believe to be one of the most dangerous poisons in the world. Various speakers in the other place have spoken in support of Bill C-110, and I was struck by the fact that they appeared to be anxious to close a chapter. However, I do not know that we can really close this chapter, because of the way that people have been affected by this mercury pollution. I say that because it is quite likely that future generations will be affected by mercury pollution. Uncertainty exists. Parents of the future do not know whether children will become disabled, crippled or perhaps lose their eyesight. For me this is a very important matter which has not occupied in any serious way the attention of the general public in the past. To a certain extent it may have drawn the attention of the Canadian public, but 16 years is a long time.

If a similar incident had occurred in downtown Toronto, how long would the situation have existed? Possibly a day. But, something would be done about it immediately. Is it because we are dealing with a small group of people that we tend to ignore our responsibilities, our primary responsibilities? We should take a look at some of the things that have been done in the past and try to avoid them in the future. We should not make the same mistakes again. Let us act before it is too late. This is not the first time, and this will certainly not be the last time. All kinds of industries—mining outfits, oil companies, and so on—are coming to my area, to the north, to the high Arctic, which, because of the cold climate, is harder to clean up if pollution occurs. I wonder how seriously our people are likely to be affected in the future.

I would like to read the following: Sixteen years ago the lives of the 1,200 people of the Grassy Narrows and the Whitedog Indian Reserves in northwestern Ontario were devastated by the mercury pollution of the English-Wabigoon River system by a paper mill in Dryden, Ontario. The river was closed for commercial fishing. This destroyed the economy of the two bands which was based on fishing and guiding. Social disintegration followed the economic collapse of the communities. In addition, people were concerned that the damage to their health from eating mercury polluted fish, as well as the damage to the health of their children and children yet to be born, might be as severe as that resulting from a similar outbreak of mercury poisoning in Minamata, Japan, which killed 100 people and left hundreds disabled or with less minor effects on their health.

A whole new generation of people grew up on the reserves without work or hope for their future. We need to learn something from the alarming fact that it took 16 years for these native people to get a settlement with the companies who polluted the river. In 1982, the Whitedog Band received a $2.4 million settlement from the federal government for economic development. In 1984, the Grassy Narrows Band reserve received $4.4 million in its settlement with the federal government.

The settlement before us in the legislation today gives each band $7 million for economic development. It also gives each band $1 million as an initial contribution to a $2 million mercury disability health fund to be established by Ontario legislation. As honourable senators know, the chapter is not closed.

The Ontario government has agreed to contribute to the fund as necessary to ensure that every person, including unborn children whose health has been damaged by mercury pollution, will receive an award—an award in the sense of attempting to correct the situation that took place in the past. Being a native person, "award" to me means something else: an award of death; an award of honour—what is it?

Individuals may receive up to $800 per month for life from the fund. That is all that we can do, because there is no other way that we can correct the mess that took place in the past. Again, I emphasize: "Let's not do it again." If it happens, let us act upon it as quickly as possible.

The bands will invest the economic development funds and will use the interest for job creation on the reserves, particularly in the traditional economy. Expected projects include re-establishing commercial fishing in unpolluted waters, outfitting hunters, trappers and guides and a sewing factory to produce native clothing and crafts and provide jobs for native women. The bands will also expand their logging and wild rice operations and become more involved in the tourist business.

• (1500)

The chiefs and councils of both reserves, as well as the members of each band, have fought long and hard for the settlement, and both reserves approved the settlement by over a 90 per cent majority in the ratification votes.

Honourable senators, as an individual senator, I support this legislation because the people of Grassy Narrows and Whitedog fought for the settlement that will be enacted. In particular, we as a government must do more to ensure their rights to self-determination and self-government in forums such as the First Ministers' Conferences with Native Leaders. I am confident that we are making a contribution to that end by approving this bill that gives force to the claims of the Grassy Narrows and Islington Indian Bands.

Honourable senators, I endorse what was tabled by the Minister of Indian Affairs and Northern Development. This morning I spoke to the lawyers who represented the two Indian bands and they, too, indicated that the bill should be passed as quickly as possible. The people of these communities need the money to redirect their lives—there is no way that we can correct the mess—to endeavours that will better their lives. That is all we can do.

Hon. Brenda M. Robertson: Honourable senators—

The Hon. the Speaker *pro tempore:* I must remind honourable senators that if the Honourable Senator Robertson speaks now, her speech will have the effect of closing the debate on the motion for second reading.

Senator Robertson: Honourable senators, I listened with interest to Senator Watt's remarks. I thoroughly agree with him that the unknown consequences of mercury poisoning are major and legitimate concerns for any government. We really do not know what will happen to future generations. That is why the bill provides that the fund for those affected by such poisoning be replenished as it is depleted. That is small reward, and I agree that we could debate for the rest of the afternoon the meaning of the word "reward."

Surely, these two areas of concern—the unknown as to what the future holds and how we can prevent a recurrence of such an event—have to be uppermost in our minds, because if we have any responsibility at all we must work diligently to protect our native people in this regard. We all know that there are a couple of such areas that all levels of government are watching now very carefully in the event of a problem. However, I think it is important to know that the federal government is committed to seeking at the First Ministers' Conference agreement amongst all parties on the constitutional protection of aboriginal rights, including the right of self-government. The previous bill was an example, and I think that that bill or modifications of it will be repeated many times over.

Last year our Prime Minister stated that we must have self-government within the Canadian Confederation for our native people. Only then will we have proper protection for our native people and only then will they have the proper opportunities that they desire. I am pleased that Senator Watt, on behalf of his colleagues, concurs with the bill. There is a lot yet to be done and this is only one step in the right direction. I thank honourable senators for their support.

Motion agreed 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 Doody, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

SMOKING PROHIBITION BILL

SECOND READING—MODIFIED MOTION IN AMENDMENT AGREED TO AND SUBJECT MATTER OF BILL REFERRED TO LEGAL AND CONSTITUTIONAL AFFAIRS COMMITTEE

On the Order:

> Resuming the debate on the motion of the Honourable Senator Haidasz, P.C., seconded by the Honourable Senator Bosa, for the second reading of the Bill S-8, intituled: "An Act to prohibit smoking in certain work areas and on board certain modes of transport",
>
> And on the motion in amendment thereto of the Honourable Senator Godfrey, seconded by the Honourable Senator Steuart(*Prince Albert-Duck Lake*), that the Bill be not now read the second time, but that the subject-matter thereof be referred to the Standing Senate Committee on Legal and Constitutional Affairs for consideration and report.—(*Honourable Senator Godfrey*).

Hon. John M. Godfrey: Honourable senators, I do not propose at this time to speak to the motion or to make an amendment such as was suggested in the Speaker's ruling yesterday. What I would like is a clarification of that ruling. I am concerned about the wording, "that the Order for the Second Reading be discharged, the Bill withdrawn" and whether or not that means that the bill has been killed. Of course, that was not my purpose in having the matter considered by a committee. My purpose is to determine whether or not the committee can help the Senate by reviewing the matter and providing recommendations as to whether or not it should be given second reading.

The Speaker referred to a citation in *Beauchesne's Parliamentary Rules and Forms,* Fifth Edition. It is not very clear, but I think that it does give an indication that the effect of such action is not to kill the bill. Citation 746(1) reads:

> An amendment, urging a committee to consider the subject-matter of a bill, might be moved and carried if the House were adverse to giving the bill itself a second reading and so conceding its principle. But where further

> information is desired in direct relation to the terms of the bill before the House, the advantage of referring the bill to a committee could be explained in the second reading stage.

Obviously, the implication there is that the bill is not killed; otherwise, why would they want further information in direct relation to the terms of the bill? I suggest that the implication is that, after the committee has reported, the bill can be restored to the order paper and debated at second reading in light of the report of the committee. For example, when the subject matter of a bill is referred to a committee before the bill itself reaches the Senate, part of the Senate report—and I can remember that we did this very thing with the Canadian Arsenals bill—may be a specific recommendation that the Senate give the bill second reading. The committee in this case could do the same.

I ask that the Speaker take the matter under consideration and give us clarification on what happens next, so that we will know, should I move the amendment as suggested, that we are not killing the bill, but merely following a procedure to return the bill to the order paper so that it may be debated at second reading in light of the report of the committee.

• (1510)

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, on the question of order I draw the attention of honourable senators and His Honour to page 2431 of *Debates of the Senate* of May 7, 1986, when the ruling of the Speaker was requested.

In speaking to the question of order and the reference to the Speaker for a ruling, I raised the question as to whether, if we adopted a motion that said that the bill shall not now be read a second time, et cetera, we were then voting on the question of second reading and deciding that it shall not be read a second time. Were we therefore pronouncing ourselves on the question of second reading so as to bring into play the provisions of rule 47? Rule 47 says:

> A motion shall not be made which is the same in substance as any question which, during the same session, has been resolved in the affirmative or negative—

At that time, I asked the Speaker for a ruling on that specific point.

There is an explanation as to why the Speaker may not have made a ruling on that, because the ruling that the Speaker did give was to say: "The motion as presented is not in order but is probably in order if the following words are added . . . ." Therefore, in a sense, he is not seized of my point until the motion is put in that form.

However, I want to ask again that any ruling on whether or not the motion is in order, as requested by Senator Godfrey, include a decision as to whether rule 47 would apply. In a way, this is what Senator Godfrey is also asking. In other words, if the words are added that the order at second reading be discharged, perhaps that would get us around it and it would not fall under rule 47. However, if it does fall under rule 47, the result is that the bill is killed for this session unless we have a two-thirds vote to restore it.

Therefore I ask that, when any ruling is made, reference be made to my request that that dimension of the problem be dealt with also.

Hon. Jacques Flynn: I must say that I was also surprised at the ruling, because it suggests that there is only one way of referring the subject matter of a bill to a committee, and that is by deciding that the bill is withdrawn. I think we made it clear in the discussion that it was not the intention of anyone to defeat the bill at this stage. We wanted the committee to consider the subject matter, report and possibly suggest that the bill be re-worded in a certain manner.

I would also like to draw the attention of the Chair to the fact that we very often refer the subject matter of a bill to a committee before we deal with the principle of the bill. In that case we ask the committee to tell us something about the subject matter. However, in this case, we were only asking for an adjournment of the debate on second reading in order to consider the subject matter. That is all we were trying to do and I do not think we are bound by the forms that we find in *Beauchesne,* especially since some of these forms go back years and years, as I mentioned on a previous occasion. These forms are not compulsory at all. There was only the technical problem that was raised by Senator Frith with respect to whether or not the item remains on the Orders of the Day, and that was easy to solve.

As I have mentioned before, when we dealt with Bill S-32 we proceeded in this manner. We did not vote against the bill; we referred the subject matter of the bill to committee, and it was agreed at that time. Therefore there is a precedent, because the Senate agreed at that time, and I would say that if Senator Frith is in agreement with the interpretation that Senator Godfrey put on his motion, we could very well say that we appeal the ruling of the Speaker and restore the debate to the point where we were. Then, subject to any technicalities that remain to be settled, we could refer the question to the Rules Committee. With this ruling, I would say we are in a bind and we do not know where we are going but we would, I think, solve the problem by saying that the motion of Senator Godfrey is in order and that the bill can be sent to committee. Then when the committee reports—as it must do—we can decide to put the bill back on the order paper. I do not see why we cannot do that.

Senator Godfrey: May I make one comment? In view of what Senator Flynn has said—and I am speaking generally—I think in a matter like this where I personally feel quite strongly, this is a very desirable procedure to have. It does not happen very often but occasionally this is the kind of procedure I think that we want to use. I do not think we should feel that it all depends upon the Speaker's ruling. I think the whole matter should eventually be considered by the Rules Committee.

In the meantime, we have this present problem to solve. However, in the long run, it should be considered by the Rules

Committee on the merits. We should ask them to suggest an amendment to our rules so that we know exactly what should happen in a case such as this. In other words, we will have set out the procedure that we want to adopt and will not have to accomplish our purpose by doing something artificial.

Senator Frith: Getting it back on the order paper solves the problem of rule 47. I think that the ruling probably should be that rule 47 would not apply, but I think we must have something on the record about it, because simply getting it back on the order paper does not do the job.

Senator Flynn: When the report from the committee reaches us, with unanimous consent the bill can be put back on the order paper. If there is agreement, of course, we can always decide that we will not.

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I must say that I was not surprised by the ruling of the Chair because I did argue that if this motion were put and carried, it would have the effect of withdrawing the bill from the order paper.

However, what I was surprised at was the addition of the words that the bill be discharged and withdrawn, which has the effect, of course, of removing the bill from the order paper. The subject matter would go to the committee and the bill itself would enter oblivion.

Hon. Duff Roblin (Leader of the Government): As all bills do when they go to committee, in a sense.

Senator MacEachen: However, the bill would enter oblivion without any possibility of resurrection.

Senator Roblin: I do not think that is true.

Senator MacEachen: If this motion is carried, the order discharged and the bill withdrawn—and I am talking on the procedural point; I will make a suggestion in support of what Senator Flynn has said in a moment—but strictly from a procedural point of view, if this motion were carried, either in the original form or in the proposed amended form, it is my judgment that the bill would be basically withdrawn and could only be restored by a new action of the Senate. It would not automatically come back. Therefore I think, from a procedural point of view, that that is the situation.

However, as Senator Flynn has argued, there is no obstacle in the way of the Senate's agreeing—quite apart from the rules—to take a certain course with respect to this bill. It would not create a new rule; it would simply be by way of unanimous consent to deal with this bill and it would constitute no precedent.

● (1520)

Therefore, if I understand Senator Flynn's suggestion in detail, it would be, first, that the motion in amendment of Senator Godfrey be accepted and the subject matter of the bill be referred to committee, and, second, that the Senate now order that when that study is completed the bill be automatically restored to the order paper so that the status of Senator Haidasz's bill is protected. That can be done, as Senator Flynn has pointed out, by unanimous consent. That does not change the rules, but it does get us out of this difficulty, if there is a difficulty, and if that is the proposal, I would support it.

[Senator Godfrey.]

Senator Roblin: Honourable senators, there is a point that I think might be enlightening in the course of consideration of this subject, and that is: What would be the status of this bill if it were referred to committee?

The Speaker's ruling indicates that the recommended form of the motion is that the bill be withdrawn and it is therefore dead.

Senator Frith: Are you talking about the referral of the bill or the subject matter of the bill?

Senator Roblin: I am talking about the Speaker's proposal that we amend Senator Godfrey's motion in amendment by adding the words "That the bill be discharged" or whatever the wording is, which, in effect would kill it.

Senator Frith: That is on the question of referring the subject matter, not the bill itself.

Senator Roblin: Exactly. I read *Beauchesne* in a slightly different way from everybody else. What else is new? Everyone has his or her own interpretation. Citation 746 states:

> (1) An amendment, urging a committee to consider the subject-matter of a bill, might be moved and carried if the House were adverse to giving the bill itself a second reading and so conceding its principle.

In other words, the house wants more study on the bill. That is the way I interpret that.

I would think if a motion in those words were carried that the committee could be instructed at the same time to report, and when it reported, it could say that the bill was fine and that the house should proceed with it, or whatever.

I do not see why that is not standard procedure. As has been said by my colleague, we have done that before. I do not think that requires unanimous consent; I think it requires common sense.

I merely say that when the Speaker reads over these discussions—as I am sure he will when he returns—I hope he takes a look at this point because, to my mind, it should be freely available to us if we do not want to go ahead holus-bolus with second reading, which is the important reading of a bill because that establishes beyond any doubt that we approve of what is in it, not the details, but the principle. Senator Stewart is shaking his head in the negative, but I think that second reading does cover approval of the bill in principle.

Perhaps Senator Stewart will enlighten us as to why I am wrong on this point. It seems to me that if one does not want to do that on second reading, as is the case now, there is nothing to stop the Senate, in full accordance with the rules, from saying, "We are not going to give it second reading but we are going to refer it to committee." The committee will then report back and tell us what it thinks should be done, and the Senate will decide what should be done when it has heard what the committee has had to say. Maybe I am just too simple-minded, but it seems to me that that should be the way to go.

Hon. John B. Stewart: Honourable senators, I do not want to take us down a long by-road, but since my name was mentioned perhaps I had better say something.

The motion that a bill be read a second time is really a procedural motion. What it says is that the house is prepared to take a bill sufficiently seriously as to refer it to a committee to the end that the bill can be reported in what would be its final form.

That does not mean that the house has said conclusively that it is in favour of the bill; rather, it means that it is sufficiently interested in the bill to invest the time and energy of a committee to study it.

The reason I shook my head was because—and that is what led Senator Roblin to mention my name—very often we are told by the media and by distinguished colleagues here and in the other place that, "the house has accepted the principle of the bill," and that, in a sense, there is a commitment by the house to pass the bill. I think that is wrong. It would be quite reasonable, in my view—and I think I could support this with plenty of historical documentation—for a house to vote in favour of a bill at second reading, and then when it received the bill from committee in its final form to say, "No, now that we see what is available in the way of a bill we have changed our mind," and consequently to vote no on the third-reading motion.

Sometimes I use the analogy—if Senator Roblin will permit me—of saying it is as if a family were saying, "Perhaps we should explore the possibility of buying a new car," so they vote "yes". As a result, they go out and see what is available. But at the end of the day, not having found a suitable automobile, they go home and decide to do with the old car. You do not commit yourself completely when you say "yes" to a second-reading motion; you are committing the time and energy of the committee to study a particular proposed bill.

As I said, honourable senators, this is a side discussion; I do not want to divert the house from the main line of discourse.

Senator Roblin: I am interested in pursuing it because my judgment has been challenged on this point. I quite agree that second reading does not guarantee the house will vote "yes" on third reading. That is obvious and has nothing to do with the issue, in my mind. The house has the right to do what it wishes on any motion that is before it.

If *Beauchesne* means anything to anybody—and that is a fairly big "if" because this house is a free-form body, there are no rules of any consequence here; we only dig out *Beauchesne* when we are having an interesting argument, as we are having now—under citation 712 it sets out the purpose of each stage of a bill. I will skip the subparagraph dealing with first reading. Subparagraph (2) states:

> *Second Reading*—The stage of second reading is primarily concerned with the principle of a measure. At this stage, debate is not strictly limited to the contents of a bill as other methods of attaining its proposed objective may be considered. This stage is coupled with an Order to commit the bill.

I rest my case.

Senator Godfrey: Honourable senators, I should like to add my understanding, though I am not an expert on the rules. If a bill receives second reading and is approved in principle one cannot amend the bill later, if that amendment would contradict the principle of the bill. So, if we are not approving the principle, why have that rule that you cannot amend a bill if it contradicts the principle?

Senator Stewart: I wish I had not moved my head at all, honourable senators, because it seems to me that we have now got into something quite different from the main subject.

Senator Godfrey makes a good point, but I do not think it is conclusive. What the house does when it agrees to the second reading of the draft bill that is then before it is to say that it is interested in a bill to achieve the particular purpose of the proposed bill. The house having instructed the committee to go out and bring back a bill to achieve the purpose or principle of the bill that was read a second time, the committee is not free to bring back a bill to achieve some other end. The house defines the principle of the proposed bill so as to instruct the committee, but it does not commit itself.

Going back to my analogy, the family having decided to shop for an automobile could not come back with a yacht. In that sense, the committee is instructed as to what its particular task or commission is.

But, as I said before, it could very well come back and say "We have looked at all the versions, all the automobiles that are available and we have now concluded that we should vote 'no' on third reading."

Senator MacEachen: Honourable senators, I will begin with one comment, and that is that the second reading procedure is one of the most difficult that one encounters. It certainly was my experience in the House of Commons that to get a reasoned amendment on second reading required great ingenuity. For a long time Speakers refused rigorously to accept on second reading amendments declaratory of a principle adverse to the principle of the bill, and that is why oppositions often had to resort to the six months' hoist or to send the subject matter to a committee.

I am not, however, going to get into all of those interesting areas, particularly the interesting discussion begun by Senator Roblin and continued by Senator Stewart. What I am going to propose, without prejudice to the rules, *Beauchesne* or the Speaker's ruling, is that we accept the proposition as amended by the Speaker and that we agree now that when the study is completed, Senator Haidasz's bill will be restored to its status on the order paper. That satisfies the will of the Senate and would be unanimous.

• (1530)

Senator Flynn: I thought that was the purpose of the wording proposed by Senator Godfrey. The suggestion of the Speaker, however, is that the bill would be withdrawn and discharged, and I thought that we might as well leave the wording as is, but it would be understood that when the bill

comes back from the committee it will be restored to the order paper.

Senator MacEachen: I think that we are faced with a Speaker's ruling—-

Senator Flynn: No.

Senator MacEachen: —and I certainly will not move to overturn his ruling. If we are to respect his ruling, we must incorporate his judgment in the motion and I want, in this case, to respect his ruling and incorporate—if Senator Godfrey agrees—his amendment into the motion and carry it and, then, make what may be logically a contradictory act, immediately agree to reinstate the bill to the order paper when the study is completed.

Senator Roblin: Where does that leave Senator Frith? Senator Frith is concerned about the application of rule 47 to this procedure. He seems to be advancing the point that if we do what is suggested, then rule 47 will be brought into play—which means that unless we have unanimous consent, or two thirds, we cannot do it. Where does that stand in this argument now?

Senator MacEachen: Well, I would say that the implicit assumption in the proposal is that the Senate would be able to deal with Senator Haidasz's bill through unanimous consent rendered today as if it had waived the rule to which Senator Frith made reference.

Senator Roblin: Well, I would be satisfied with that provided that my honourable friend replaced the word "implicit" by "explicit"—I have had some experience with him.

Senator MacEachen: Well, I'll be accommodating; "explicit" is fine.

Senator Walker: What's the matter with you?

Senator Roblin: I will mark this day in my calendar.

Senator Walker: So will I.

The Hon. the Speaker *pro tempore:* Honourable senators, as long as the ruling of the Speaker has been made, the ruling stands. And, as long as there is no appeal of the ruling of the Speaker, we should continue and accept the Speaker's ruling. But senators are the masters of the rules. If you want to give unanimous consent to restore the original bill of Senator Haidasz, you can do it any time; you can do it now. But, I am waiting for a formal motion.

Senator Godfrey: I will make a motion. To begin with, I will agree to the modification of my motion, in accordance with the Speaker's ruling, and I now move that upon the report of the committee—because part of my motion was that the committee had to report back to the Senate, that it be restored to the order paper. And, if we get unanimous consent on that, there is no problem.

The Hon. the Speaker *pro tempore:* Is it agreed, honourable senators, to give unanimous consent to Senator Godfrey's motion?

Hon. Senators: Agreed.

[Senator Flynn.]

Senator Godfrey: I emphasize that I am going to ask the Chairman of the Standing Rules and Orders Committee, when he is here, to have this matter referred to the Standing Rules and Orders Committee so that we can consider what kind of procedure we really want.

Senator Marshall: Why didn't you do that when we started half an hour ago?

Senator MacEachen: Honourable senators, I want to add one comment, namely that it is understood, as you have stated, Your Honour, that this is by unanimous consent—

Senator Godfrey: You are right.

Senator MacEachen: —and the rules and the precedents are still in effect.

Senator Flynn: Yes. Then my objection to the ruling would have been removed.

Senator Frith: Your objection has been noted, Senator Flynn, as they say in court.

Senator Roblin: That will not be counted as a precedent.

Modified motion in amendment agreed to and subject matter of bill referred to Standing Senate Committee on Legal and Constitutional Affairs.

NATIONAL FILM BOARD

REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON FILM ENTITLED: "THE KID WHO COULDN'T MISS" REFERRED BACK TO COMMITTEE

On the Order:

Resuming the debate on the consideration of the Eighth Report of the Standing Senate Committee on Social Affairs, Science and Technology, entitled: Production and Distribution of the National Film Board Production "The Kid Who Couldn't Miss", tabled in the Senate on 15th April, 1986,

And on the motion of the Honourable Senator Molson, seconded by the Honourable Senator McElman, that the Report be referred back to the Committee with instructions to consider and report upon the following:

Strike out page 20 and substitute

RECOMMENDATIONS

1. That after the titles of the film, the following disclaimer be added: "This film is a docu-drama and combines elements of both reality and fiction. It does not pretend to be an even-handed or chronological biography of Billy Bishop.

Although a Walter Bourne did serve as Bishop's mechanic, the film director has used this character to express his own doubts and reservations about Bishop's exploits. There is no evidence that these were shared by the real Walter Bourne."

2. That the National Film Board be requested to take action to eliminate from the film the unproven allegations, charges and innuendoes against the integrity of Billy Bishop.

3. That a copy of this Report as it stands or as it may be amended, be formally submitted to the Honourable Minister of Communications, with the request that it be transmitted to the National Film Board along with the Minister's specific instruction of action required of the Board to correct the wrong that has been done to the factual record of the late Air Marshal William Avery Bishop, Victoria Cross,

And on the motion in amendment thereto of the Honourable Senator Flynn, P.C., seconded by the Honourable Senator Walker, P.C., that the motion be amended by deleting paragraph 3.—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, you can imagine what Senator Molson and I were speaking about. As a matter of fact, what we were speaking about is a relevant introduction to what I want to say on this order, and that is the question of when—if a vote turns out to be necessary on this motion—that vote should be held.

My feeling was, although I am not very partisan one way or the other on it—I have a viewpoint, but I am not launching a movement—that we should have some idea of when the vote is going to take place rather than just having the vote. In other words, some senators, I think, knew I was going to speak on the motion today—I don't know whether everybody expected that there would be a vote on it today or not.

Senator Flynn: Why not?

Senator Frith: Well, I don't really want to get into a scrap on it at all. It seems to me that some honourable senators might say, "We didn't know that there was going to be a vote on it." However, I am not wanting to get into any shouting match about that at all one way or the other.

Hon. Hartland de M. Molson: Why does he say a vote? Has he been told there is going to be a vote? Surely the question will be put in the normal way, will it not?

Senator Frith: I personally want to vote on this. I want it to be clear, for the reasons I am about to give, that I propose to vote against the amendment and I want to have the opportunity to vote against the amendment. I assumed that there was nothing very controversial about that and that many other senators wanted to be clearly recorded as voting in favour of the amendment.

Senator Molson: I know.

Senator Frith: So, that is what I meant when I said that I thought that there would be a vote.

Hon. Douglas D. Everett: May I ask the honourable senator a question? Does he not think in suggesting that there be a specific time for a vote that he might be creating a precedent that would somewhat hobble the work of this chamber in other situations where you would have to set up a timetable and say that the vote would take place at such and such a time? Does he not think that that would not be in the best interests of this chamber?

Senator Frith: I don't think it would be in the interests of this chamber to establish a precedent whereby we had to decide in advance exactly what time a vote was going to take place. I agree with Senator Everett.

My point is simply that I can imagine in this case that some particular senators might feel that they did not understand that the matter was going to come to a vote and thought that there was going to be more debate. I am sorry that I brought the subject up; I will drop the whole thing. I don't care whether we have the vote today, or when we have the vote—it was just a suggestion.

Honourable senators, I support the committee's report and, therefore, do not support the amendment.

But, I want to make it clear that I am doing so on my own behalf and not as a spokesman for our caucus because the caucus has decided that it would allow honourable senators to vote on this amending motion as they see fit.

Senator Flynn: Don't you normally do that?

Senator Frith: No, we do not normally do that. We very frequently—unlike, perhaps, your party—take a position on matters before the Senate.

Honourable senators, I want to explain why I support the committee report and, in order to do so, I want to recall to honourable senators what has taken place, some of the background.

When the motion first came to us—and the motion was that the Standing Senate Committee on Social Affairs, Science and Technology be authorized to examine and report upon the activities of the National Film Board with respect to the production and distribution of the film "The Kid Who Couldn't Miss"—honourable senators will recall that I, and I believe some other senators, had some reservations about the wisdom, or desirability, of having that question referred to a Senate committee—in fact, raising some doubts as to whether this was properly a matter for the Senate at all. After listening to the debate, I took the position that because the Film Board's reputation was at stake—the Film Board being a national institution within Parliament's purview—it ought to be given a chance to explain its position and that those who wished to criticize the activity of the Film Board with respect to this film should also be given that opportunity. Therefore, I overcame those reservations and voted in favour of sending this matter to committee under the terms of reference provided.

● (1540)

Then what happened? The committee, in its activity and in its study did a most thorough investigation, one that was very widely reported in the media. The first phase was the activity of the committee listening to the witnesses and in having its hearing reported widely in the press. That resulted in a stunning exposé of this film; the material that went into it; the methods used to produce it; and the inaccuracies—and that is putting it mildly—found in the film.

What that committee did over a long period—and I congratulate it on doing so successfully—was to blow a very loud whistle on the NFB exposing the weaknesses of this film, its inaccuracies and resulting, in my opinion, in more exposure of the weaknesses, inaccuracies and unfairnesses of the film than the film itself had had or was ever going to have.

I believe that as matters stood when the committee finished its examination, even before its report, many more thousands of people in Canada knew what was wrong with this film than had ever seen the film or were ever going to see it. For that reason I congratulate the committee because I feel the proposal made originally by Senator Molson produced the desired effect, which was exactly that.

What happened next? The committee released its report in which, as honourable senators will remember, it detailed in a most effective and articulate way, chapter and verse what was wrong with this film. Although a thin document, it is most articulate and very powerful. In its summary and recommendations on page 18 it states:

> "The Kid Who Couldn't Miss" is a highly dramatized and one-sided account of Billy Bishop's life—

Any honourable senator who has not read this report and who will not accept my assurance and the assurance of others, ought to read the report and he or she will know that what this committee says in its summaries and recommendations is fully supported in the material that leads up to those summaries and recommendations. As I said, the summary and recommendations state:

> "The Kid Who Couldn't Miss" is a highly dramatized and one-sided account of Billy Bishop's life and his exploits while serving with 60 Squadron during World War I. Research for this film overlooked a wealth of Canadian sources, veterans, and expertise on the subject, and concentrated instead on a few British sources. Through the technique of "interviewing" from time to time an actor in the role of Bishop's mechanic, the film gives a false and misleading authority to what is, in the view of most historians, rumour and unpublished speculation. While Mr. Cowan and the National Film Board have every right to express reservations about Bishop's record, your Committee questions whether the public interest is served, as required by the Act establishing the NFB, by representing these rumours, which seem to have arisen some time after the events described, as based on first-hand, eyewitness evidence.

The report goes on to state:

> According to Mr. Macerola and Mr. Cowan, "The Kid Who Couldn't Miss" was structured as a "docu-drama" to convey a messge "about heroism, . . .

The committee gave the point of view of the NFB. The report goes on to state:

> Members of the Committee and of the public have strongly objected to the promotion of the film as a "feature-length documentary". Your Committee's and indeed the public's perception of the term "documentary" inevitably brings to mind the qualities of authoritativeness, accuracy, fairness and even-handedness, within the limits of personal objectivity, especially when the National Film Board is involved. These qualities can be present, in our opinion, even in the treatment of historical subjects, where actors must assume the roles of real characters.
>
> Within the film industry, however, the term documentary is used much more broadly. It was pointed out by Mr. Macerola that John Grierson, the founder of the NFB, said that there were many different types of documentary film, beginning with the newsreel and continuing through the dramatic field, where such a film may involve "an attack on the emotions or on the imagination", to the poetic. However broadly defined, the object of a documentary remains to capture "fragments of actuality". . .

The recommendation in the committee's report is as follows:

> That after the titles of the film, the following disclaimer be added:
>
> This film is a docu-drama and combines elements of both reality and fiction. It does not pretend to be an even-handed or chronological biography of Billy Bishop.

I think that is a very skillful way of pulling together the evidence heard. It is not even-handed and it is not chronological because we know how chronologies were reversed, switched and manipulated in order to give a wrong impression. Then there is another disclaimer:

> Although a Walter Bourne did serve as Bishop's mechanic, the film director has used this character to express his own doubts and reservations about Bishop's exploits. There is no evidence that these were shared by the real Walter Bourne.

More widespread publicity than our Senate reports normally receive was given to this report of the committee. Again, more people, including the original people, were also aware of what was false, unfair, and pernicious about the film than I believe had ever seen the film or ever will see the film.

After the committee's report was presented, it was debated here in the Senate. At that time we had an avalanche of details. I would mention, particularly, Senator Perrault's most detailed indictment. It was, in fact, more than an indictment, it was pages and pages of evidence to support every single particular in that indictment. Senators Everett and Steuart, looking at the matter from different perspectives, again exposed the errors, inaccuracy, falsehoods and innuendoes. Again there were reports of these eloquent and deserved denunciations of this film in the press.

• (1550)

Honourable senators, to use a military metaphor, it seems to me that the film "The Kid Who Couldn't Miss" has been so thoroughly strafed and bombed by the activities of the Senate in its first debate, in its hearings in committee, in the report of the committee and in the debate in the chamber upon consideration of the report—and by all of the attendant publicity—that all that is left of it is smoking rubble. That is a direct

result of the good work of the Senate. I agree with many of my colleagues that the film, in getting that strafing, got no more than it deserved. Indeed, it may get elsewhere, from the government or from the minister, even more than it got from the Senate.

I must say that I was impressed by Senator McElman's intervention. Although I was not present to hear it, I did read it. It pointed out that under the provisions of the statute, there is a special responsibility on the minister with regard to the National Film Board. While I do not support the amendment, I do support the principle of that portion of it which includes the views of Senator McElman. I am sure that when we adopt the committee's report, as I think we ought to, it will be sent to the responsible minister.

Honourable senators, the film got what it deserved from the Senate; I hope that it will get the same from the government, and I believe that it will get what it deserves from the viewers, who will know about it in advance, having been alerted and alarmed by the exposure it has received in the Senate.

But, honourable senators, for the Senate to go any further raises serious problems, in my view. One of those problems is the allegation of our being involved in censorship. I noted that any senator who has spoken in favour of further action has shrugged off the allegations of censorship by saying, "This is not censorship." If those senators had looked up the definition of "censorship", I can well understand why they would say that. The *Encyclopaedia Britannica* has eight or 10 pages on the subject. But the definition of "censorship" in the *Oxford* is:

> The official restriction on ideas prior to, or prosecution or suppression following, their publication.

If the proposals in the amendment do not fall within the definition of censorship, then I think the least that can be said is that they certainly raise serious questions as to whether the Senate is going beyond where it ought to go and is entering an area where it can justifiably be charged with engaging in censorship.

As much as I hope that the film never rises from the smoking rubble to which it hs been reduced, to say that it should be withdrawn is clearly censorship. Although I do not agree with it, I can accept the view that, although it does constitute censorship, we should withdraw the film. But, in my opinion, it is unreasonable to shrug off the withdrawal of the film as not constituting censorship. That is one of the dangers in our going any further than we have gone, which is to censure as distinct from censor.

The second problem involves the precedent we might create if we were to refuse or reject the recommendation of a Senate committee which has studied the matter. The committee recommended that a disclaimer be added to the film. If senators were to go on to recommend that the film be withdrawn—

Senator Flynn: That is not what the motion says.

Senator Frith: Some question has been raised as to what the motion actually says, so let us have a look at it. If I have been wrong—if I have exaggerated the recommendation—then we ought to put the record straight.

The motion is:

> —that the Report be referred back to the Committee with instructions to consider and report upon the following:
>
> Strike out page 20—

So that there is no doubt about what we are talking about, page 20 recommends that a disclaimer be added. Therefore, the motion recommends that that be struck and that the following be substituted:

> 1. That after the titles of the film, the following disclaimer be added—

I believe that the first paragraph of the motion is the same as what appears on page 20 of the report. The motion further recommends:

> 2. That the National Film Board be requested to take action to eliminate from the film the unproven allegations, charges and innuendoes against the integrity of Billy Bishop.

There is no recommendation of withdrawal; I stand corrected.

What happens when Warner Brothers, for example, wants to distribute a film in Ontario where there is a censorship board? That board will review the film and will then instruct Warner Brothers to remove certain passages from it.

Senator Molson: Warner Brothers is not a government agency, however.

Senator Frith: I am now dealing with the question of censorship. We keep shrugging off the idea while, at the same time, we say that the Film Board should be requested to eliminate certain things from the film. That is precisely what a censorship board requests of whoever made a film it is censoring.

The next question is: If we decide to do that to the National Film Board, will we create a precedent such that, in future, if we find that the Film Board is guilty of inaccuracies in other films to which someone objects, will they take the view that they should not bother with the censorship board but ought to come to the Senate for redress?

Senator Marshall: Come on, now.

Senator Frith: All right, "Come on;" let me hear about that.

Senator Roblin: Order. You have the floor.

Senator Frith: Do I? I understood, however, that I was asked to come on. I take it that that means—

Senator Walker: Go ahead.

Senator Frith: That means, I take it, that we will not be doing what I said. When in this case we say to the Film Board, "We ask you to take action to eliminate from the film the unproven allegations, charges and innuendoes against the integrity of Billy Bishop," will we not thereby be inviting other people, who find objectionable material in other productions of the Film Board—I am not talking about Warner Brothers, but other films of the Film Board—to complain to the Senate

about those inaccuracies and ask that the matter be referred to a subcommittee, with the hope that eventually the Senate will ask the National Film Board to take action to eliminate from the film whatever it is that the committee finds unproven.

● (1600)

Senator Molson said that Warner Brothers is not a federal institution. But the CBC is. Therefore it would be reasonable for people to come to the Senate and complain about inaccuracies in CBC films. The other evening I saw a CBC film on Hal Banks, and it contained the most outrageous implications and suggestions, particularly about Prime Minister St. Laurent who is in a similar position to that of Billy Bishop in that he cannot defend himself or sue.

Senator Barootes: How was it labelled?

Senator Frith: It was a docu-drama, a similar production. What are we going to say if someone comes to us and says, "You did this in the Billy Bishop case"? Do we establish that the Senate does that only in cases where it is called a docu-drama and deals with a war hero? We cannot take such a position. That is the danger in going any further than the committee has already gone. In the CBC film there was a suggestion, in a gratuitous way, that the action against Hal Banks was part of an anti-communist witch hunt by Mr. St. Laurent. I am pointing out the danger that we are running into.

Senator Flynn: I agree with you, but I see quite a difference between a CBC film and a National Film Board film.

Senator Frith: You may, but others may not see the fineness and the elegance of that distinction, and they could come to us and say, "You justified your activity when you asked for the elimination of certain parts of a National Film Board film. You justified yourselves on the basis that the NFB was a federal institution. But so is the CBC." They might not catch the subtle distinction between the CBC and the National Film Board. If we are setting ourselves up as a sort of appeal court for the Film Board, certainly the same could reasonably apply to the CBC.

I am giving honourable senators an example of what someone who saw the film might say. What was said about Mr. St. Laurent in the CBC film was not at all necessary; it was quite gratuitous. It was suggested that Hal Banks was the victim of a St. Laurent anti-communist witch hunt. On the contrary, every statement that Mr. St. Laurent made was to the effect that "I am glad that we are living in a country where deluded people like communists can speak." However, they threw that in because it fitted their bias—just as they did in connection with Billy Bishop. As Senator Molson and Senator Perrault have demonstrated, they took the facts that fitted whatever they wanted to apply in their film, and they used it with no regard for accuracy. Someone could come to the Senate and say, "You did it for Billy Bishop; you should do it in this case too." Perhaps that is what those who support the amendment would like us to do; but it is not what I would like us to do. I do not believe that we should go that far. The danger in going any further than the committee has already gone is such that we would be opening the door to legitimate criticism that we are engaged in censorship. It would be opening the door to an avalanche or at least a steady flow of objections from people who complain about what the CBC or NFB does, and, in effect, they could ask us to play a role which, in my view, is one of censorship and one that we should not be involved in.

In summary, I believe that the work of the Senate in the debate leading to the reference, in the work of the committee, in the committee's report, and in the debate after the report, has exceeded our greatest expectations as to what we could accomplish with regard to this film. I believe that we should support the committee's report and that we should go no further. For that reason I will vote against the amendment.

Hon. M. Lorne Bonnell: Honourable senators—

Senator Molson: Honourable senators, if no other honourable senator wishes to speak on this matter, I should like to say a few words on the amendment. I will yield to Senator Bonnell. Senator, please go ahead.

Senator Bonnell: I was going to speak to the original motion and speak to the amendment later.

Senator Roblin: You should speak to the amendment now.

Senator Bonnell: It doesn't make much difference what I say.

Senator Roblin: You are wrong there.

Senator Bonnell: Honourable senators, I wish to say a few words on the National Film Board production "The Kid Who Couldn't Miss". If we are talking about Billy Bishop, then he was the kid who couldn't miss; but if we are talking about the author, then I am afraid he missed the point, because he missed what we as Canadians feel proud of in Billy Bishop. I am a member of the committee on Social Affairs, Science and Technology and we heard many witnesses tell us about the great feats of Billy Bishop; and, as a Canadian, I was proud to have such a man in our forces fighting for our country.

As I watched the film I was saddened to see the great hero represented almost as a fraud. I was saddened to think that any Canadian would feel the urge to destroy one of our great heroes. I had different thoughts on what we should recommend. One of the recommendations I had in mind was the one that we did make. I thought that we should include a disclaimer before the film to explain that the film was fictitious, that Walter Bourne was an actor and that the words he spoke in the film were not the words of the mechanic who worked with Billy Bishop but the words of the author who had put words in his mouth and had given no proof that Walter Bourne ever said them.

There was another option. We could have frozen the film in the Archives for 40, 50 or 100 years. However, it was my view that 100 years from now the film would be shown and it would be like Erik Nielsen with the bugging of the Liberal caucus. Forty years from now, people will look at the film and it will be that much harder to prove that Billy Bishop was a hero. Therefore, I did not want to see the film put away in the

Archives in its present form because it would still be the lie that I thought it was and more difficult than ever to prove.

• (1610)

The third thing we could have recommended was that the film be destroyed altogether, ask the National Film Board to destroy this film and all its copies that degrade our great hero. Then I thought—you know if this film indicates that it is a docu-drama, that it is fictitious and that Bourne is only an actor, it would be a waste of the taxpayers' money to destroy what is otherwise a fairly good film of fairly good photography and fairly good work. I also thought that it behooves a Senate committee to tell the National Film Board to change this and to change that, and to cut out sections here and cut out sections that cannot be proven to be true, but then I thought that it would destroy the whole film and that a lot of the money of the taxpayers of this country would be wasted.

However, to put a disclaimer at the beginning of the film would cost very little. This disclaimer could point out, as the committee did in its report, that the film contains words of the author and not facts, that it should have been called a docu-drama from the beginning and not a documentary. Such a disclaimer would suffice in that it would not put the Senate in the position of a censorship board or in the position of telling the National Film Board which films it could make and which ones it could not make. Nor could the Senate be used as a scapegoat for other films that people may not like. Rather, it would point out the weaknesses of this film. I felt that the recommendation of the committee covered all these angles. Since I had something to do with making that recommendation, I must stand by my original thoughts and vote against the further recommendation to refer the matter back to committee.

The Hon. the Acting Speaker: Honourable senators, you have debated the motion in amendment. Is it your pleasure—

Senator Frith: Madam Speaker, do we know whether anybody else wishes to speak to the debate?

The Hon. the Acting Speaker: Are there any further speakers?

If not, it has been moved by the Honourable Senator Flynn, P.C., seconded by the Honourable Senator Walker, P.C., that the motion be amended by deleting paragraph 3.

Honourable senators, is it your pleasure to adopt the motion in amendment?

Senator Frith: What amendment?

Senator Flynn: The amendment to the amendment.

Senator Frith: Your amendment?

Senator Flynn: Yes.

The Hon. the Acting Speaker: Is it your pleasure, honourable senators, to adopt the motion in amendment?

Some Hon. Senators: Yes.

Some Hon. Senators: No.

The Hon. the Acting Speaker: Will those honourable senators in favour of the motion in amendment please say "yea"?

Some Hon. Senators: Yea.

The Hon. the Acting Speaker: Will those honourable senators who are against the motion in amendment please say "nay"?

Some Hon. Senators: Nay.

The Hon. the Acting Speaker: In my opinion, the "yeas" have it. I declare the motion in amendment carried.

Motion in amendment agreed to, on division.

The Hon. the Acting Speaker: Honourable senators, the question now is on the main motion, as amended.

It was moved by the Honorable Senator Molson, seconded by the Honourable Senator McElman—

Some Hon. Senators: Dispense.

The Hon. the Acting Speaker: Is it your pleasure, honourable senators, to adopt the motion, as amended?

Some Hon. Senators: Yes.

Some Hon. Senators: No.

The Hon. the Acting Speaker: Will those honourable senators in favour of the motion, as amended, please say "yea"?

Some Hon. Senators: Yea.

The Hon. the Acting Speaker: Will those honourable senators who are against the motion, as amended, please say "nay"?

Some Hon. Senators: Nay.

The Hon. the Acting Speaker: In my opinion, the "nays" have it.

And two honourable senators having risen.

The Hon. the Acting Speaker: Please call in the senators.

• (1630)

The Hon. the Speaker *pro tempore:* It is moved by the Honourable Senator Molson, seconded by the Honourable Senator McElman, that the Report be referred back to the committee with instructions to consider and report upon the following:

Strike out page 20 and substitute

RECOMMENDATIONS

1. That after the titles of the film, the following disclaimer be added: "This film is a docu-drama and combines elements of both reality and fiction. It does not pretend to be an even-handed or chronological biography of Billy Bishop.

Although a Walter Bourne did serve as Bishop's mechanic, the film director has used this character to express his own doubts and reservations about Bishop's

exploits. There is no evidence that these were shared by the real Walter Bourne."

2. That the National Film Board be requested to take action to eliminate from the film the unproven allegations, charges and innuendoes against the integrity of Billy Bishop.

Motion, as amended, carried on the following division:

YEAS

THE HONOURABLE SENATORS

Anderson	Marshall
Barootes	McElman
Barrow	Molson
Bélisle	Murray
Buckwold	Olson
Denis	Petten
Doody	Phillips
Everett	Robertson
Flynn	Roblin
Godfrey	Sherwood
Lafond	Steuart (*Prince Albert-Duck Lake*)
Lewis	Turner
MacDonald (*Halifax*)	van Roggen
Macdonald (*Cape Breton*)	Walker—28.

NAYS

THE HONOURABLE SENATORS

Argue	Le Moyne
Bonnell	MacEachen
Corbin	Macquarrie
Doyle	Marchand
Fairbairn	Marsden
Frith	Rizzuto
Gigantès	Stewart (*Antigonish-Guysborough*)
Haidasz	Thériault—17.
Hébert	

ABSTENTIONS

THE HONOURABLE SENATORS

Nil

• (1640)

Senator Roblin: Honourable senators, as I understand the matter, we have voted on the amendment and now we have to vote on the main motion as amended. Am I wrong on that?

Senator Frith: Yes, you are. The amendment carries the motion. The vote was on the motion as amended and that has succeeded. Therefore, as I understand it, there are no further motions to be put.

Senator Roblin: You can't win them all.

Senator MacEachen: You want another victory.

[The Hon. the Speaker.]

Senator Doody: It's my first.

Senator Frith: In football that is called "piling on."

Motion, as amended, agreed to, on division, and report referred back to Standing Senate Committee on Social Affairs, Science and Technology.

TERRORISM

MOTION FOR APPOINTMENT OF SPECIAL SENATE COMMITTEE—DEBATE CONTINUED

On the Order:

Resuming the debate on the motion of the Honourable Senator Kelly, seconded by the Honourable Senator Sherwood:

That a Special Committee of the Senate be appointed to provide a forum to examine, consider, evaluate, consolidate and synthesize available research, documentation and other information relating to terrorism as a real or potential threat to Canada and to Canadians;

That the Committee identify any areas where further study, research or investigation is called for;

That the Committee examine and make recommendations on the role of the media in reporting terrorist threats and incidents;

That eight Senators, to be designated at a later date, act as members of the Special Committee; and

That the Committee present its report no later than December 19, 1986.—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, the motion before us differs substantially from the motion Senator Kelly presented last January. To save time I will not read the debates which, I believe, led up to Senator Kelly's changing his motion. However, for the sake of the record, I would refer honourable senators to the *Debates of the Senate* of February 11, 1986 at page 1991 when I made a speech against the motion expressing some grave reservations and focusing, particularly, on how broad the terms of reference of the original motion were and expressing some doubts as to whether the Senate of Canada could usefully make a contribution to the solution of this admittedly serious problem by the setting up of a committee.

I then went through the terms of reference and pointed out that the work of the committee, if it fulfilled its mandate as it ought to—if we gave it such a mandate—would require a lifetime's work. It would require examination of government policy. It would involve evidence from each of our foreign postings if the mandate were fulfilled. It would include the role of the media and although I thought that was manageable, most of the other aspects I did not think would be manageable.

At that time I also expressed some reservations about the problems that we have at the present time in terms of having enough senators to be members of our committees. I also had some reservations about the costs of retaining counsel and travelling as, I believe, the original mandate would have required.

The motion before us now has solved most of those problems because the wording is as follows:

> That a Special Committee of the Senate be appointed to provide a forum to examine, consider, evaluate, consolidate and synthesize available research, documentation and other information relating to terrorism as a real or potential threat to Canada and to Canadians;
>
> That the Committee identify any areas where further study, research or investigation is called for;
>
> That the Committee examine and make recommendations on the role of the media in reporting terrorist threats and incidents; . . .

Honourable senators, I take it that the substance of this motion is the providing of a forum for all of these things. I still have some reservations about whether we have enough person power to man such a committee because we recently split the Agriculture and Fisheries committee into a committee on fisheries, and another on forestry and agriculture so, in that instance, we had to double the number of senators to fill those committees. This committee will require an equal number of senators because the motion asks for eight senators.

I am, however, encouraged by the fact that the scope is noticeably limited. I believe we have a role to play in establishing such a forum. Senator Kelly has made it clear that there is at the present time no forum for all these various bodies interested in terrorism.

For that reason, although I speak for myself and not for our caucus, and subject to the reservations about a guarantee that we have senators to fulfill our present obligations to Senate committees, including the splitting of that one committee, and with it being understood that there is no power to travel and no power to hire professional services, I believe that we should support this motion.

On motion of Senator Phillips, debate adjourned.

• (1650)

BUSINESS OF THE SENATE

ADJOURNMENT

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*g*), I move:

> That when the Senate adjourns today, it do stand adjourned until Tuesday next, June 3, 1986, at 2 o'clock in the afternoon.

The Hon. the Speaker *pro tempore:* Is leave granted, honourable senators?

Hon. Senators: Agreed.

Senator Doody: Honourable senators, the Internal Economy Committee is meeting at 9.30 tomorrow morning. I understand that all other committees that are scheduled to meet tomorrow will also do so.

The Senate adjourned until Tuesday, June 3, 1986, at 2 p.m.

APPENDIX

(*See p. 2501*)

STANDING SENATE COMMITTEE ON NATIONAL FINANCE
SIXTEENTH REPORT

REPORT ON THE ESTIMATES LAID BEFORE PARLIAMENT
FOR THE FISCAL YEAR ENDING MARCH 31, 1987

Wednesday, May 28, 1986

The Standing Senate Committee on National Finance has the honour to present its

SIXTEENTH REPORT

Your Committee, to which the expenditures proposed by the Estimates for the fiscal year ending 31 March, 1987 were referred, examined the said Estimates and presents, in obedience to the Order of Reference of March 4, 1986, its interim report as follows:

In undertaking this review, the Committee heard from four groups of witnesses:

1. April 23, 1986, *Treasury Board*:
   - The Honourable Robert de Cotret, P.C., President;
   - Mr. J. L. Manion, Secretary;
   - Mr. Michael Rayner, Comptroller General of Canada.

2. April 30, 1986, *Department of Finance*:
   - Mr. Stanley Hartt, Deputy Minister;
   - Mr. G. E. Shannon, Senior Assistant Deputy Minister, Trade, Tax and Economic Development Policy;
   - Mr. C. David Weyman, Assistant Deputy Minister, Tax Policy and Legislation Branch;
   - Mr. C. Peter Daniel, Director General, Consultations and Communications;
   - Mr. Don Lusby, A/Director General, Administration.

3. May 7, 1986, *Revenue Canada, Taxation*:
   - Mr. Harry Rogers, Deputy Minister;
   - Mr. Hervé Diguer, Assistant Deputy Minister, Policy and Systems;
   - Mr. Perry Anglin, Assistant Deputy Minister, Legislative and Governmental Affairs.

4. May 14, 1986, *Auditor General of Canada*:
   - Mr. Kenneth M. Dye, Auditor General of Canada;
   - Mr. Ron Thompson, Assistant Auditor General, Audit Operations Branch;
   - Mr. Barry Elkin, Principal, Audit Operations Branch.

A. THE ESTIMATES

A.1 An Overview

The 1986-87 Main Estimates tabled on February 27, 1986, total $107.4 billion and are made up of $107.0 billion in budgetary estimates and $0.4 billion in non-budgetary loans, investments and advances.

For the budgetary estimates, this represents an increase of 4.4% over the 1985-86 Main Estimates compared to an 8.4% growth rate for the previous year. With the announcement by the Minister of Finance of a further expenditure reduction of $500 million, not reflected in the Blue Book, the Main Estimates over Main Estimates growth rate for budgetary estimates declines to 3.9%.

Of this budgetary component, roughly two-thirds or $69.5 billion represents statutory expenditures while the remaining $37.5 billion represents expenditures which Parliament is being asked to authorize.

These Main Estimates can be compared with the expenditure plan announced on February 26 by the Minister of Finance who indicated that total budgetary expenditures for 1986-87, on a revised accounting basis, are to be $116.7 billion. This expenditure plan includes contingency funds and reserves. The former covers the cost of initiatives that could not be anticipated in time to include them in the Main Estimates while the latter covers financial adjustments to existing programs during the fiscal year. In all cases, Parliamentary approval is required through Supplementary Estimates or other legislative means for use to be made of these reserves.

The Main Estimates plus the reserves, on an unrevised accounting basis, bring the projected total budgetary estimates for 1986-87 to $110.0 billion. To arrive at total budgetary expenditures on a revised accounting basis, this figure must be increased by $8.0 billion due to changes in accounting policy, particularly the consolidation into budgetary transactions of the Unemployment Insurance Account, the Exchange Fund Account and the Western Grain Stabilization Account, and loans to developing countries. In addition $130 million must be added for the valuation provision, and $1.4 billion must be subtracted as a result of the anticipated lapse of spending authorities. These data are summarized in the following table.

Expenditure Framework for the 1986-87 fiscal year

	($ million)
Budgetary Main Estimates	
Statutory expenditures	69,538
Annual appropriations	37,470
Total Budgetary Main Estimates	107,008
Reserves for Supplementary Estimates	
Allocated to envelopes	1,100
Provisions for adjustments to statutory and other programs	1,900
Projected Total Budgetary Estimates	110,008
Consolidation of accounts	8,039
Provision for valuation	130
Allowance for lapse	−1,437
Total Budgetary Expenditures	116,740

A.2 The $500 Million Expenditure Reduction

Following its usual practice, the Committee chose not to examine in detail specific votes or program expenditures but focussed on general areas it found important. In this regard, the Committee took up the issue of the $500 million reduction expenditure announced by the Minister of Finance on February 26, 1986 but not reflected in the Estimates. The Committee learned that the bulk of these reductions will fall on non-statutory programs (excluding Defence and Official Development Assistance (ODA)). Data released with the Budget indicated that non-statutory program expenditures excluding Defence and ODA, after the $500 million reduction, are expected to grow over the next five years by 3.7% while statutory program expenditures are expected to grow by 19.1%. The Committee expressed concern that because Parliamentary approval is not required for expenditure reductions, Senators and MPs would not be informed of the decision by the Treasury Board of the sources of the $500 million reduction. The Committee suggested to the President of the Treasury Board that he table before Parliament a document indicating the areas targetted for expenditure reduction as he did in November 1984. The President of the Treasury Board agreed to take this proposal into consideration.

B. TAX EXPENDITURES

The last three sessions in this Main Estimates review were taken up by an investigation of tax expenditures. Before putting forward the Committee's recommendations and the rationale behind them, some background information is necessary.

B.1 Background

A number of provisions in federal tax law give special tax treatment to selected individuals and groups in society. In some cases, this treatment is tied to particular sources of income such as the pension income deduction. In other cases, preferential tax treatment is provided in respect of particular uses to which taxpayers put their income such as savings in registered retirement savings plans or purchases of goods exempt from sales tax. Also a number of tax measures are based on specific characteristics of taxpayers such as the disability deduction. In all cases, these provisions are selective in their application.

These selective tax measures generally take the form of tax deferrals, exemptions, incentives, deductions, credits or reduced tax rates, and are a means by which the federal government can pursue public policy goals. Because such tax measures can often be used as substitutes for direct expenditures in the pursuit of these public policy goals, they have come to be referred to as tax expenditures which is the term used in this report.

Accounts of tax expenditures are not new in Canada. In 1979, 1980 and 1985, the federal government issued such an account. However, no commitment has been made that this will be an annual event.

In his 1984 annual report, the Auditor General indicated that tax expenditures are a hidden budget in the financial affairs of Canada. He stated:

> MPs have increasingly brought their scrutiny to bear on the direct expenditures of Government and have made it more accountable. But all the while, beneath the surface of any accountability régime, programs fuelled by tax expenditures have expanded, their real costs unquantified, their total effect a mystery. And these tax expenditures have an enormous impact on our nation's economy. (p.1-24)

In his 1985 report, the Auditor General returned to the tax expenditure issue and used the Scientific Research Tax Credit to illustrate the kinds of problems that can arise when government chooses to pursue its policies by providing tax reductions without appropriate checks and balances. While he welcomed the Minister of Finance's release of the tax expenditure account in August 1985, he was concerned that some tax advantages such as the $1 billion remission order to Dome Petroleum would never show in any such accounting. The Auditor General indicated that his 1986 report would contain a major chapter on tax expenditures.

In February 1986, the Task Force on Program Review (Nielsen Task Force) report, *An Introduction to the Process of Program Review* indicated the magnitude of tax expenditures through the following illustration (p.20):

	($ Billions)	% of Total
Tax Expenditures	$36	39%
Statutory Programs	$37	40%
Non Statutory Programs	$20	21%
Total	$93	100%

Of these categories, only non-statutory expenditures are subject to annual Cabinet, Treasury Board and Parliamentary review.

Finally, in March 1986, the Office of the Auditor General in conjunction with the United States General Accounting Office issued their *Federal Government Reporting Study* in which they called for an annual reporting of a tax expenditure account as part of the annual financial report to their respective legislatures. This document also presents an illustrative financial report which includes summary data on major tax expenditures as supplementary information.

B.2 The Recommendations

Using these documents as background the Committee heard from officials of the Department of Finance, Revenue Canada,Taxation and the Office of the Auditor General. The Committee concluded that there are two fundamental issues which must be addressed and makes the following two general recommendations:

1) THE FINANCIAL ADMINISTRATION ACT BE AMENDED TO REQUIRE AN ANNUAL ACCOUNTING OF TAX EXPENDITURES COMPARABLE TO THE REQUIREMENTS FOR THE PREPARING AND TABLING OF THE PUBLIC ACCOUNTS.

2) EFFECTIVENESS EVALUATIONS FOR THE TAX PROGRAMS INCLUDED IN THE PROPOSED TAX EXPENDITURE ACCOUNT BE DONE ON A REGULAR BASIS AND WHERE APPROPRIATE BE PART OF THE PUBLIC RECORD.

B.3 An Annual Accounting of Tax Expenditures

The Committee recognizes that requiring an annual accounting of tax expenditures is only the tip of the iceberg. Making such an account useful and as complete as possible for parliamentarians and the general public will take considerable effort since there are many serious gaps of knowledge in the existing account. For example the *Account of the Cost of Selective Tax Measures* illustrates that for many tax measures, actual tax data are not available. The exemption of income earned by Status Indians on reserves and the exemption of capital gains on owner occupied residences are such examples. Collecting data on items such as these or improving existing data may be costly and may impose an additional burden on taxpayers. The Committee is mindful of this and strongly suggests that a drive for additional and more complete information should take place, but it should be tempered by regard for excessive additional costs in obtaining it.

A second problem the Committee encountered regarding the need for more complete information concerns knowing why individual tax programs were introduced in the first place. Throughout the hearings, Committee members and witnesses referred to the objectives of various tax measures - as they understood them to be. Yet there is no single reference source noting the objectives for each item as would have been indicated in the Budget when the item was first introduced. For that matter, there is also no reference indicating how old some of these items are. In the Committee's opinion such information is vital if Parliament is to understand the role and effectiveness of tax expenditures.

The Committee also addressed the fact that there is a considerable lag between the year of application of a tax measure and the year in which the data are available. In some cases, this can be as long as three years. With such an extensive lag, the account which the Committee is proposing could not contain changes introduced in recent budgets. To remedy this, the Committee recommends that where data are not available, the account contain estimates for the tax measure as indicated when the measure was first introduced.

Lastly, the Committee wishes to make clear that it is talking about a tax expenditure account to parallel the Public Accounts. This means looking to the events of the past. Such an account would not project anticipated expenditures for the coming or future years. This too is a problem and could well lead to a requirement for an annual estimate of tax expenditures to parallel the Main Estimates. Producing such an account would be full of many of the same pitfalls as producing an account which looks back. While the Committee believes that this should be considered, it does not recommend it with the same urgency as it does for a record of the events of the past to parallel the Public Accounts.

B.4 Evaluation of Tax Expenditure Programs

The second general recommendation of the Committee refers to the need for systematic evaluation of tax expenditures and the availability of these evaluations to the public. In *Auditing of the Effectiveness Measurement, Reporting and Use* (February, 1986) issued by the Office of the Auditor General of Canada, Treasury Board Circular 1977-47 is quoted:

> Departments and agencies of the federal government will periodically review their programs to evaluate their effectiveness in meeting their objectives and the efficiency with which they are being administered. (p.6)

In the Part III of the Main Estimates for the Department of Finance, the following statement appears:

> To this end, much of the Department's work involves the evaluation of existing programs and measures. For example, the Tax Policy and Legislation Branch is involved in the continual analysis and assessment of existing tax measures. These in-depth evaluations must be undertaken if the Branch is to be in a position to propose that these measures be increased, extended, modified or terminated. (p.2-18)

To achieve this, the Department allocated 104 person years and $8.1 million to the Tax Policy and Legislation Branch for 1986-87. Last year, it received 113 person years and $8.1 million.

At present, there is no way of publicly documenting whether the Department of Finance has a procedure in place for undertaking evaluations of the various tax programs. This concern is confirmed in the Nielsen Task Force report, *Service and Subsidies to Business*.

We do, however, have some concern with the cost effectiveness of tax expenditures in general and, in particular, with the apparent lack of a procedure to effectively measure that cost effectiveness.

While an evaluation of the cost effectiveness of tax expenditure items is conceded to be a difficult task, we believe that it should be possible to introduce some measures, albeit perhaps somewhat rough and ready, for this purpose. If the tax system is to contain incentive provisions which result in significant amounts of foregone tax revenue, for example, the investment tax credit, some reasonably reliable means of assessing their cost effectiveness must be implemented. Also, the study team suggests that sunset provisions be used where appropriate when new incentive measures are introduced or when there are additions to existing incentive provisions. (p.99)

From the evidence presented, the Committee would have to concur with this statement and wishes to make three further comments.

Firstly, from the evidence presented, the Committee has come to realize that some tax expenditure items are more difficult to evaluate than others. For example, the Cape Breton tax credit, introduced in May 1985 is a tax program which could have been delivered using direct expenditures such as grants or contributions. As such, it is more amenable to evaluation using such criteria as employment creation, economic growth and regional development. Other tax expenditure items may not be so amenable to evaluation along traditional lines. For example, the dividend tax credit for individuals, as indicated in p.101 of the *Account of the Cost of Selective Tax Measures*, is part of the move toward an integrated personal and corporate income tax system in Canada. Evaluating this program in isolation of other personal and corporate income tax measures makes little sense. These two examples illustrate the complexity in carrying out the recommendation of the Committee that tax expenditures be evaluated.

Secondly, public release of evaluation studies would obviously be of great benefit to Parliament in understanding the role and use of the tax system. However, the Committee is mindful that evaluations are often based upon judgement as well as statistical analyses and realizes that the mandatory release of such evaluations must be tempered with respect for the advice-giving process and the confidentiality of taxation data.

Thirdly, if an evaluation function for tax expenditures is to be established within the Department of Finance, it must be separate from the policy function. This is not to say that it must be outside the sphere of the Assistant Deputy Minister, Tax Policy, but clear lines must be drawn to ensure that those who develop programs are not responsible for their evaluation.

B.5 Conclusion

The Committee believes that the recommendations in this report are a logical extension of the comments made in the Nielsen Task Force report *Services and Subsidies to Business* and the comments made in the 1984 and 1985 Auditor General's reports. However, it is also aware that all of these reports, comments and recommendations are only the beginning; sustained efforts by Parliament will be required to ensure that the real cost of these tax expenditures are no longer represented by guesses nor their total effects a mystery. In this regard, the 1986 report of the Auditor General is expected to contain a major chapter on tax expenditures and Mr. Dye has agreed to appear before the Committee to explain his findings.

Respectfully submitted,

FERNAND-E. LEBLANC,
Chairman.

THE SENATE

Tuesday, June 3, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

THE LATE HONOURABLE FLORENCE ELSIE INMAN

TRIBUTES

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, on Saturday last our beloved and highly respected colleague, Senator Inman, died, or, to use what I think is the proper Senate vocabulary, left. She was born on December 5, 1890, when Sir John A. Macdonald was Prime Minister. Those of us who knew her—and that includes everyone in this chamber, even those most recently appointed to the Senate—know that she took her Senate duties very seriously. Whips and party leaders in the Senate can attest to that fact. She not only attended almost all Senate sittings faithfully, but also carefully weighed the arguments presented in debate prior to voting. We all remember her decision with respect to the patriation of the Constitution. As for her attendance, I can remember that when we had to sit very late one evening and into the early morning over the settlement of a strike, and the whips had a little difficulty getting a quorum, Senator Inman, taking her duties seriously as usual, was here.

She was also very consistent. On November 22, 1977, during the debate on retirement policy, she made it clear that she was in favour of allowing individuals to work beyond the age of 65. She was appointed to the Senate at the age of 64. When most Canadians have reached the age when their careers are coming to a close, Senator Inman started a new career—a long and distinguished career as a parliamentarian.

Unfortunately for her, for us and for the country, her health in recent years did not allow her to participate in debate as much as she would have wished. Those who have come to this chamber more recently may not realize how active in debate she was. She always kept herself well informed. I can remember coming into the chamber and stopping at her usual seat near the door to talk to her about matters that were before us. I always found that she had read over her orders of the day, knew very well what was happening and, as usual, had some fairly strong and independent opinions on things.

Senator Inman's interests were diverse, as an examination of the *Debates of the Senate* will show, and she had no hesitation in participating at length in debates on a wide variety of topics, and I say that she discussed these matters as a champion not only in the Senate but outside the Senate as well. She could speak on things as diversified as the role of women throughout history, the plight of the poor, the need for daycare facilities, consumer protection, the environment, the special needs of women serving time in our penitentiaries and the United Nations. On February 25, 1971, when Paul Martin was the Leader of the Government, she said in debate that she was old-fashioned. To that, Senator Martin replied, "You are more modern than most, as far as I am concerned."

Senator Inman, as all senators know, was very contemporary in her attitudes, speaking out on numerous social issues well before some of them became fashionable topics. I notice from the excellent obituary that appeared in the *Globe and Mail* that she once described Mr. St. Laurent as a real French gentleman. I understand that although it is still all right to describe someone as "a gentleman", it is not acceptable in some quarters to describe someone as "a lady".

Recently, I was reading a book the title of which was *The Gentleman in Trollope*. After the author had made a full analysis of what she considered to be the definition of this unique cultural word, namely, "a gentleman", she decided that the person who best exemplified all of the qualities of a gentleman in Trollope's novels was, in fact, a woman. I think we can honestly say—and I do so respectfully—of Senator Inman that she was, in that sense, a true lady and a great Canadian.

Hon. Duff Roblin (Leader of the Government): It is true, honourable senators, that since we last met news has come to us of the death of the Honourable Florence Elsie Inman, and on behalf of the government I would like to add a word of tribute to her contribution and career in this chamber.

As we know, she came to the Senate in 1955 and she leaves it in 1986: a term of some 31 years of service in this house, climaxing a life of 95 years. That is quite extraordinary. As Senator Frith has said, she had certain real interests. One of them was, without doubt, the question of women's rights in this country. In fact, in her maiden speech in the Senate in 1956, or shortly thereafter, she said:

> It is an honour indeed to be the sixth woman to sit here in the Senate and I would like to think that my appointment is further recognition of the part that women play in Canada today.

I am sure that that was the case, but her interests in women's rights did not start when she got to the Senate. During World War I she was a most successful advocate of the right of women to vote, both in the nation and in her own province, and she must share a good deal of the credit that comes to those who were successful in that campaign to provide this elementary right for the citizens of our country who happened to be women.

As the other issues came along, namely, the question of maternity leave, daycare, equal economic opportunities and that whole range of issues with which we have been dealing

over these past years, they found in Elsie Inman an informed, articulate and able advocate.

As Senator Frith has said, she had very pronounced views about retiring, and that is true. She came here at the age of approximately 65 and, in that 1977 debate which has just been alluded to, she had something to say about that subject. She did not think much of mandatory retirements. She said at that time:

> It now is thought by many that retirement should come about as naturally as other events of life. It should not be forced upon people who may not be ready for it and who do not wish to give up their active working lives.

How foresighted. She had no idea, I suppose, that the Constitution might have something to say about that matter when finally it came to pass, but certainly her views on this important question were on the record long before that event.

We know she was an independent soul, because on one of the greatest issues that has ever come before this chamber—namely those issues dealing with the Constitution—she found herself, for reasons which I thought persuasive, to be on the negative side of that vote, even though the government was on the affirmative. However, I think she earned the respect of all for the contribution, short as it was, that she made to the debate at that time and her determination to stand up for her convictions, because they were of the essence of Elsie Inman.

Of course, she was a Prince Edward Islander, par excellence. She knew that province from stem to stern. She was born there so many years ago. There could not have been much about Prince Edward Island that she did not know. She talked about it in her introductory speech in this house, and she had this to say:

> Prince Edward Island's economic stability lies in the soil and in the sea surrounding it. Harvest from land and sea is the goose that lays the golden egg in this small province . . . We have no mineral resources; nothing is mined deeper than the depth of the sea.

Of course, things have changed since 1956, but I think it can well be said that her analysis of the situation in which her province found itself can stand a good deal of the test of time in the days that have passed since then, because agriculture of the sea is still part of the very matrix of Prince Edward Island.

I think of Senator Inman as, particularly, an extraordinary link with the past. She was 95 years old—not quite as old as the country, but almost there. She carries our minds back to those days before the turn of the century; the days of the First World War; and all those events of the youth and the growth of this nation of which she was a part. I think of her connection with those early days carrying right through to her work in this chamber up until the last little while. It is an extraordinary link; a link that binds the country together, I suggest.

I know that all honourable senators, regardless of the side of the chamber on which they happen to sit, join in an expression of appreciation for what she has done for her country and an expression of sympathy for those of her family who mourn her.

Hon. Senators: Hear, hear.

Hon. David A. Croll: Honourable senators, in paying tribute to Florence Elsie Inman, I should like to mention that to those of us who knew her she was always Elsie. Elsie was a lady, a senator and a truly great Canadian pioneer. She died last week full of years and honours.

Senator Inman was born in Prince Edward Island in 1890 and she never let you forget it.

She was haled to the Senate in a group of five, of which I was one, in 1955. We were all sworn in on the same day and, by virtue of her age, she was a senior senator when she passed on. She was firm in her liberalism—really a liberal's liberal. She had no difficulty in expressing her independence from time to time, more recently on the Constitution.

Her motivating force was the strong feeling that she had for the underprivileged, the poor, the needy and, more particularly, aged women.

We worked together as close friends for 30 years. Senator Inman was appointed to the Special Committee on Aging when that Senate committee first began its investigatory activities in 1966. We spent three years studying the subject before bringing in our report which recommended lowering the age of pensioners from 70 to 65 and proposed a guaranteed income.

In 1968 Senator Inman was appointed as a member of the Special Senate Committee on Poverty which was authorized to report on that subject. Over four years of study, the committee visited every province, including the Northwest Territories, at least once. We held meetings two or three times in some provinces. This gave her an opportunity to really shine. Her interest, her concern and her knowledge contributed materially to the report of the committee. The report is widely used in universities and is perceived as an authority on the subject. Incidentally, the report recommended a guaranteed annual income—that was only 14 years ago.

● (1410)

In 1977 the Senate authorized a special committee on Retirement Age Policies, of which she was one of the members.

There was in the house a group of about 15 members who were particularly interested in the unfortunate, the poor and the needy, and we continued this study for a full ten years.

I well recall that she was never absent and she was never late. She was there contributing her wisdom on all occasions. Throughout all her life she was able to maintain a sense of proportion, to rise above failure and handle success.

On Tuesday last I went out to visit her. I made arrangements for my visit. When I got there she was sitting up. I was told to make my visit short. We talked for a while and we remembered some of the activities which I recalled and some which she did. As I was leaving, she threw her arms around me; I threw my arms around her and kissed her goodbye. There were tears. I was sad, and yet I was glad that I had come to know this kind and gentle woman with humanitarian instincts.

She has served her country well in her own quiet way, in the way she always did. She was formidable, precise and independent; her love for her province always showing. Moreover, she proved that it makes very little difference if you come from a small province or a large one when you come to represent it in the Senate. Her representation was noteworthy and formidable. She was really a true Canadian.

I extend my sympathy to the family: two sons, men who have made their way up to high office, eight grandchildren and seventeen great grandchildren, who are all left to follow in the footsteps of Elsie Inman and to preserve her memory.

Hon. Senators: Hear, hear.

Hon. Orville H. Phillips: Honourable senators, I would like to join in the tributes paid to the late Senator Inman.

She was a pioneer among women in politics, and as a member of this chamber she received a great many invitations to speak to women's groups. She always used those occasions to urge women to participate in politics and to explain the function of the Senate to those groups.

As Senator Roblin stated, she was a very proud Islander and in her remarks she usually incorporated some bit of island history, some reference to the island beaches and scenery and, then, invited her audience to visit Prince Edward Island.

We used to say that she was an "ex officio" minister of tourism before either the province or the federal government had such a ministry.

She was the mother of a very distinguished family and, as such, took a very special interest in veterans' legislation that was before Parliament, because she had a unique perspective to bring to veterans' studies; she was the mother of veterans and, therefore, had a special feeling and understanding for that group.

Indeed, she had a special consideration for everyone in Canada and will be remembered in that regard.

I should like to extend my sympathy to her surviving sons, daughter-in-law and grandchildren.

Hon. Senators: Hear, hear.

Hon. M. Lorne Bonnell: Honourable senators, I should like to join with my colleagues in remembering my dear friend, the late Senator Florence Elsie Inman, who was quite active in the Senate until a month or so ago when she was stricken with a heart attack.

I first met Senator Inman in 1949 when I started to practise medicine with her son, George. In 1951, when I was nominated to run for the Legislature of Prince Edward Island, the first person to congratulate me was Florence Elsie Inman. She invited me to her home for supper and organized all the ladies in the area to hear me speak. I can tell honourable senators that I think I would have received more votes if they had never heard me, but she meant well.

Prince Edward Island, when it lost Senator Inman, lost a great Islander, a great Canadian, a gracious lady, a great mother, a grandmother, a fighter for women's rights, a fighter for the rights of minorities and a fighter for the under-privileged, whether they were young or old.

Senator Inman was really a social reformer. In her early days she organized health groups, worked in the hospital in Prince County as a volunteer, in the hospital at Kings County as a volunteer and became president of the first Ladies Aid in that part of the province. Later she became a trustee on the hospital board, was active in the Ladies Auxiliary of the Royal Canadian Legion, organized many Liberal ladies' clubs in Prince Edward Island and was elected President of the Prince Edward Island Liberal Women's Association and held that position for many years. In the early 1900s she was active in fighting for the right of women to vote.

When she was appointed to the Senate in 1955, along with Senator Croll, she was quite proud and told me many times that Senator Croll seconded the Motion In Reply to the Speech from the Throne, when she made that motion in February 1956. As Senator Phillips has said, she was thinking of her island province at the time. She was always a promoter of tourism as she talked about the beauty of the province. She talked about things that we are still talking about today. In fact, she condemned in her speech the National Film Board for a film it had put out. This film was not about Billy Bishop but about Prince Edward Island, and Senator Inman felt that it did not do the province justice. In that same speech she complained about the imposition of tariffs and indicated that we should be doing something to enhance free trade. At the time a tariff was being imposed on Prince Edward Island potatoes of 75 cents per 100-pound bag. Senator Inman also complained in that speech about the poor transportation facilities between Prince Edward Island and the mainland, between Borden and Tormentine. We still do not have the services she sought.

• (1420)

Senator Inman was a forerunner in promoting those issues that were so very important for people in Prince Edward Island. As is reported in *Hansard*, February 16, 1956, page 167, Senator Inman said:

> Prince Edward Island's economic stability lies in the soil and in the sea surrounding it. Harvest from land and sea is the goose that lays the golden egg in this small province.

At the time of this speech, farmers were having difficulty selling their wheat in the west, as farmers were having difficulty selling their potatoes in the east. On this matter Senator Inman commented:

> If bread is the staff of life, then the potato is the root of sustenance. Both are staple articles of diet in Canada;—

It seems to me that Senator Inman left her mark, both on Prince Edward Island and in Canada. She has left her mark on the Senate of Canada. She has left her mark on her family and her four sons and their families and her grandchildren. She has left her mark as being the first woman senator from Prince Edward Island. She was honoured for her work on behalf of social welfare—the under-priviledged, the aged and the poor—

by the University of Prince Edward Island when they gave her an honorary doctorate of law degree in 1982.

All Prince Edward Island is saddened by her loss, but we are richer for her having shared her life with us. So I would like to take this opportuntity to pass on my sympathy to her family—her two surviving sons, her grandchildren and her great grandchildren—and to say that I have lost a great friend.

Hon. Heath Macquarrie: Honourable senators, in following the eloquent tributes paid to the late Senator Inman by my colleagues I associate myself completely with their appraisals and their praise. Indeed, she was a great legislator, a distinguished Islander and a friend whom one will not easily forget. I suppose I appreciated her more for her salty humour and her impressive individuality. As I have been thinking about her life and our friendship these last few hours, I think of some of the things which she said in an indelible way. Senator Frith has referred to one incident already. She said to me, "I have been a Liberal for 90 years, but I am not voting with them tomorrow." Since I was not voting for a majority in my party, either, which is an occasional case with me, I did not seek to dissuade her. The next night we were voting on the same side.

I remember also when in Charlottetown some years ago the Canadian National Railways, in some kind of a public relations exercise, was presenting a museum day. They sent over some very old railway coaches and were going to impress the Island people with what great things the CNR had done in past years. That railway, like many railways, of course, when it wanted to abandon a line, rendered service that was so bad that the passengers abandoned it, and then the line itself could be abandoned. So the display was made, speeches were done, and the big shot from Moncton, I suppose, or perhaps even Montreal, said, "Senator Inman, you did not seem to be very impressed." She said, "No, I was not, because if you look over there on track three you will see the exact twin of this historic car of yours, and I am going down on it at three o'clock to Murray Harbour." Right to the point.

Reference was made to her long championing of women's rights. There is something that I knew for many years but was not able to tell until lately when she authorized me to do so. When she was one of the leading members of the Liberal Association, the Conservatives in Kings County were running a lady who became the first woman from Atlantic Canada to sit in the House of Commons. Elsie said that her party was suggesting that naturally, since there was a feminine orientation to the campaign, she should get down there and get in the campaign. But she said, "Here I am, going all across Canada urging women to get into politics, and when there is one running in my own backyard, am I going down there to try to beat her just because she is a Conservative?" She didn't go down to try to beat her. In fact, she voted for her.

But she had proven herself to be very smart on these issues long before. She was married in 1910, which was before even I was born. So when they came to the ceremony—and we must always remember that there was terrible distinction in there, one of the couple had to say "cherish, honour and obey"—Elsie, the young bride, said to the clergyman before the ceremony began, "You just omit that part about the obeying," and in that he obeyed her.

There was another one. As she became older, certain people were suggesting that she retire. If you wanted to get on the bad side of Elsie, that was the thing to do. She heard the suggestion from very lofty people, often in her own party, and she used to tell me what she thought of the suggestion. On one occasion she said to me—I guess she said it to many people, because everyone seems to know it—"I am getting a little tired of going down to the Island and having all these people shaking my hand and taking my pulse at the same time."

So I thank God that this fine, intelligent, devoted woman, and dedicated Islander, was able to live a life of fullness, 95 and a half years. To the very end, as I understand it, although she had some physical infirmity, she was blessed with the full retention of that fine mental quality which made her so sharp, such a valuable legislator, and such a cherished and appreciated champion of Prince Edward Island, the part of the earth above all others that she knew best and loved most dearly.

● (1430)

I join with all of my friends and colleagues in expressing sympathy to her loved ones, to our province and, indeed, to the Senate itself on the loss of its senior member.

[*Translation*]

LIBRARY OF PARLIAMENT

ANNUAL REPORT OF LIBRARIAN TABLED

The Hon. the Speaker: Honourable senators, I have the honour to table the annual report of the Parliamentary Librarian for the fiscal year 1983-84.

CANADA DEPOSIT INSURANCE CORPORATION ACT

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-86, to amend the Canada Deposit Insurance Corporation Act.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(*f*), bill placed on the Orders of the Day for second reading at the next sitting of the Senate.

[*English*]

INCOME TAX ACT

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-109, to amend the Income Tax Act.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(*f*), bill placed on the Orders of the Day for second reading at the next sitting of the Senate.

CUSTOMS TARIFF

BANKING, TRADE AND COMMERCE COMMITTEE AUTHORIZED TO STUDY SUBJECT MATTER OF BILL C-111

Hon. C. William Doody (Deputy Leader of the Government), with leave of the Senate and notwithstanding rule 45(1)(*e*), moved:

> That the Standing Senate Committee on Banking, Trade and Commerce be authorized to examine the subject-matter of the Bill C-111, intituled: "An Act to amend the Customs Tariff and to amend An Act to amend the Customs Tariff", in advance of the said Bill coming before the Senate or any matter relating thereto.

Motion agreed to.

BUSINESS OF THE SENATE

ADJOURNMENT

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*g*), I move:

> That when the Senate adjourns today, it do stand adjourned until tomorrow, Wednesay, June 4, 1986, at three o'clock in the afternoon.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Senator Doody: Honourable senators, perhaps I should offer a word of explanation. Tomorrow afternoon at two o'clock the memorial service for our deceased colleague, Senator Inman, will be held here in Ottawa. I thought, as did many of my colleagues, that it would be appropriate to sit at three o'clock rather than at two o'clock so as to provide honourable senators a chance to attend the service.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, the service will be held at Christ Church Cathedral on Sparks Street. It is a ten- or fifteen-minute walk from here, so I do not think we need feel that we must take too much time to return after the service.

Hon. Orville H. Phillips: Honourable senators, I believe that the Clerk is making arrangements to have the bus which normally serves as a shuttle bus between the Centre Block and the Victoria Building operate between the Senate entrance and Christ Church Cathedral, beginning at 1.30 tomorrow afternoon. It will also be available to bring senators back.

[The Hon. the Speaker.]

QUESTION PERIOD

[*English*]

CANADA-UNITED STATES RELATIONS

TRADE—IMPOSITION OF U.S. TARIFF ON CANADIAN SHAKES AND SHINGLES AND STEEL PRODUCTS—MITIGATION OF HARMFUL EFFECTS—GOVERNMENT POLICY AND PROGRAMS

Hon. Raymond J. Perrault: Honourable senators, this is the first opportunity I have had to ask questions relating to the tariff on red cedar shakes, which will have such a profound effect upon the province of British Columbia, and upon other events which followed, including the approval by the United States of a 40 per cent duty on certain Canadian steel products. When listening to the news media over the past few hours, perhaps some of us were encouraged to hear the words "Canada strikes back." We rushed to buy the newspapers and turned on the newscasts only to discover that striking back, Canadian style, is somewhat less than an airstrike against Tripoli. The action that we have taken is really ludicrous in light of the events that have occurred on the other side of the border. We have imposed certain imposts on books, publications and computer products. This action is so ineffectual and so meaningless that it makes one wonder whether, at some level, some Canadian official did not contact his lower-level counterpart in the United States and say, "You know, we have to play politics in Canada as well. Will you try to understand if we bring in some measure which appears to be a response to your action against red cedar shakes because we are in a political game as well, and some of our people have to get re-elected? Look, Uncle Sam, we have to play some public relation politics on our side of the border, too. Our actions will not hurt you very much and we know that you will understand."

• (1440)

The damage is all on our side of the border. There will be 4,000 jobs affected in British Columbia in an area which already has almost 20 per cent unemployment. We have $250 million in sales of red cedar shingles in the United States of America, and what do we do? We reply by saying: "We will impose tariffs on these books and other inoffensive categories such as computer products, and we will retaliate against the United States until the Canadian taxpayer screams in agony." Make no mistake, it is the Canadian taxpayer who is going to have to pay the extra $80 million to import these items—twice as much as any American taxpayer will have to pay for cedar shakes. We seem determined to punish the United States until the Canadian taxpayer screams. We are going to extract an extra $80 million a year from Canadian taxpayers and make it more difficult for them to acquire high-tech computer components in our country.

What will it do to the United States? I have already said that the American taxpayers will pay less than 50 per cent of our cost to support their government's action to help the cedar shake producers. However, the taxpayers in the United States have the option of buying alternative roofing products and thus will very largely escape these costs. This action will not only hurt the immediate market for red cedar shakes in the United States but it could permanently ruin that industry, because people will go to alternative products. The damage to Canada could continue well into the future.

In the case of computer products we do not have the same extensive range of product alternatives. Canadians must buy certain components to stay in the technological race of which the Minister of State for Science and Technology has reminded us time after time.

What has been the reaction in the United States? They did not even designate a high-level official to express any kind of public reaction.

Senator Doody: Is there a question?

Senator Perrault: My question is: What is going to be done for the red cedar shake producers in the province of British Columbia, and for the men who will be out of work as a result of this action by the United States? What is to be done with this extra $80 million which will accrue to the treasury from the Canadian retaliatory action? These are important questions. You, too, have unemployment in your area, senator.

Debra Busker, who is a press agent to the United States trade representative, one Clayton Yeutter, said that Mr. Yeutter had said "the Canadian duties will merely be passed on to Canadian consumers in the form of slightly higher prices. They will not cause any serious lack of export business to Canada." The fact is that American producers are not going to lose a dime because of this Canadian action.

Honourable senators, the first part of my question is this:—

Hon. Duff Roblin (Leader of the Government): Honourable senators, I do not like to interrupt my honourable friend. I appreciate his desire to make a speech on a very important topic, but this is not the way in which to do it. If he wants to introduce a resolution for consideration by this chamber, then I think we would be prepared to debate it. However, by no stretch of the imagination can his comments be described as being preliminary to a question. They are a speech, and I think my friend should be zealous of the interests of the Senate and ask a question, and I will do my best to answer it, if I can. However, if he wants to debate the issue, why does he not adopt the proper method of doing so?

Senator Perrault: The Leader of the Government in the Senate has been around long enough to know that I am entitled to make an explanatory statement with respect to the questions that I wish to pose in this chamber. The real problem with the Leader of the Government is that he is severely embarrassed, as he and his colleagues should be, about this pussy-cat, pushover attitude of the Canadian government.

Hon. Jacques Flynn: Order, order.

Senator Perrault: What do you know about order? You don't know anything at all about order.

Senator Flynn: I know. I have been there, as has my friend.

Senator Perrault: Try standing up and doing some fighting for Canadian workers.

Senator Flynn: On a point of order, Senator Perrault, you are discussing—

Senator Perrault: Do you want a question?

Senator Flynn: Yes.

Senator Perrault: Your leader just pleaded for a question. I have a question.

Senator Flynn: I am suggesting to you that if you had asked leave to debate that issue at the proper time today, you would have obtained that permission. That has been done previously.

Senator Perrault: We do not need a lecture from you, Mr. Former Leader—

Senator Flynn: What is irregular is having a debate at this stage in our proceedings, and I think—

Senator Perrault: There is an urgency associated with this question—

Senator Flynn: To be sure—

Senator Perrault: —which presses upon every working person in my province who will be out of work at the end of the week. They will not be impressed by this kind of intervention from the former leader.

Senator Flynn: Very well, I will ask the Speaker to rule on this. If you will resume your seat, senator, I am going to argue on a point of order, and I will not take very long.

I am saying that what the honourable senator is doing now should be in the form of a debate. I told him that as far as I was concerned, if he thinks the matter is urgent, he can proceed today with leave but at the proper time.

However, it is unfair to make a speech like that at this point, because senators other than he and the Leader of the Government cannot intervene.

My honourable friend knows the rules very well. I do not know why he objects to following that procedure and accuses us of trying to muffle him or avoid debate on this issue. It is a proper issue to debate, but not in this manner, and I ask His Honour to rule whether this is the way to put a question, or whether it would not be preferable to move for an inquiry.

Senator Perrault: May I speak to the point Senator Flynn has raised? I am prepared to ask a series of questions about this matter, and I may well wish to initiate a special debate. If I do, I am sure the initiative will have the support of at least the members on this side of the chamber.

Senator Flynn: Why don't you do it, then?

Senator Perrault: This is total obfuscation on the part of the former leader who really does not want the question asked.

Senator Flynn: I don't mean that—

Senator Perrault: Then let us have a question.

Senator Roblin: Sure.

Senator Flynn: Do you agree with what I have said—

Senator Perrault: I am prepared to ask a question.

Senator Flynn: Very well.

Senator Perrault: The first question is this: We are told that $80 million will pour into the Canadian treasury from the Canadian countermeasures. It is, of course, pouring into the treasury from the already hard-pressed Canadian taxpayer. How much of that money, and in what manner will that money be used to ease the plight of the shingle workers in the Fraser Valley of British Columbia who are really in serious economic difficulty? It is all very well for Mr. Wilson to talk about the revenue side. What about the expenditure side? That is question number one.

Senator Flynn: No, that is a debate.

Senator Perrault: Mr. Speaker, I appeal to you for order. My honourable friend does not want any questions asked—

Senator Flynn: That is in the form of debate. I want the matter to be dealt with properly and at the proper time, and that is why I am asking His Honour to rule on whether this is a matter for debate or a matter for a question.

Senator Perrault: Hearing the honourable senator talk about protocol and acting properly in this chamber is like listening to an arsonist giving a lecture on fire prevention.

Senator Flynn: Mine is a relevant point of order, and you know it very well.

Senator Perrault: My question is very relevant as far as the people of my province are concerned, especially these 4,000 workers who are being used in this international game of power politics. Therefore, we want that question answered.

The second question I would like answered is this: On the one hand we are told by the Prime Minister that there was no prior consultation on this red cedar issue. We are told that we received no information whatsoever from the White House.

Today, Washington rejected Mr. Wilson's suggestion that Ottawa was not informed of the pending U.S. decision to impose a 35 per cent tariff on cedar shingles. A spokesman said the decision to impose the tariff was conducted—

Senator Flynn: Again, I rise on a point of order. The honourable senator is making a speech and he knows that very well. It is not fair, I suggest, to the Senate and to senators to proceed in this fashion. I have told him before that if he wants to have a debate on that subject, I, for one, am quite sure that no one on this side will object to proceeding after we have gone through the legislative orders of the day, that is, the third reading of bills. We can then debate the subject for the rest of the day until midnight, or even until two o'clock in the morning, if that is what he wants, because we have done that before.

• (1450)

I would ask His Honour and honourable senators: Do you agree that we should proceed in the way Senator Perrault is proceeding? If you do, then that is all right, but we will all bear the consequences of that decision and we will all be out of order pretty soon.

[Senator Flynn.]

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, it seems to me that the point at which Senator Flynn first intervened was a legitimate time at which he or anyone could have done so in order to complain that the preamble, as a pure preamble, was out of order according to our rules. Our rules do provide for an explanation as a basis for a question.

Senator Flynn took the position that Senator Perrault's explanation or background for his question was too long, and it was a legitimate point of order for him to raise; but the minute that point of order was raised, Senator Perrault put the question.

Senator Flynn: No.

Senator Frith: He put a proper question.

Senator Flynn: Be serious.

Senator Frith: The record will show it was a proper question. It was an inquiry about a statement dealing with some $80 million and what was going to happen. It was a perfectly legitimate question.

Senator Flynn: Certainly not.

Senator Frith: It was also proper for him to put his subsequent question which asked for an explanation as to inconsistencies between two statements. In the context of a possible emergency debate, they were also proper questions in order to obtain information from the government as a basis for such a debate.

On the question, I do not think there is a need for any ruling as to whether the statement made in advance was too long, because the minute the objection was taken Senator Perrault put two questions.

Senator Flynn: He started another speech.

Senator Frith: I suggest, honourable senators, that those two questions which, I am sure, Senator Perrault is willing to repeat if there is any doubt about it—

Senator Flynn: A dozen times.

Senator Frith: I suppose I will have to wait to see if I can out-shout Senator Flynn.

Hon. H. A. Olson: It is hard.

Senator Frith: It is hard, but I have fairly leathern lungs also and I believe I could out-shout him.

Senator Marshall: The honourable senator—

Senator Frith: I could also out-shout Senator Marshall and finish making my point. I sat without a word of interruption while Senator Flynn was making his point.

The questions Senator Perrault has put are perfectly legitimate questions. He responded to the objection as to the length of his background statement by immediately putting those

questions and, honourable senators, I say he is perfectly in order and ought to be able to proceed to put his questions.

Senator Perrault: There is public confusion about the degree of consultation involved in the red cedar shake issue between Canada and the United States. There appears to be a difference in official statements.

Senator Flynn: I am asking His Honour for a ruling on the point of order.

Senator Perrault: You are not in a Perry Mason re-run television series. You are not Mr. District Attorney and you are not defence counsel for the Leader of the Government. You are a backbencher trying to frustrate and divert a proper line of questioning on behalf of the working people of my province, so please sit down!

Senator Flynn: I am not going to sit down and you are not going to force me to sit down until I have asked the Chair to rule on the point of order I have made. I am serious about it. The argument that Senator Frith put forward is incorrect, and he knows that.

Senator Perrault: No, he does not.

Senator Frith: It is not.

Senator Flynn: He has no mission to come to the rescue of anyone on his side who is out of order.

Senator Perrault: Talking about coming to the rescue, you have talked three times longer than your leader this afternoon, because you do not want certain questions which are embarrassing to your government to be asked.

Senator Flynn: I am willing to give you all the opportunities you wish to discuss this matter. You can spend three hours discussing it if you want to. I am asking His Honour to rule on whether this is a proper way to proceed.

Senator Olson: Honourable senators, I object to putting that to the Speaker.

Senator Flynn: Why?

Senator Olson: Senator Flynn knows very well that this chamber is the master of its own rules. His Honour the Speaker has a distinctive, separate set of responsibilities from those which are carried by the Speaker in the other place, for example. Therefore, when the objection was raised, as Senator Frith pointed out, it was immediately accommodated and there is nothing left to complain about. All Senator Flynn has to do is sit in his seat while the questions that were put are answered by the Leader of the Government.

We can open up a new set of problems here if we think we can get an instant ruling from the Speaker who does not have the authority to make that ruling, because the Senate itself has that authority.

Senator Frith: Hear, hear.

Senator Flynn: He certainly has the authority, because it is clearly mentioned in the rules that the Speaker rules on points of order when they are raised. I am quite sure that the Clerk at the Table can point to the appropriate section of our rules.

Senator Olson: Is that an interpretation of the rules?

Senator Flynn: No. If Senator Olson is not happy with the ruling which may be given by the Chair, then he can ask the majority here to establish that at Question Period we can conduct an ordinary debate.

Senator Frith: Ask the question.

Senator Flynn: If we do not want to follow the rules concerning Question Period, then that is all right. The Senate can then make that decision on each occasion.

I would refer honourable senators to rule 15 where it states:

> The Speaker shall preserve order and decorum, and shall decide points of order, subject to an appeal to the Senate.

If we want disorder to be the rule here, then that is up to the majority.

Senator Olson: I understand exactly what Senator Flynn is doing.

Senator Flynn: You understand nothing.

Senator Olson: He is putting forward an unnecessarily awkward position because what we are talking about under rule 15 is an interpretation of what rule 20(4) means. That rule states:

> A debate is out of order on an oral question, but brief explanatory remarks may be made—

That is the question that will be put. If we are going to be put in the impossible position of having to question the Speaker's ruling on your so-called "phoney" point of order after it has already been accommodated, I think that is an unreasonable request to make of the Speaker now.

Senator Flynn: If there is anything "phoney," it is your intervention.

Senator Perrault: Having intervened in this manner, the former leader should be aware that his leader is perfectly prepared to reply to the question.

Senator Flynn: I know that.

Senator Perrault: Why don't you sit down and learn to writhe in your seat?

Senator Roblin: Seeing that my honourable friend has referred to me, perhaps I ought to state my position, because I am the one who raised the impropriety of his method of proceeding in the first place.

It is perfectly clear from our rules and manifestly ignored time out of mind in this chamber that a debate is out of order on an oral question, but brief explanatory remarks may be made by the senator who asks the question and by the senator who answers it.

If anyone can interpret what my honourable friend gave us when he opened his remarks today as brief explanatory remarks, he really has an elastic definition of the ordinary meaning of English words.

Senator Frith: You have your point of order. What are you piling on for?

Senator Roblin: I think I am entitled to state my position. I am quite willing to answer any question that can be put to me insofar as I am able to do so, so no one need have any concern about my being embarrassed by questions that are asked. If I were embarrassed by questions, I would have been embarrassed out of here long ago, because the questions that are put in this place really ought to embarrass the questioner many times rather than the answerer.

I have to go on with this point to say that Senator Frith is completely right. The Speaker shall preserve order and decorum and decide points of order. To make an appeal to him is appropriate, if any senator wishes to do so.

Senator Frith: You mean Senator Flynn, I suppose?

Senator Roblin: What did I say?

Senator Frith: You said "Senator Frith."

Senator Roblin: I apologize to both gentlemen, but I think my obeisance is a little deeper to you, Senator Flynn, than to you, Senator Frith. However that may be,—

• (1500)

Senator Frith: Any apology is accepted.

Senator Roblin: —the situation is that Senator Flynn is quite within his rights in asking for the Speaker to rule on this matter.

I, myself, would be satisfied if Senator Perrault were to ask simple questions.

Senator Flynn: He doesn't know how.

Senator Roblin: Not in the guise of—

Senator Frith: You mean easy to answer?

Senator Roblin: Well, they may not be easy to answer, but I don't mind that, I will do my best with them.

Senator Doody: Short questions!

Senator Roblin: Questions can be asked here for which there is no answer as far as I am concerned, because policy may not be decided. The point of asking the question is fine with me. Go ahead and ask them, but ask them in the traditional parliamentary sense of a short explanation and then the question.

And then, of course, I suppose we will get to the matter of supplementaries—because they go on in this house seven, eight, nine or ten supplementaries—which repeat the subject matter all over again and which, surely, can do no good.

Senator Olson: That can do it.

Senator Frith: You remember them.

Senator Roblin: I compare Question Period in this house and Question Period in the other place. How often is it that I note that questions which are asked here are similar to the ones asked in the other place on the same day?

Senator Frith: No matter who is in government.

[Senator Roblin.]

Senator Olson: When the former government was involved, that's true.

Senator Roblin: I must say that when I was on the other side of the fence I did not sit down with my colleagues in the House of Commons to determine what questions were to be asked in this house.

Senator Frith: Who said that we did?

Senator Roblin: I think that that may well be the case on the other side. They shake their heads.

Senator Frith: We read the papers the same as you do.

Senator Roblin Well, just the same, you ask the same questions.

Senator Argue: I don't know what you are talking about; I haven't been.

Senator Roblin: Well, good for you. I would not include you in the select group of "double question-askers".

What always strikes me as very curious is that in a court of law, I am told, you get the best evidence which, surely, is from the minister in the other place, rather than from a non-portfolio minister like me in this place.

Senator Frith: We had the same reaction before 1984. We understand exactly how you feel.

Senator Roblin: But you had three portfolio ministers in here—

Senator Frith: At times.

Senator Roblin: —you don't forget that, do you?

Senator Frith: At times.

Senator Roblin: You had three portfolio ministers and the only place they could be asked questions was in this house.

Senator Frith: You still asked them the same as—

Senator Roblin: They weren't in the other house, so they had to be asked here.

Senator Olson: But we can't ask questions in the other house, we have to ask them here.

Senator Roblin: Well, you get the answers that I am able to give you here—and I was glad to be able to do it. But I have said enough. Let us have the questions.

Senator Frith: Hear, hear.

Senator Perrault: Well, of course we can be assured that the Leader of the Government in the Senate was part of the cabinet discussions which led to the retaliatory strike. I ask then, in the course of cabinet meetings—not asking for breaches of cabinet confidentiality—what program is being put in place for the unemployed mill workers of British Columbia and the other provinces who are going to be affected by this measure? We are told by the Minister of Finance that $80 million will be raised. How is that money going to be disbursed? What is going to be done to relocate these people who are in a very, very depressed economic area? That is question number one.

Senator Frith: Hear, hear; well said.

Senator Roblin: Honourable senators, I think that I have a little difficulty with my friend's point of view, because on the one hand he is very upset with the government because they are "retaliating," to use his expression, against the American government's activity on the shakes and shingles—I notice his leader has some difficulty deciding whether he is in favour of retaliation or not. The last I saw of it, he was not in favour of retaliation—and, then, my honourable friend goes on to say, "Well, you have retaliated, but you have not retaliated hard enough; it should be worse." I got that clear impression from what he said. So, I don't really understand the point he is making.

Senator Flynn: Hear, hear.

Senator Roblin: But, nevertheless, he has said to us, "What is happening to the $80 million?" Well, who knows what is going to happen to the $80 million. There are not only people in the shakes and shingles industry in British Columbia who are going to have trouble, but there are the people who are making steel pipes in Regina and in Algoma who are going to have some trouble; there are some people producing potatoes in Prince Edward Island who are going to have some trouble; there are some people who are fishing off the Atlantic coast who are having trouble right now with their tariff problems with the United States. It is not going to be an easy matter to compensate everybody in Canada who is affected by these tariffs.

That is the basic reason why the government has refused to listen to those people who say, "Break off negotiations until they say 'uncle'," or whatever it is you want them to say. We don't say that. We say that if we want to protect ourselves in the future against this kind of tariff action which we find so objectionable, we are going to have to see if we cannot come to some kind of an understanding whereby these barriers are negotiated in a civilized way, and that is the ultimate policy that we have to follow.

Now, if my honourable friend wants me to tell him that the $80 million that may or may not be collected from these tariffs that we have imposed now are going to be funnelled into resolving the problem in British Columbia, I cannot give him the answer to that because I do not know. It is perfectly clear to me that the government is considering what measures they can take to relieve the situation.

First of all, we have to have some information as to just how bad it is going to get. It is going to get bad enough, but we have to have some measure of that before we can decide what to do next.

It seems to me that the government's policy is clear: We want to send a message to Washington that we do not like what they did. We want to send them a message that they can accept without having another round of the trade war start with us, and I think that is a sensible thing to do. I think that the people who buy shakes and shingles in the U.S. are going to have to pay that duty the same way as the people who buy some of these books in Canada will have to.

Senator Perrault: The Leader of the Government in the Senate has made a speech, and we have listened with interest to his speech. Now we are all even, because he made a long, long speech and not a short reply.

Senator Roblin: Just a minute—

Senator Perrault: But may I—

Senator Roblin: —I had to do that because of your lengthy "brief" preamble. What other option did I have?

Senator Perrault: I am not disputing the leader's right of reply.

Senator Roblin: If you had a brief preamble, you would get a brief answer.

Senator Perrault: I am not disputing it, but I am saying that we listened to your speech with great interest.

However, my question was answered in an unclear fashion—that is the kindest way I can describe the reply.

We have 4,000 shake workers in British Columbia who have now seen their government act, in the name of retaliation, to protect the computer industry and the publishing industry, which are located primarily in Ontario and Quebec. They are given the protection; the British Columbia worker suffers.

The British Columbia worker asks—and I have had many phone calls over the weekend—"All right, of the extra money that we raise from the Canadian taxpayer—he is paying, the Americans are not paying—what kind of program is going to be put in place to help us and our families?"

I ask this, specifically: Will Manpower and Immigration establish a special needs office in Mission, British Columbia, or Abbotsford? Will there be an effort to relocate workers in different parts of the country?

These are the important questions which must be asked when people are in a position of losing their homes or their cars and when mill owners are faced with having their loans called in at the bank. It is all right for the leader to talk in these generalities that "we must sit down and negotiate free trade"; these people could be on the breadline and completely decimated by the time any negotiations come to any kind of conclusion. So, I ask the leader once again for an answer to that question.

The second question is this: There is incredible confusion relating to the degree of consultation between Canada and the United States before this action by the United States was announced. Today, a U.S. spokesman said:

> We reject Mr. Wilson's suggestion that Ottawa wasn't informed of the pending U.S. decision to impose a 35 per cent tariff on cedar shingles. The decision to impose the tariff was conducted in a clear and transparent process. There was considerable consultation with Canadian officials.

We are told by Canadian spokesmen precisely the opposite, that there was no consultation; that the U.S. action came as a devastating blow. We hear rumours that Mr. Reagan said that he meant to call the Prime Minister of Canada, but he

neglected to do so; he thought that some other department would handle the call. I would like answers to these questions. What are the facts?

I hope that it is not assumed in Washington, D.C., that we are a bunch of pushovers and pussy-cats, that we don't have to be talked to seriously about matters of this kind. May we have a reply to those questions?

Senator Roblin: I will reply to the first matter.

My friend raises a very important point: What can we do to mitigate the harm and hardship to these people in British Columbia? That is an important issue, and I will see that it is addressed.

The second thing that I would like to say with respect to who told whom about what is that my recollection is that the Secretary of State in the United States, Mr. Shultz, made it clear in Halifax that there had been a slip up on the American side in this respect and accepted some responsibility for the failure to notify Canadians. Now, let the Americans get their own act together—I can't do that.

• (1510)

Senator Olson: Honourable senators, I should like to ask the Leader of the Government in the Senate whether there is any hope this trade war will stop. At the outset it was shakes and shingles, then computer products and publications of various kinds. Yesterday we heard that it will apply to steel, which is already a severely depressed industry, particularly to steel tubing that is used in the oil and gas business. Ipsco has already had massive layoffs, and so has Algoma in Sault Ste. Marie. We wonder what is next. As the Leader of the Government pointed out, will it be pork, potatoes or petrochemicals? What will be next?

I cannot recall a government using such words as "these measures are taken in retaliation."

The Minister of Finance said that nations which resort to unjustified protectionism must be made to realize that trade is a two-way street, and that this is a retaliatory measure. We will lose that battle. We will lose a great deal more if this continues.

I should like the Leader of the Government to give us some assurance that the government will take a responsible attitude and stop this grandstanding before we do ourselves more damage in all of these potentially difficult areas.

Senator Roblin: I do not think my honourable friend need worry about the government initiating a trade war with the United States.

Senator Olson: It has.

Senator Roblin: It has not. These complaints about tariffs have been made for many years now. We are the peacemakers. What we want to do is have a conference, a trade discussion with the United States, that will put an end to this kind of thing. If Canadians want to make sure that this kind of thing stops, they will have to take notice of the fact that we are going to get a solution to the problem by agreement with the United States at the trade conference. That is where we want to put our effort, and that is where I think my honourable friend ought to put his.

I have been alarmed to hear representatives of his party—indeed his leader—in the House of Commons say that unless we get some guarantee—which is most unlikely—from the United States that we should postpone, drop out, cancel or put into deep freeze these trade talks. I think that is a very short-sighted way to go.

I am no advocate of a trade war. I want to see tariff disputes reduced to a minimum. I want to see agreement with our biggest trading partner as to how we can do something about them, but in the meanwhile we have to cope with the vicissitudes of American election politics, and my honourable friend knows that as well as I do, and he also knows that it is very difficult to protect oneself from that kind of thing.

Senator Olson: Honourable senators, that I know that better than anyone in the government has recently been demonstrated. I hope that the government will follow through with what I detect in my honourable friend's remarks, because he has just given us the best reason possible for not retaliating and not having that frame of mind. The government should return to more traditional, diplomatic negotiations with the United States because of what has happened during the past few days and what might happen if we do not get this trade war stopped.

I should like to ask again if the leader can give us some reason to believe that this will be cooled off and whether the government will have some direct discussions with the United States.

I am certainly not one who advocates that we stop the trade talks. We need those to go on, but we have to try to impress on the United States again that we are going to act in a calm, diplomatic and reasonable manner so that the various authorities in the United States get this thing stopped.

Senator Roblin: I hope the various authorities in the United States are getting the message from us, but I am getting a message, too, and it is a different message, depending on who speaks. I am told from this side, "Don't be a pussy-cat." I am told, "Don't be a push-over." I am told, "Don't let them walk all over you."

My honourable friend's advice—which is a little more sensible—is, "Try to be moderate in your reactions." That is exactly what we are trying to do.

Senator Olson: Then we can get better results.

TRADE—IMPOSITION OF TARIFF ON PUBLICATIONS AND COMPUTER PARTS

Hon. Philippe Deane Gigantès: Honourable senators, I should like the Leader of the Government to let me know whether these books on which a tariff has now been imposed include textbooks.

Hon. Duff Roblin (Leader of the Government): No, educational books are not included.

Senator Gigantès: Do the computer spare parts on which a tariff has been imposed include spare parts used in computers that serve educational purposes, research purposes and the improvement of the functioning of various industries, as well as bureaucracies, private or public?

Senator Roblin: I really cannot tell what the computer parts would be used for. It is hard to trace that because they have so many uses.

Senator Gigantès: Is the Leader of the Government telling me that the government has imposed tariffs on products without knowing the purpose of the products?

Senator Roblin: I can tell my honourable friend that the tariffs are imposed on items. That has been going on since before Confederation.

Senator Gigantès: Would the Leader of the Government kindly ask his colleagues to let me know what effects on the modernization of Canadian industry, Canadian administration and Canadian educational institutions the rise in the cost of these spare parts will have?

Senator Roblin: The answer is very little, because the tariff is, I think, 3.5 per cent.

Hon. John M. Godfrey: Honourable senators, first, are any of these parts made in Canada, and, second, are any of these parts made in some other country besides the United States?

Senator Roblin: The computer parts situation arose out of a tripartite arrangement made between Canada, Japan and the United States last January to reduce the tariffs to zero on those items. It is my understanding that those computer parts are probably made in all three countries.

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have some delayed answers to questions.

NUCLEAR DISASTER

UKRAINE—EFFECTS OF RADIATION

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on April 29 last by the Honourable Senator Fairbairn regarding Nuclear Disaster—Ukraine—Effects of Radiation.

(*The answer follows*):

There is still no information on the amount of radioactivity that was released by this accident. Canada has not been asked by the Soviet Union for assistance.

Radioactivity from the Soviet nuclear reactor accident was detected in an analysis of the following group of air filters:

May 5-6: Vancouver, Calgary, Regina, Saskatoon, Whitehorse, Winnipeg, Edmonton, and Hay River (NWT).

May 12 - 13: Whitehorse, Inuvik, Yellowknife, Hay River, Resolute, Coral Harbour, Churchill and Goose Bay.

Increased sampling for radiation levels was initiated at 28 sites across Canada on April 29, 1986, shortly after news of the reactor accident was received. Three additional sites were initiated in British Columbia on May 12, 1986. Air sampling changed from weekly to daily; precipitation sampling from monthly to weekly. Six of these 31 sites are in the Yukon and the Northwest Territories. The six are Whitehorse, Inuvik, Hay River, Yellowknife, Resolute and Coral Harbour. The samples are analyzed by laboratories of the Health Protection Branch, Department of National Health and Welfare.

CANADA-UNITED STATES RELATIONS

BILATERAL TRADE NEGOTIATIONS—CANADIAN USE OF LOBBYIST—CANADIAN TESTIMONY BEFORE CONGRESSIONAL COMMITTEE OR SPECIAL PROSECUTOR—GOVERNMENT POLICY

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on May 7 last by the Honourable Senator MacEachen regarding Canada-United States Relations—Canadian Use of Lobbyist—Canadian Testimony before Congressional Committee or Special Prosecutor—Government Policy.

(*The answer follows*):

I am pleased to be able to table copies of the correspondence between Ambassador Gotlieb and Chairman to the Subcommittee on Oversight and Investigations of the House of Representatives and the General Accounting Office concerning the Deaver contract. I can also confirm that the chairman of the subcommittee has indicated that "I must say, for the record, that we have no quarrel with the Canadian authorities and the degree of cooperation they have provided at the subcommittee's request".

You will note that Ambassador Gotlieb's letter of May 9 refers to a "light hearted conversational remark to Mr. Deaver to the effect that the United States was indeed fortunate to have a person of Mr. Deaver's talents on its team, and how much we could use a good man like that". The official who made the remark was Dr. J.A. Doucet. I can confirm that no offer of employment was made to Mr. Deaver prior to his leaving the White House.

INSURANCE

BANKRUPTCY OF INSURANCE COMPANIES—REQUEST FOR STUDY BY BANKING, TRADE AND COMMERCE COMMITTEE

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on May 14 last by the Honourable Senator Langlois regarding Bankruptcy of Insurance Companies—Request for Study by Banking, Trade and Commerce Committee.

(*The answer follows*):

The operations of the Northumberland General Insurance Company were the subject of frequent written reports to the Minister of State (Finance) and her predecessors. The Department of Insurance had been closely monitoring the company for some time.

As a result of an on-site examination in the fall of 1983, the Department became concerned about the adequacy of the company's claims reserves, the security provided by reinsurance obtained from affiliated reinsurers and the amount of the company's assets that consisted of receivables from an affiliated management company. Because of these concerns, the Department insisted on adjustments to the company's capital base for purposes of determining compliance with the minimum continuing capital and surplus requirements base for property and casualty insurance companies.

Starting in March 1984 and with the Minister's approval, the company's certificate of registry was renewed for limited periods to pressure the company to comply with the continuing capital and surplus requirements and to obtain additional capital. In June 1984, a restriction was placed in the company's certificate of registry limiting its 1984 gross premium volume to the amount written in 1983. When the Department became suspicious that the interim statements that the Department was requiring the company to supply might not report all the premiums written, an examiner was sent to the company's New York branch in late 1984. Notwithstanding the volume restriction in the company's certificate of registry, the examiner discovered a large increase in the United States business which had not been reported to the Department. Immediately, New York authorities were contacted and a further limitation was placed in the company's certificate of registry preventing it from writing any additional business in the United States.

During the early part of 1985, the company's certificate of registry was renewed on a monthly basis with the concurrence of the Minister and the owners of the company were pressed to inject additional capital or to sell the company to someone who would inject additional capital. Two potential investors with significant financial resources came forward. Both carried on serious negotiations with the owners during the spring. The last week of June, in the absence of final unqualified 1984 audited statement and after being advised by both potential investors that they were not proceeding, the Superintendent recommended that the Minister direct him to take control of the company's assets and to apply for a winding-up order.

The Supreme Court of Ontario granted the winding-up order on July 24, 1985. In accordance with the provisions of the Canadian and British Insurance Companies Act, the administrative expenses involved in carrying out the liquidation will be paid by the insurance industry. As a consequence, the remaining assets of Northumberland General will be preserved for the benefit of claimants and policyholders and, unlike most liquidations, will not be used to meet the liquidator's operating expenses.

A number of lessons have been learned from the recent failures of Northumberland General and other property and casualty insurance companies. Both the Green Paper and Technical Supplement published by the Hon. Barbara McDougall, Minister of State (Finance), and the Report on Canadian Financial Institutions published by the Standing Committee on Finance, Trade and Economic Affairs, included proposals in this regard. Among these proposals are the strengthening of the minimum continuing capital and surplus requirements for property and casualty insurance companies, a requirement for an annual actuarial report with respect to the adequacy of the reserve for claims, authority to control some aspects of reinsurance arrangements, more control over business arrangements that are not at arm's length and the power for regulators to issue cease and desist orders. All of these proposals would have been useful in dealing with the Northumberland General situation.

The Minister of State (Finance) has stated that she expects to introduce legislation in the very near future, the objective of which is to strengthen financial standards for property and casualty insurance companies and to improve protection for policyholders.

Since no amount of regulation will eliminate all possibility of failure of an insurance company, both the federal government and the provincial government have expressed interest in the establishment of a compensation scheme that would protect policy holders within certain limits if an insurance company fails. The property and casualty industry has taken the initiative to try to establish an industry-run scheme. Discussions on this subject between the industry and the federal and provincial governments are continuing. It is hoped that the scheme will be operational by 1987 to protect policyholders in the event of future failures.

[Senator Roblin.]

ENERGY

PRICING—DEREGULATION OF INDUSTRY—GOVERNMENT POLICY

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on May 14 last by the Honourable Senator Olson regarding Energy—Deregulation of Industry—Government Policy.

(*The answer follows*):

The instability in the oil market at the present time makes forecasting oil prices very difficult.

The February Budget assumed an international oil price of $22.50 U.S. for the last three quarters of 1986; at that time, most private sector forecasters were predicting an oil price in the range of $22—$24 U.S. a barrel.

The price of oil has declined more sharply than was forecast in the February Budget. From a high of $30 U.S. in November, oil has fallen to the range of $11—$16 U.S. a barrel. Until late April, the trend of prices had been essentially downward; recently, however, there has been some firming of prices to the upper end of the range. Many analysts expect this pattern of volatility to continue with prices on average in the range of $15—$18, but with some short, sharp price movements in either direction outside of this range. The International Monetary Fund, for example, recently released its economic outlook based on a $15 oil price.

CORRECTIONS

DANIEL HAWE REPORT—PRODUCTION OF SERVICE CONTRACTS AND STATEMENT OF EXPENDITURES

Hon. Earl A. Hastings: Honourable senators, while we are still on answers to questions, I wonder if I might raise with the Leader of the Government in the Senate and draw to his attention the orders for return that I placed on the order paper on March 26. I wonder if he might ascertain what progress is being made.

Hon. Duff Roblin (Leader of the Government): What is the subject?

Senator Hastings: The Penitentiaries Act.

Senator Roblin: Is this an order for return or does this relate to a question asked during Question Period?

Senator Hastings: It relates to a motion for three returns.

Senator Roblin: Those are handled by the Table, not by me in Question Period.

● (1520)

GRASSY NARROWS AND ISLINGTON INDIAN BANDS MERCURY POLLUTION CLAIMS SETTLEMENT BILL

THIRD READING

Hon. Brenda M. Robertson moved the third reading of Bill C-110, to approve, give effect to and declare valid certain agreements between the Government of Canada, the Government of Ontario, Reed Inc., Great Lakes Forest Products Ltd., the Islington Indian Band and the Grassy Narrows Indian Band.

Motion agreed to and bill read third time and passed.

TERRORISM

APPOINTMENT OF SPECIAL SENATE COMMITTEE

On the Order:

Resuming the debate on the motion of the Honourable Senator Kelly, seconded by the Honourable Senator Sherwood:

That a Special Committee of the Senate be appointed to provide a forum to examine, consider, evaluate, consolidate and synthesize available research, documentation and other information relating to terrorism as a real or potential threat to Canada and to Canadians;

That the Committee identify any areas where further study, research or investigation is called for;

That the Committee examine and make recommendations on the role of the media in reporting terrorist threats and incidents;

That eight Senators, to be designated at a later date, act as members of the Special Committee; and

That the Committee present its report no later than December 19, 1986.—(*Honourable Senator Phillips*).

Hon. Orville H. Phillips: Honourable senators, following Senator Frith's pertinent remarks on the subject, I moved the adjournment of the debate. It was not that I was opposed to the motion but, rather, that I found myself in the unusual situation of being in agreement with Senator Frith. A small voice kept saying to me, "There has to be something wrong."

Senator Frith: Have you seen your doctor lately?

Senator Phillips: Unfortunately, I had to cancel an appointment. Perhaps I should make another one.

On Monday I reread Senator Frith's remarks and I am still in agreement, so probably I do need that appointment.

Senator Frith: You are in trouble.

Senator Phillips: This is the second motion on the subject introduced by the sponsor. Since he introduced his first motion there have been several disturbing events in Canada which I think confirm that we need some sort of study on this subject. The committee can render a useful service by providing a forum for those who wish to express concern, and at the same time give those who are responsible for security an opportunity to state that they have plans and contingencies ready to counteract terrorism in Canada. Care must be taken throughout the committee hearings not to contravene the secrecy necessary in dealing with terrorism. Here I think we can count on the committee to recognize that there are limits to the questions they can ask of those charged with security.

Senator Frith mentioned the number of committees now in existence and the difficulty in manning them. I have a great deal of sympathy with that viewpoint, because we on this side are a smaller number. The problem is not only with finding sufficient members, but with finding a time that does not conflict with other committee meetings. As Senator Frith pointed out, when we tend to crowd everything into the three days that the Senate is sitting it becomes more and more difficult, especially when a large portion of Tuesday afternoon is taken up with party caucuses and Wednesday morning with national caucuses. The motion makes no mention of funds. I think that this is an opportunity for the committee to show us that useful work can be done without a large research staff and without having professionals to assist in writing the report.

There are two unfortunate aspects of this motion. One is that it was necessary to make it in the first place. The second is the timing. We are coming to the end of a session and, as honourable senators are aware, the tendency is for the floodgates to open and legislation to come pouring into this chamber at the last minute. This has been the practice for a number of years. I would remind honourable senators that before the Christmas recess this very thing happened. In the one week prior to the recess we had 29 committee meetings compared with the normal 10 or 12 meetings. So, at this time of the year it will be difficult to accommodate the committee in the usual Tuesday, Wednesday and Thursday schedule. However, I am sure that the committee will realize that there is ample time available on Mondays and Fridays.

I appreciate the sincerity of the sponsor in moving this motion. The fact that he withdrew his original motion and attempted to cut the suit to fit the cloth, as the expression goes, I think merits considerable support, and I hope that honourable senators will give him every co-operation that they can throughout the committee hearings.

Hon. William M. Kelly: Honourable senators—

The Hon. the Speaker: Honourable senators, I must remind you that if the Honourable Senator Kelly speaks now, his speech will have the effect of closing the debate on this motion.

Senator Kelly: Honourable senators, in closing the debate I want to express my appreciation of the comments made by Senator Frith and by Senator Phillips. I have had a number of conversations with colleagues in this chamber. I must confess that they have not been sufficient to give me a sense of whether or not your support is for this committee, but I feel that a fair length of time has gone by. There is nothing more I can say on the substance of what is being proposed than I have already said. So, I would like to close the debate by earnestly requesting again your support for this motion.

The Hon. the Speaker: It is moved by the Honourable Senator Kelly, seconded by the Honourable Senator Sherwood, that a special committee of the Senate be appointed to provide a forum to examine, consider, evaluate—

Senator Everett: Dispense.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, before the vote, I wonder if you would grant me the indulgence to say, at least to my colleagues, that our decision has been that we will vote on this motion without reference to party line or caucus consensus. As far as we are concerned, every senator may vote exactly as he or she feels.

Hon. C. William Doody (Deputy Leader of the Government): Is it our plan to have a vote?

Senator Frith: I do not know. I am happy one way or the other.

Motion agreed to.

[Senator Phillips.]

THE ESTIMATES 1986-87

REPORT OF NATIONAL FINANCE COMMITTEE—DEBATE ADJOURNED

On the Order:

Consideration of the Sixteenth Report of the Standing Senate Committee on National Finance (Main Estimates 1986-87), presented in the Senate on 28th May, 1986.—(*Honourable Senator Leblanc (Saurel)*).

Hon. William J. Petten: Stand.

Hon. C. William Doody (Deputy Leader of the Government): One moment. If I am not mistaken, I believe that Senator Kelly indicated an interest in speaking to this matter today.

• (1530)

Senator Frith: The only reason we asked that it stand is because it stands in the name of Senator Leblanc who is unable to be here this week. We did not intend to shut anyone off.

Senator Doody: Senator Kelly can speak as deputy chairman of the committee.

Hon. William M. Kelly: Thank you, honourable senators. Again I apologize for not paying close attention to the proceedings. However, I am pleased to have this opportunity to speak. Last week, as has been mentioned, Senator Leblanc tabled the Sixteenth Report of the National Finance Committee. I know that he wanted to speak to the report, but he has just undergone surgery, as I believe most honourable senators know, and he asked if I would speak on his behalf and on my own as deputy chairman.

The report, while generally addressing the main estimates for 1986-87, focuses primarily on all those expenditures of the government for which there are no reporting/accounting requirements. I refer, of course, to the $30 billion to $50 billion of tax expenditures, incentives, exemptions, deductions, credits, or whatever else you wish to call them. We have called them tax expenditures. I grant you that the term itself is a matter of considerable contention.

The committee made two recommendations: First, that the Financial Administration Act be amended to require an annual accounting of tax expenditures comparable to the requirements for the preparing and tabling of the public accounts; and, second, that effectiveness evaluation for the tax programs included in the proposed tax expenditure accounts be done on a regular basis and where appropriate be part of the public record. We recognize that these suggestions have been made before, but we believe that it is time to put them in legislation and not have them optional.

I want to tell honourable senators that those two recommendations were not made lightly. The committee was aware that providing a complete and detailed tax expenditure account to parallel the reporting of the public accounts would be a difficult exercise. I should like to take a few minutes to describe examples of some of these difficulties. We cited them in our report.

First, how would the government know the value of the tax deduction for income earned by status Indians on reserves, or the capital gains exemption on the sale of the principal residence, when individuals need never declare the value for these measures on their tax return?

The second problem with such an account is in knowing why some of these tax measures are on the statutes today. Throughout the hearings we could never discover what was the original intention of some tax measures, or whether the intentions had changed, or, for that matter, when the measure was first introduced.

Honourable senators, those are the kinds of problems that we will have to overcome if we are ever to see a reasonably useful accounting of tax expenditures. We believe that they can and must be overcome.

Senators will recall that the second recommendation in the committee's Sixteenth Report calls for the systematic evaluation of the various tax measures currently on the books. That sounds easy, but when honourable senators look more closely they begin to see that evaluating the effectiveness of some measures, such as the dividend tax credit, is far more difficult to do than evaluating others such as the Cape Breton tax credit. This is because the dividend tax credit is tied tightly in with the move toward an integrated personal and corporate tax system in Canada.

Honourable senators, I am pointing out today the difficulties in preparing and tabling a complete tax expenditure account and evaluating these tax measures. These problems have been reviewed before and have been mentioned in previous reports, well back in the 1970s, from the Auditor General. The problem seems to be to find out exactly how to address the problem. The committee feels strongly that this requirement should be entrenched in legislation, and let me tell honourable senators why. Representatives of the Department of Finance appeared before the committee. We pointed out to them the comments of the Auditor General and of the Nielsen Task Force that their evaluation capabilities were inadequate. They declined to acknowledge that they devote inadequate resources to systematically evaluating existing tax expenditures; nor were they prepared to say that the information was inadequate—which leads, of course, to the suggestion that reporting then could take place. Yet examples such as the SRTC and the $1 billion Dome remission order are examples where Parliament's right to know was denied until it was too late.

National Revenue appeared before the committee and indicated the horrors of the SRTC. They told us that the SRTC will cost taxpayers close to $3 billion, and that is against an original estimate of possibly something in the order of $100 million. While some of that money did produce good research, we also learned that close to $1 billion will have to be written off as totally uncollectable. Yet Revenue Canada's hands are tied, so they tell us. They told us that they are not responsible for policy; that that is the role of the Department of Finance.

We heard also from the Auditor General who recounted some of the horrors of tax expenditures. He told us that it is Parliament's right to know what these tax expenditures cost and whether they are effective. Yet when we asked him about the problems such as I raised earlier, the Auditor General offered no solutions. He told the committee that the Department of Finance and Revenue Canada were far better equipped to solve these problems and he was sure that they were capable of doing so.

With all due respect, senators, what we heard from the Department of Finance, Revenue Canada and the Auditor General was, in slang terms, a bit of a cop out. No one really wants to take responsibility. Yet we all agree that some method must be found to solve the problem and to report these in an appropriate manner.

For this reason the committee strongly believes that an annual tax expenditure account is required. The committee does not take a position against tax expenditures. In a country like Canada it is a very logical way to accomplish certain appropriate national policies. But we do believe that these reports and evaluations are essential parts of the process of tax expenditures; and we believe that this should be done systematically and be part of the public record—and, above all, that these requirements should be set down in legislation.

Finally, senators, the Auditor General told us that we can expect a major chapter on tax expenditures in his 1986 annual report and that he would be most willing to appear before the committee to discuss this matter in the fall. We look forward to that and we hope that he will pay attention to our recommendations, because we believe—and we know that he believes—that the citizens of Canada have a right to expect adequate information when between $30 billion and $50 billion is being spent in this particular area.

On motion of Senator Frith, for Senator Hicks, debate adjourned.

The Senate adjourned until tomorrow at 3 p.m.

THE SENATE

Wednesday, June 4, 1986

The Senate met at 3 p.m., the Speaker in the Chair.

Prayers.

LEGAL AND CONSTITUTIONAL AFFAIRS

COMMITTEE AUTHORIZED TO MEET DURING SITTING OF THE SENATE

Hon. Orville H. Phillips: Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*a*), I move:

> That the Standing Senate Committee on Legal and Constitutional Affairs have power to sit while the Senate is sitting today and that Rule 76(4) be suspended in relation thereto.

If I may point out, honourable senators, other committees will be meeting this afternoon. Due to the late sitting this afternoon, perhaps honourable senators could make a special effort to ensure that there is a quorum later in the day.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

QUESTION PERIOD

[*English*]

CANADA-UNITED STATES RELATIONS

TRADE—TARIFF DISCUSSIONS—REQUEST FOR INFORMATION

Hon. H. A. Olson: Honourable senators, I wish to direct a question to the Leader of the Government in the Senate. My question is whether or not he can give a report to this chamber on the negotiations that took place this morning between the Ambassador of Canada to the United States, Mr. Gotlieb, and the Secretary of Commerce respecting an application made by the Lumbermen's Association of the United States.

Hon. Duff Roblin (Leader of the Government): I know that that meeting took place, honourable senators, but I have no report to make on it now.

Senator Olson: May I ask a supplementary question and ask whether or not the Canadian government is aware that there are other applications before the United States authorities which require similar decisions? I understand it is mandatory under United States law that a reply be given within 20 days after a formal application for countervailing duty is made. Are there products in that category other than the balance of the soft wood lumber industry?

Senator Roblin: There is a constant stream of applications made to the American government these days for tariff protection of various kinds. There have been over 21 requests made during the past few years for this kind of protection. I am not aware of the particulars with respect to all of the applications on the table at the present time. I think there is one application with respect to steel forklift arms which is still awaiting a decision by the American government.

There has been a substantial number of countervailing requests, too, which I think are similar to the lumber application. There have been 12 of those, and two have been agreed to by the American government.

• (1500)

I have no information apart from that as to the current situation, but if my honourable friend would like me to do so I will get an update on the situation.

Senator Olson: I would appreciate that, because my understanding is that the U.S. International Trade Commission has a minimum, or a maximum, of 20 days to launch an investigation if an application is made to the same authority and through the same channels, as in the case of softwood. So, if my honourable friend could get a list of those that are on that course I would appreciate it, because, apparently, there is no discretion other than to proceed. Then, at the end of the investigation, there is either an acquiescence and a tariff is put on, or the application is rejected.

Senator Roblin: I presume my friend is talking about applications for countervailing action. Well, they take a long time, as my friend knows.

There is a two or three-stage procedure in the United States, the first of which, I think, is to ascertain whether, in fact, there is any damage done to industry, and then it goes through several other stages.

In respect of the soft lumber case, it will probably be some months before it reaches the point where decisions are arrived at.

I will find out, however, what I can about any other countervailing cases that have surfaced in the United States that we know of.

TRADE—IMPOSITION OF U.S. TARIFFS AND CANADIAN TARIFFS—MITIGATION OF HARMFUL EFFECTS—GOVERNMENT POLICY AND PROGRAMS

Hon. Raymond J. Perrault: Honourable senators—

Hon. Senators: Hear, hear.

Senator Perrault: —I had a question relating to shakes and shingles before I was so "rudely" interrupted, and I would like to complete my question of yesterday.

Senator Flynn: Order.

Senator Olson: Can we guess?

Senator Perrault: I want to ask the Leader of the Government whether he is aware of a measure that is on the statute books of Canada. It is an act to support employment in Canada by mitigating the disruptive effect on Canadian industry of the imposition of foreign import surtaxes, or other actions of like effect.

I want to ask the Leader of the Government whether he is aware of this measure, but, more particularly, is he aware of the fact that we have faced such temporary impositions of U.S. tariffs in the past?

When eastern Canada was affected by retaliatory measures by the United States back in 1970, the government of that day immediately introduced legislation to provide temporary assistance for those industries. This legislation makes it possible to provide assistance for a specified period of time and provides for the establishment of a board to administer an aid program. That legislation means that there is no need for any further debate in Parliament—it is there to be implemented.

The purpose of that act is "to provide a means to support levels of employment in Canadian industry when other countries impose temporary import surtaxes or take other actions having a like effect that adversely affects employment in Canadian industry."

Interestingly enough, honourable senators, the aggregate of all amounts it is possible to expend pursuant to subsection 1 shall not exceed $80 million.

I ask the Leader of the Government to declare today if it is the government's intention to invoke the provisions of this measure to help the distressed shake and shingle workers of British Columbia. The bill is there, passed by a Liberal government, and it authorizes the payment of exactly the same amount of money as the Minister of Finance says that he will raise as a result of his temporary surcharge on books and computer components. Are we going to move immediately to invoke the provisions of this legislation to help those 4,000 people in British Columbia?

Hon. Duff Roblin (Leader of the Government): I think there are two questions addressed to me. One is: Is the government aware of the piece of legislation that my honourable friend refers to that provides for assistance in cases such as the one we are considering? The answer is yes, we are.

The second question is: Are we going to invoke that legislation to provide assistance? The answer is we may do, but there has been no decision made at the present time. The full impact of this American action has not yet been assessed—it does not come into effect until June 6—but when it is assessed the government will decide what to do in order to be of some service to the people of the province of British Columbia who are affected. Whether it will involve this legislation or not I can't say. It is possible, but we will have to see how the matter develops.

Senator Doody: Hear, hear; a good answer.

Senator Perrault: Honourable senators, the government's so-called "retaliatory response" to the American action has had what may be described as a mixed response from Canadian industry.

Senator Frith: It has played to mixed reviews.

Senator Perrault: Yes, it has played to mixed reviews, as people in the theatre business would say.

I wonder if the Leader of the Government can clarify the measure to the extent of providing certain information for me this afternoon.

The Minister of Finance estimates that his so-called "retaliatory tariffs against the Americans" will extract an extra $80 million from Canadian pockets. How can it be said that the tariffs will hurt the Americans when that figure of $80 million indicates clearly that the minister anticipates no reduction in the imports of U.S. books or U.S. computer components? If import levels are going to remain at exactly the same level—and that is stated both in Canada and in the United States—the net result of the government action appears to many Canadians to be merely an extra $80 million extracted out of the taxpayers' pockets for general revenues.

Very clearly, honourable senators, this appears to be typical Tory marksmanship—a case of shooting oneself in the foot.

Senator Flynn: Amusing.

Senator Roblin: It is perfectly true that the government's response to the unexpected action by the Government of the United States has played to mixed reviews and nowhere are those reviews more mixed than in the ranks of the Liberal Party.

Senator Perrault: I am not talking about the Liberal Party.

Senator Roblin: I am talking about the Liberal Party. I do not know which wing of the Liberal Party my honourable friend stands for, because yesterday Mr. Axworthy, some other members in the other place and my honourable friend were slating the government because the action taken was not strong enough. What does he want us to do? Does he want us to go and raise $160 million this way?

Senator Olson: We want results.

Senator Roblin: Who doesn't want results? We all do. Some members of the party opposite are saying, "Not only that, but you should pick up your marbles and go home. Don't go to the trade conference!"

The whole aim of our activities in this situation is to indicate to people on both sides of the border that the trade negotiations are very important and offer a solution to the problems we are being faced with. In other words, the problems we face today are not new. I have just recited to the house that a couple of dozen tariff proposals have been made in the United States that are adverse to our interest. Thank goodness, most of them have been turned down, but we want to come to a

situation where we have a means of settling these trade disputes without giving rise to the kind of situation we are now going through.

I do not claim that the policy of the government is effective in the sense that we can get the Americans to change their minds on the shakes and shingles issue, because I do not think we can; I think that is fixed. However, I think we can give them a concrete reason to feel the Canadian reaction to what they have done with respect to this particular matter. That is what I think we are trying to do.

The same set of questions was put yesterday, and I do not think my answers are going to be much different today from what they were then. What we are trying to do is make sure that people south of the border understand that we feel wounded and badly done by by this particular action that has been taken. We are indicating that not just by words but by taking an action. Nobody pretends it is perfect; it certainly is not. How can it be when we are fighting with tariffs and retaliatory measures? The question is: In the circumstances is it the best balanced reaction we can display? On the one hand we are told, "Be tough; do more;" and on the other hand we are told, "Do not retaliate." I think the government's decision to come down somewhere in the middle is best in the circumstances.

Senator Perrault: I have a supplementary question. The Leader of the Government asked the question: What should have been done? May I suggest for one thing that we might have examined ways by which some tariff measures could have been introduced that might have benefited western Canada and might have helped, for example, the agricultural industry of the four western provinces instead of slapping on a tariff which, for openers, is supposed to protect the computer parts manufacturers who are centred mostly in Ontario and Quebec.

Senator Balfour: For example?

Senator Perrault: The Leader of the Government has not replied to my fundamental question: How is this retaliatory action damaging to the United States?

Senator Balfour: For example?

Senator Perrault: Spokesmen in both Canada and the United States say that the tariffs are not going to reduce the importation of electronic goods by Canadians. Indeed, the head of Merrill Lynch Canada has stated that a lot of the high tech goods we import from the United States are used to lever our productivity and we are not exactly hurting the United States.

Honourable senators, of course, we are not hurting the United States. The only people being hurt are the Canadian taxpayers who will have to pay $80 million extra to support this political charade. So, how is the United States going to be injured?

Senator Roblin: I certainly hope they are not going to be injured to the same extent that we are going to be injured by the shakes and shingles tariff. I hope that sincerely, because our policy is not one of retribution of the kind my honourable friend wants. Our policy is one of making a measured, reasonable response, and that is what we are doing.

[Senator Roblin.]

● (1510)

Senator Perrault: It is wrist-slapping.

Senator Roblin: As for trying to play off eastern Canada against western Canada on this issue, I reject any suggestion that I should get into that kind of argument.

Senator Perrault: Honourable senators, I have a supplementary question. The Leader of the Government has yet to indicate to this chamber precisely how the U.S. electronics and publishing companies will be injured or even threatened by this action. What we are doing is going through a charade for public relations purposes.

Senator Flynn: We have heard that before.

Senator Perrault: The only people suffering are the mill workers of British Columbia—and I talked to some of them today and they are very distressed, indeed—and the Canadian taxpayers who buy books and computer products and will have to pay $80 million more. Even the Minister of Finance admits that it will not affect the inflow of those U.S. products, so why are we going through this ridiculous charade? Why are we shooting ourselves in the feet?

Senator Roblin: When it comes to shooting oneself in the foot, my honourable friend can give a few lessons—he is an expert at that kind of thing. I am saying to him, however, that the measures we are taking form a calculated response that will indicate our position in this matter to our biggest trading partner, and I think we are justified in doing so. But we do not consider that the end of the game. If that were the end of it all, if nothing more were going to happen, if we were just going to maintain the *status quo,* there might be something in my friend's argument. But that is not what we are after.

We are after an agreement with the United States on trade—one which will eliminate the necessity of doing this kind of thing. If there are fallouts from this, then there are fallouts on both sides of the border; that is what is wrong with protectionism, for goodness' sakes, because everybody shoots himself in the foot. The Americans shoot themselves in the foot with protectionism. That is what is wrong with it and that is why we want to get away from it. My honourable friend would be better advised if he could give us some assistance in our efforts to get the Americans to come to a trade agreement with the Government of Canada.

Senator Flynn: But he only wants to make noise.

Senator Perrault: The government represented by the Leader of the Government in the chamber stated the other day that this was retaliation. Now it is not retaliation any more. It is a measured response—a measured response which has exactly zero impact upon American producers and American industry. The only ones to suffer from any kind of adverse reaction are the shake and shingle manufacturers of my province and the Canadian taxpayers who will have $80 million in additional revenue filched from their pockets. Do you call that a measured response?

Senator Roblin: I certainly do call it a measured response. What would my friend have us do? Would he have us do nothing? Is that his policy? Would he have us allow this situation to go by the boards without any effort on the part of Canada to express its opinion?

That is not what he told me yesterday. What he told me yesterday is that we were not tough enough. What he told me yesterday is that we should do something that is worthwhile, that meant something. What is the logic of his reasoning? The logic of his reasoning is that if we do what we propose to do—which is raise $80 million—that is wrong, but if I took his advice of yesterday I would be doubling or tripling that particular measure, and that would be right.

Senator Perrault: I said yesterday that we should act to help those Canadians suffering from this measure and that we should not move in an ineffectual way against the United States. That is what I said. That is what our party represents. This country has historically had a decent and friendly arm's length relationship with the United States. As Robert Frost, the New England poet, said, "Good fences make good neighbours."

Honourable senators, this government seems to be either at the feet of the Americans or at their throats. That is not the way to get things done. We will not get things done by grovelling and singing "Danny Boy" at one moment and then denouncing American actions in violent language and acting like some jilted lover at another.

Senator Frith: On a point of order, it was "When Irish Eyes Are Smiling."

Senator Perrault: I stand corrected; it was "When Irish Eyes Are Smiling."

Senator Doody: Don't confuse him with facts. He is doing fine.

Senator Frith: He sure seems to be confusing you with his facts.

Senator Roblin: My friend may not be much of a singer, but he certainly knows how to rant. I thought that I was pretty good in the ranting department, but he's got me backed off the map. He can rant until the cows come home.

If he is interested in the welfare of the Canadian people—and I give him the credit for thinking that he is—

An Hon. Senator: Why?

Senator Roblin: Well, because I am a decent fellow, that is why.

Senator Argue: He is a decent fellow.

Senator Roblin: He would be a decent fellow if only he would take some good advice. If we are interested in the welfare of the people of Canada, the solution to our problem is to get behind the trade measures. His party does not know where it stands. It doesn't know whether it is for them or against them. We hear the Premier of Ontario saying that retaliation is not enough; we hear Mr. Axworthy saying that retaliation is not enough; we heard my honourable friend yesterday saying that retaliation is not enough—the measures should be tougher—yet, there are other people in his party who have another point of view.

I want to know if I can count on my honourable friend to help us with the trade policy that we have adopted to try to get an agreement with the United States. That is the way in which we are going to do something good for the people.

Senator Perrault: The question was asked whether he has support. He has support, and his colleagues have support, but not if the negotiations are going to be bungled. When we say that we are going to retaliate then we should either retaliate or not threaten at all. What is the point of saying, "We are going to retaliate" when the measure is really meaningless to the Americans and to everyone but those people who have to pay the taxes on this side of the border?

Senator Roblin: My friend should have asked himself that question yesterday when he was on the retaliation kick; and he had better ask Mr. Axworthy what the attitude is today. They have the answer for it. The point is that this argument about trade underlies as nothing else can the importance of getting on with the trade negotiations; and it is no good saying, as my friend says, "Well, if you make a success of it, we are for it, and if we don't think you will make a success of it, we are against it." Well, we know that already. But meanwhile, while we are trying, we need your help.

TRADE—IMPOSITION OF TARIFF ON PUBLICATIONS AND COMPUTER PARTS

Hon. Keith Davey: Honourable senators, I have a supplementary question for the Leader of the Government. Does the tariff on books apply to other than American books?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I will have to consult my sources for this, but I believe that these tariff measures are universal in their application.

Senator Davey: As a supplementary, you have talked today about our relationship with the United States in the exchange between you and my colleague. What conceivable rationale is there for applying this tariff to non-American foreign books? I do not accept your rationale for the American books, but concerning non-American books, what conceivable rationale is there for applying a tariff?

Senator Roblin: I think my honourable friend knows the answer to that as well as I do. Under the various rules of international trading, we cannot discriminate in tariff matters of this kind, and seeing that by far the largest majority of the books in question comes from the United States, it seems to me that it is a situation that we can learn to live with.

Senator Argue: I thought it was retaliation against the Americans!

Hon. Philippe Deane Gigantès: Honourable senators, the Leader of the Government said earlier that he was being asked the same questions as he was asked yesterday and that the answers would have to be the same. But here is one where I

hope he will have changed his answer. On page 2537 of *Debates of the Senate* I asked him what effect the tariff would have on computer parts. He replied that he could not tell. I then asked whether the government was imposing a tariff without knowing what effect it would have, and later Senator Godfrey asked whether any of those parts were made in Canada. The Leader of the Government was not trying to mislead us. He was not even trying to stonewall. He said that it was his understanding that the computer parts were probably made in Canada, in the United States and in Japan. I want to ask him whether he still holds to that answer.

Senator Roblin: Yes, I do. I have not yet had the opportunity to check it. If my honourable friend has some further information, I will be pleased to have it.

Senator Gigantès: The president of the manufacturers association, which deals with such products, said this morning that no, those parts are not made in Canada; that no, he and the people in his industry could not continue without those parts; they would have to import them and pay the higher tariff as they had been paying before, and that it would simply be passed on to the customers; that this in no way was going to affect the Americans.

How are we on the opposition side to be able to make any reasonable suggestions when the government does not appear to know why it has taken the action it has taken, and when that action, under examination, does not seem to have any reasonable purpose at all, either in cautioning the Americans or in providing any advantage for Canadians?

Senator Roblin: Honourable senators, my friend is ploughing a fallow field. This matter was discussed yesterday and again today. I have nothing to add to the answers I have already given with respect to the matter. I can say this: I want to make it clear to my friend that to the best of my knowledge the tariff on computer parts is 3.9 per cent; on semi-conductors it is 5.4 per cent; and those are exactly the same tariffs that were in effect in Canada up until January of this year. That is when they came off. I do not know whether the people who use these parts reduced their prices on January 20 when the tariff came off to take into account the reduction in the tariff. If they did, I will be pleased to hear about it. I will be surprised if they increase their prices by that amount because of what has been done. I do not think they will.

• (1520)

Senator Gigantès: Honourable senators, I am not going to try to analyze the motives of business people. They puzzle me often, as they obviously seem to be puzzling the Leader of the Government. However, what he is saying here shows that the government has not even heard from these people. Nor has it even talked to these manufacturers who were explaining this morning that they will pass on the cost to the customers. What is so annoying to the manufacturers is that they have to go back to extra paper work. This measure is not doing anything to the Americans. It is certainly not harming the Americans. It is no skin off their noses. It is Canadians who will be paying through aggravation because of added paper work and extra costs. I would be very surprised if manufacturers did not seize every opportunity to increase their costs, particularly if they can blame it on the government.

[Senator Gigantès.]

Senator Roblin: I would be rather surprised if the people of the United States did not take note of the action of the Canadian government when determining their next moves.

ABORIGINAL PEOPLES

GOOSE BAY, LABRADOR—BARRING OF INUIT FROM MEETING ADDRESSED BY MINISTER OF JUSTICE

Hon. Willie Adams: Honourable senators, I would like to ask a question of the Leader of the Government in the Senate. It is not very often I pick up the *Toronto Star*, but last weekend I noticed an article in which it stated that the Minister of Justice, the Honourable John Crosbie, had visited Goose Bay, Labrador, to make government announcements and that three representatives of the Inuit people of Labrador had been barred from the part of the military base where the meeting was held because "they were not properly dressed." They did not have a jacket and tie on! I phoned the Labrador Inuit Association in Labrador this morning to make sure that what was said in the paper was true, and a person from the association confirmed it.

In the meantime, Mr. Crosbie was announcing a $500 million project to upgrade the air base at Goose Bay, a project that would be of help to the native people there. I am wondering why those three representatives were barred because they did not have a jacket and tie on. I would point out that Mr. Crosbie is the representative in the government for Newfoundland and Labrador. I do not see why he could not tell the military that these people were his guests and that they should be allowed to enter the base. Why did this happen?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I am entirely sympathetic with my honourable friend's point. I am sure that if Mr. Crosbie had known that these gentlemen were not allowed admission for the reasons stated he would have put his foot down. It is deplorable, and I hope that it does not happen again.

CANADA-UNITED STATES RELATIONS

TRADE—IMPOSITION OF TARIFF ON PUBLICATIONS

Hon. Douglas D. Everett: Honourable senators, I have a supplementary question to the questions asked earlier by Senator Davey. In his reply to Senator Davey the Leader of the Government stated that the tariff on books applied globally, because it was not possible to discriminate between the various countries under tariff rules. My understanding is that the reason the action was taken was that the GATT rules do not apply to this particular tariff. Would it not then be true that we could discriminate and apply the tariff to the Americans alone and not to other countries?

Hon. Duff Roblin (Leader of the Government): Honourable senators, my friend may be right, and I may have to revise my answer. I shall check into the matter and see if I was correct the first time. If I was not, I shall give further information on the matter.

Senator Everett: Thank you.

TRADE—IMPOSITION OF U.S. TARIFF ON CANADIAN SHAKES AND SHINGLES—COMPENSATION FOR WORKERS IN INDUSTRY

Hon. Jack Austin: Honourable senators, I have a question for the Leader of the Government in the Senate. Again, it is on the subject of measures taken in the United States against the British Columbia red cedar shakes and shingles industry. My colleague, Senator Perrault, asked this question yesterday afternoon and, for the life of me, I cannot find the answer in the proceedings of yesterday.

The question is whether the government is considering a program of compensation to workers and to the companies in the British Columbia red cedar shakes and shingles industry for loss arising out of the U.S. measures. I believe the case is well made, based on the statements which have been made by government ministers with respect to transitional arrangements which will be enacted in the course of the negotiations now under way with the United States on a freer trade regime.

What is needed in our province is an assurance that the principle of compensation is being considered and, of course, when the injury is better known, the compensation can be more clearly defined.

Hon. Duff Roblin (Leader of the Government): That question was asked yesterday and I answered it in a very sympathetic manner. I think my honourable friend, Senator Perrault, may remember that I felt he had made a good point, and I think my friend Senator Austin makes a good point. Whether it is to be called compensation or assistance or some other name, I do not know, but the measures to be taken to deal as fairly as we can with the people affected by these measures will be considered as soon as we can assess the extent of the damage.

AGRICULTURE

GRAIN—GRASSHOPPER THREAT IN PRAIRIE PROVINCES—REQUEST FOR ASSISTANCE

Hon. Hazen Argue: Honourable senators, I would like to direct a question to the Leader of the Government in the Senate arising from what I am afraid is another impending crop disaster in parts of the prairies brought about by a very major grasshopper plague. This threatens the crops in those same areas where there has been a crop loss for the last three years.

In order to give some background to the question, I thought I might read a letter that I wrote today to the Honourable John Wise, Minister of Agriculture. That letter reads as follows:

Dear Mr. Wise:

There is a major grasshopper threat to grain crops in large areas of Saskatchewan, Alberta and Manitoba. Already some farmers report crop losses as high as 50%.

At the present rate of damage thousands of farmers could lose all of their crops in a matter of days or a few weeks at most.

The cost of grasshopper insecticides is enormous and is financially crippling for many farmers. Immediate spraying of crops is crucial.

To enable farmers to meet the staggering cost of these chemicals I would ask the Government of Canada to pay 50% of the cost.

This would enable farmers to battle grasshoppers and to save, if they can, what is potentially a very good crop. I point out that this cost to the federal government will be small compared to the increased cost of stabilization and crop insurance if the crop is lost. I would ask you to give this urgent request your immediate attention.

I ask the Leader of the Government in the Senate if he would press his colleagues in the cabinet to establish a program immediately to deal with this situation. I point out that the cost of spraying and the cost of the chemicals range probably up to as much as $7 per acre. Some farmers have already sprayed an individual field more than once, and some of them have sprayed as often as three days apart. It does not take much imagination to realize that with four or five sprayings you are getting into a very large percentage of the value of the crop. Therefore, I ask the Leader of the Government in the Senate to convey what I believe is an urgent message for needed action.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I know that the message my honourable friend speaks of has already been conveyed to the Minister of Agriculture by members of Parliament from Saskatchewan and Alberta. I will attempt to get for him a speedy answer to the letter that he has written to the minister.

I do not know how far the grasshoppers will go. So far, Manitoba appears to be the most favoured of the three provinces. It is hard to tell just what the outcome will be but I will attempt to get an answer for him to that letter.

• (1530)

Senator Argue: I appreciate that and I point out something to the leader that he already knows; that is, that the cost to the government of the programs that I have mentioned—for example, the $150 million acreage payment made to farmers in the drought area of western Canada last year—is a preventive action and one that might pay off. I appreciate the answer.

ABORIGINAL PEOPLES

GOOSE BAY, LABRADOR—BARRING OF INUIT FROM MEETING ADDRESSED BY MINISTER OF JUSTICE—REQUEST FOR REPORT AND APOLOGY

Hon. Len Marchand: My question to the Leader of the Government in the Senate is supplementary to that asked by

my colleague, Senator Adams. I, too, was appalled when I read the following headline in the *Toronto Star* of June 1, 1986: "Inuit barred for not wearing jackets, ties as Crosbie woos NATO over big air base."

The question that comes to my mind is: How will those people who are going to be assessing the suitability of Goose Bay for the location of a big air base be able to assess the cultural needs of the Inuit if they cannot understand that these leaders perhaps may not even own jackets and ties? They were barred from that meeting because they did not wear jackets and ties. As I said, perhaps they do not own jackets or ties. As a Canadian, it appalls me to think that we could be so insensitive to the feelings of those people.

What I want from the Leader of the Government in the Senate is a full report on this incident and an apology from appropriate sources—from either the Secretary of State for External Affairs, whom I have always known to be a decent person who is sensitive to the needs of the Inuit and the Indian people, or from some other government official.

The article states, in part, as follows:

> The minister went on to announce Ottawa will give local supporters of the base proposal $150,000 to help publicize the fact people want the North Atlantic Treaty Organization installation in Labrador.

Well, it so happens that there are many people who live there who do not want this base located in Labrador, especially the aboriginal people who have lived there for thousands of years. Will those people also be assisted financially by Ottawa to publicize their opposition to locating the base in Labrador?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I need not repeat what I have said to Senator Adams. I cannot find any excuse obvious to me why those gentlemen were not allowed into what I believe was a military mess. I think that was the locale of the meeting. I have no hesitation in accepting the suggestion that there should be a report rendered as to what went wrong. We certainly do not want that sort of thing to happen again. Depending on the circumstances, if an apology is required—and it may very well be that it is—then we will certainly take that into account.

I should like to say right now that we will do that, but one never knows what the exact circumstances are; I do not know them, so I cannot give that undertaking now. If the circumstances are as described by my honourable colleague, and there was this blatant attitude taken towards citizens of the country, no doubt an apology is in order. We will check into it.

EMPLOYMENT

LAYOFFS AT MONCTON CN SHOPS—GOVERNMENT POLICY

Hon. L. Norbert Thériault: Honourable senators, I presume that the Leader of the Government in the Senate realizes by now that it is not always fun to have the responsibility of governing a country. I have listened to the leader and I wonder what satisfaction he draws from pointing out that there may be people in my party, the Liberal Party of Canada, who may have different views on trade or tariff matters as between Canada and the United States. Has he not yet realized that it is they who have the responsibility to govern? They wanted it for 20 years, they now have it, and the people of this country are not looking to the Liberal Party at this time because the Liberal Party has no authority to implement policy.

Senator Olson: In a couple of years it will!

Senator Thériault: I can assure the honourable Leader of the Government in the Senate that by the time the next election is called, knowing the Liberal Party as I do, the Liberal Party will have a cause and the Canadian people will decide on who will govern, but, for God's sake, between now and then I suggest that those elected to govern set their minds on governing and do the things that the people of this country expect them to do.

Senator Flynn: Nice try!

Senator Thériault: Having said that, honourable senators, I want to ask the Leader of the Government in the Senate—

[*Translation*]

Do you have anything to contribute, Senator Flynn?

Senator Flynn: You want to teach us a lesson? What a good professor you are!

Senator Thériault: The contribution—

Senator Flynn: That is very bright—

Senator Thériault: I did not understand, but even if that were understood, it is nothing.

Hon. Royce Frith (Deputy Leader of the Opposition): This is the right time to teach them a lesson.

[*English*]

Senator Thériault: I want to ask the Leader of the Government in the Senate the following question, and I have asked it before. Week after week and month after month the people of New Brunswick, in particular, and those of the Atlantic provinces generally, have been subjected to two things from their members of Parliament and from ministers of the Crown. First, that every time they open their mouths they say that they have created 640,000 jobs, and, second, that the CN shops in Moncton will not be closed. Naturally, the people in the Atlantic provinces have tried to find those jobs, but have seen no signs of them.

The CN shops located in Moncton are an institution in New Brunswick. They employ some people living in New Brunswick and some people living in Nova Scotia. Week after week we have heard rumours that those shops will be closed. A minister from the provincial government or a minister from the federal government will deny those rumours. A couple of weeks ago the Minister of Transport for the province of New Brunswick said that he was assured by the federal Minister of Transport that the shops would not be closed, yet just last week CN made an announcement that over the next couple of months 100-odd people will lose their jobs in the Atlantic provinces. Though that is not a large number in terms of Montreal or Toronto, 66 people from New Brunswick will lose their jobs,

20 from Edmundston, 10 from Campbellton, 10 from Bathurst, 13 from Newcastle and 13 from Moncton. I have been asked by those people whether this is the beginning of the end.

Are CN and VIA, week after week, month after month, cutting back services to the point that eventually they will be able to say that there is no need for those shops in Moncton? Will those services now being provided in Moncton be provided in Montreal, Toronto, Winnipeg or at some other location?

The people in New Brunswick are worried about this. The New Brunswick Legislature will debate this issue soon. The debate has been delayed because of the illness of the Premier. The people on the street talk about nothing else. This means 1,000 jobs, jobs that have been available to the citizens of New Brunswick since Confederation, will be lost. There were 1,200 jobs three or four years ago; 1,100 jobs two years ago; 900 jobs today, and that figure will be reduced in the future. When will the government, the Minister of Transport or the Leader of the Government in the Senate be able to tell us the real story behind these layoffs?

Hon. Duff Roblin (Leader of the Government): I think I should be allowed to make a comment about the necessity of the government to govern. You are darn right we are going to govern! My friend and his colleagues opposite can criticize us as much as they wish, that is their job, and we have no complaints about that, but we are going to govern. We need no urging from my honourable friend to carry out our responsibility. I want him to carry out his responsibility, because one of these days, like it or not, he and his colleagues are going to have to come clean as to where they stand on many issues which, up to now, they have been able to avoid doing. That is my opinion and it is one not shared by everyone in the Senate.

With respect to the question, the first thing one must remember is that Canadian National Railways is a crown corporation and has a mandate to run its affairs in a business-like, modern, up-to-date way in order to provide the cheapest transportation possible to the people who use its services. That is a fact. These days we are seeing changes in technology and changes in methods, which means we have to rethink our way through the transportation system of the country. This is being seen on every side, not just on the side of Canadian National Railways. That can be seen in Air Canada, in Canadian Pacific Railways and in every trucking company in the country. There is a rationalization going on of the transportation system of the nation, and that has to be a good thing, because, ultimately, it means we will be more efficient, we will get more for our money and our people will benefit from that.

• (1540)

So, we can't stop that, but we can look at the fate of the people who are affected by these moves; and it is here that I think government has a responsibility to see what it can do to soften the blow. That is a hard thing to do, but that is what our policy is.

In respect of the situation my friend talks of, according to the information that has been given to me there are some 4,037 persons in the CN work force in Moncton. However, he gave another figure just now in the region of one thousand.

Senator Thériault: I mean in the CN shops.

Senator Roblin: Well, I am just taking the whole of the CN work force in Moncton and the figure is 4,037. Of these—

Senator Thériault: You had better check on those figures.

Senator Roblin: Well, I will; I may be wrong. But, they have been handed to me because I knew very well that someone was likely to ask me about this, so I got the figure. If I am wrong, I will correct it, but that is the figure I have.

Senator Frith: Good work.

Senator Roblin: The staff reduction is 15. So, that leaves 4,022 left. Well, what about the 15? They have to be considered.

There are union rules and there are policy rules of Canadian National that will deal with their situation in respect of seniority, in respect to early retirement and in respect of the CN employment security protection policies that they follow.

I do not pretend that that is going to ease all the hurt—there is always somebody who gets caught in these things, and that has to be a matter of regret—but I would not like my friend to think that we are dealing with this matter in a thoughtless and heartless way. The railway, I am convinced, is doing its best to be reasonable in rationalizing its work force. This is going on not only in Moncton but it is going on across the whole country. Canadian National is doing its best through seniority, early retirement, relocation and other measures that they have to minimize the impact on the people concerned so at least they will have some consideration.

There is a 90-day process, I think, during which the employees have time to consider how they want to react—these 15 who I am concerned about in Moncton. So you cannot tell how many of those will ultimately work less. Let us hope that we can arrange that most of them are taken care of in one way or another.

I do not object to my honourable friend's questioning me about this, because that is his business, that is his duty, let us say, but I want to try to convince him that the moves that are being taken are being taken in what we hope is a rational manner with as much concern for the people concerned as we can possibly manage.

Senator Thériault: Well, honourable senators, it was not quite two years ago—in July and August of 1984—that every Tory candidate in New Brunswick based most of their campaigns on job creation and they used the CNR shops in Moncton especially as an enticement. They promised—as did the current member from the city of Moncton, who won by a landslide—that jobs would be increased at the CNR shops in Moncton. Tory candidates also promised to reinstate the VIA rail service between Saint John, Halifax, and Moncton—which they did.

Senator Frith: Shame, shame!

Senator Thériault: Running for what! Because of political promises and, in the meantime, jobs are being lost.

The response of the Leader of the Government in the Senate is typical of this government. He goes on to say that this means only 15 jobs. It is 15 jobs this time; it was 25 jobs three weeks ago; it was 80 jobs six months ago; it was 100 jobs a year ago, and if the people of New Brunswick knew that that was the end it would not be so bad. That is what we want to know: Where do we stand? Is this the beginning of the end?

Can you not imagine the anguish of those people and their families not knowing what week, or what day of next week, they are going to be notified that their jobs are at stake? Because we know that someone has invited General Electric to go down and tour the shops; they did that twice. Is CN going to sell the jobs to General Electric with a grant from the government so that General Electric can close the shops two years down the road?

Transportation is one of the things on which this country was built. It is one of the reasons that the Atlantic provinces are part of this country. But we are being cut adrift by this government less than two years after they were elected with promises which went as far as the Prime Minister, then the Leader of the Opposition, inviting everybody from the Miramichi to come to 24 Sussex Drive to have a swim. That is how far you went with promises. You promised everybody jobs, and now we cannot get answers. It it not 15 jobs—

Senator Roblin: It is people.

Senator Thériault: —it is the anguish, the concerns of thousands of people and their families in New Brunswick, which are at stake. Can't we get an answer?

Senator Roblin: I might as well give my honourable friend the whole story here. It is not just the 15 people in Moncton that are affected, there are 306 people in the whole nation out of some 35,000 employees from the CN.

Now if you look at it in proportion, you will see that while you might not like these changes they do not amount to the gut-wrenching situation that my friend is afraid of. I don't think they are. One per cent of the total working population of this railway is affected.

Now he says to me: Where are we going? Well, I am not gifted with second sight; I do not know where we are going. I do know that the railway has informed me that the situation is stabilized at this particular point for the year 1986—which is almost half through. What will happen after that, I don't know.

I am quite positive—and I will say it—that there will be change. We live in a changing world and we cannot hang on to things as they were when changes come along. What we are trying to do is to find alternative employment for people. One of the ways we hope to do so is by the trade talks that everyone is slating me for here in this house. That won't come easy and it won't come soon, but it is a goal that we must strive for. We cannot keep jobs and save the economy by maintaining the *status quo* in any one industry, and we cannot keep it by refusing to face up to our international competitive position and our trading relationship with the United States.

It is a foolish policy to think that you can hang on to things as they are, because you cannot do it. You may be able to do it for a while, but the great world changes all around you, and sooner or later they compel you to come to terms with them.

I want to tell my friend that I do not think that there will be any more changes this year in Moncton. There certainly may be changes after that, and if there are he will certainly be telling me about it. I know that. But the railway is trying to act in a humane manner. It is trying to make sure that if people are unemployed, something helpful is done about it for them; and I think that is the way that it ought to be, and we are going to do our best.

Senator Thériault: Honourable senators, the Leader of the Government in the Senate just made a very serious statement. I hope I misunderstood him, or that he made an error. He said that there were going to be 306 people, I think he said, laid off.

Senator Simard: He said 330.

Senator Thériault: Is it 330 across the country?

Senator Roblin: That's right.

Senator Thériault: Out of a work force of 35,000?

Senator Roblin: That's right.

Senator Thériault: Do you know that there are 106 of those in the Atlantic provinces? About 30 per cent of those layoffs of 300 are in the Atlantic provinces. So, what do you say? We are 10 per cent of the population. We have an employment rate of 20 per cent and layoffs are happening to the tune of 300 in the country, and 100 and some of those are in the Atlantic provinces. That is what people are concerned about; that is what the country is concerned about.

If the honourable Leader of the Government is sincere about what he says concerning the fact that we cannot stay with the *status quo*, I agree, and that is what we were trying to do and tell the people in 1984. But it is you people who came along and said, "We will create more jobs, and these jobs will stay here, and we will improve the number of jobs in Moncton at the CN shops." That is what was said. Ask your colleague from the House of Commons from the area. He does not dare go home any more.

● (1550)

The Leader of the Government has just said that there will be no further announcement in this regard in 1986, and I am glad to hear that, because it is my understanding that a study is ongoing and a report should be in the hands of the Minister of Transport within the next month or so. According to the Minister of Transport, the life of the shops depends on the findings in that report.

Can I go back to Moncton on the weekend and tell people there that in 1986 nothing more will happen regarding these shops? Is that what the honourable leader has just stated?

Senator Roblin: That is exactly what I stated and, to the best of my knowledge, that is correct. I think to rush around

saying that the Moncton shops are on the brink of elimination is not doing any service to anyone, because I do not think it is true.

Senator Thériault: That is what people were saying in 1984. At that time people were told that the process would stop and they believed what they were told. Now it is happening faster than ever, and that is why this government has no credibility left in the Atlantic provinces.

Senator Roblin: We have a policy of trying to improve employment opportunities in this country, not just in the Canadian National Railways but everywhere. We are working on that and we have had good success.

Senator Thériault: Where?

Senator Roblin: There are some hundreds of thousands of people employed now who were unemployed before.

Senator Balfour: Six hundred thousand.

Senator Roblin: Six hundred thousand plus.

Senator Thériault: Where?

Senator Roblin: My friend can belittle that all he likes.

Senator Frith: In the Atlantic provinces?

Senator Roblin: That is the record and it is a good record. We have in place policies which will affect Atlantic Canada where we are trying to ensure that they get their fair share. We know the situation is tough in that area. We know there are economic difficulties in the Atlantic provinces which militate against them as compared to central Canada. Don't I know that, coming from where I come from? Don't I know that the government is trying its best to see that the balance is made more equal?

My friends knows that there are plenty of policies for which he probably is partly responsible, for all I know, which this government has carried on and enhanced with respect to that matter. We are doing our best.

Senator Thériault: Honourable senators, I cannot speak for the people of Nova Scotia and P.E.I., but, speaking for the people of my province, I know that every time those people hear the Prime Minister or a minister talking about those 640,000 jobs they cringe, because the unemployment rate is higher in that province now than it ever was.

This government came to power in 1984, and since that time there has been a record increase in the economy of Canada. In 1986, three years after the start of the economic recovery at the end of a deep worldwide recession, 600,000 jobs were created in this country, and part of that is due to the fact that during the recession people in central Canada were unable to buy cars and appliances and when they started earning some money, they could buy those things and new jobs were created.

Honourable senators, there was a parallel economic situation in Canada in the late 1960s. At that time 600,000 jobs were created in one year in this country. We had an unemployment rate of 6 per cent.

Now, honourable senators, three years after the start of economic recovery in Canada, with all the wonderful policies we have in place, we still have an unemployment rate of over 9 per cent in Canada generally and over 15 per cent in New Brunswick. People are becoming tired of hearing the government of the day talking about all the jobs they have created. It would be much better if they did less talking and created more jobs.

Senator Roblin: When my honourable friend accepts the responsibility of his party for the worst depression we have had in many years during 1961 and 1962, from which we had to pull ourselves, then I will pay attention to him.

Senator Thériault: Honourable senators, the Leader of the Government knows that was a worldwide recession.

Some Hon. Senators: Oh, oh.

Senator Flynn: It is not your fault; nothing is your fault, and we recognize that.

Senator Thériault: I believe that the people of Canada are starting to be thankful for the social policies that were put in place by the Liberal government.

Senator Frith: Hear, hear.

Senator Thériault: We were able to get through that recession without the relief camps that had to be put in place in 1935 when a Tory government was in power. Those policies sustained this country through that recession.

How much influence does the Government of Canada have over interest rates? It has none and it knows it. Every time the interest rate goes up by .25 per cent in the United States, it goes up by .50 per cent here. That situation has not changed one bit since 1984. This government has done nothing to help the country out of the recession. The people of the Atlantic provinces are worse off today than they have ever been over the last 15 years.

Senator Flynn: That's enough.

Senator Roblin: This is a fine example of how not to use Question Period. If my honourable friend wants to debate this issue, he knows how to do it, but he wants to do it in Question Period.

I make a promise—and I may live to regret it—that I am not going to answer any more questions from him today, because they are not questions, they are speeches.

Senator Thériault: Honourable senators, I ask my colleagues on both sides of this house to be the judges of who started the debate. I asked a question, the leader responded with a speech and I followed on.

Senator Flynn: Blah, blah, blah.

Senator Roblin: My honourable friend has never asked a question which did not have as its preamble a speech.

Senator Thériault: The Leader of the Government in the Senate very seldom answers any question, but he makes a lot of speeches.

Senator Roblin: I will continue to do so if I have to put my honourable friend right on the facts.

CAPE BRETON—UNEMPLOYMENT RATE

Hon. B. Alasdair Graham: Honourable senators, I have a simple question for the Leader of the Government in the Senate because he made the assertion—

Senator Flynn: Do you want to correct the situation?

Senator Graham: —that the Liberal government was responsible for a recession in 1961-62. Mention has been made of the creation of 600,000 jobs by this government since it came to office in 1984.

I happen to come from a region of Canada which, we hope, will benefit in the future from policies of this government, policies of another government which will come to office in a couple of years from now and, indeed, policies of past Liberal governments.

I want to ask a simple question of the Leader of the Government: Is he aware that the present rate of unemployment on Cape Breton Island is 26 per cent and that when this government came to office the rate of unemployment in that area was 14 per cent?

Senator Roblin: I am aware that the rate of unemployment in Cape Breton is very unsatisfactory, although I do not know what the percentage is. I am quite prepared to believe that it is something we should not be prepared to tolerate. That is why this government has put into place a lot of new policies and programs which it hopes will help the people of Cape Breton, and I know my honourable friend supports that.

[*Translation*]

INSURANCE

BANKRUPTCY OF NORTHUMBERLAND GENERAL INSURANCE COMPANY—COMPENSATION OF INSURED VICTIMS—REQUEST FOR STUDY BY BANKING, TRADE AND COMMERCE COMMITTEE

Hon. Léopold Langlois: Honourable senators, I have a few supplementary questions for the Leader of the Government in the Senate with respect to the answers he provided yesterday to the questions I raised a few weeks ago concerning the bankruptcy of the Northumberland General Insurance Company.

My first question is: Will the Leader of the Government in the Senate tell this house whether the Minister of Finance or the Superintendent of Insurance did inform the insurance brokers doing business with that company about the precarious situation it was in? According to the answer I received yesterday from the Leader of the Government, the department was aware of the situation as early as 1983, that is two years before Northumberland went bankrupt.

My second question is: Is the Minister of State (Finance), with the legislation expected to be announced soon, as suggested yesterday by the Leader of the Government in the Senate, going to strengthen financial requirements for insurance companies, to better protect policy holders? Does the Minister intend to compensate the victims of the Northumberland bankruptcy, that is the policy holders who lost their property in fires or other accidents covered by their policies?

Third, when first asked my question, the Leader of the Government gave me the impression he was supporting my suggestion that the Northumberland General Insurance bankruptcy, and indeed the whole matter of insurance in general, be referred to the Senate Committee on Banking, Trade and Commerce for study. The government leader even suggested I should send a copy of my information to the chairman of that committee, Senator Murray, which I did.

I would like to know, in Senator Murray's absence whether the Honourable Leader of the Government had an opportunity to discuss my suggestion with the chairman of that committee, and whether we can expect in the near future that the Committee on Banking, Trade and Commerce will be looking into that very serious problem?

• (1600)

[*English*]

Hon. Duff Roblin (Leader of the Government): With respect to the first question, I will have to ask my colleague, the Minister of Finance or the Minister of State for Finance, if the information my friend seeks is available. With respect to the contents of the coming bill, my friend will have to wait until the bill is tabled. I really cannot get into that while the bill is not before Parliament.

With respect to the committee, I believe that the chairman of the committee was in the house when the original exchange took place between my friend and me. Was he not present? Well, it is really something that my friend should take up with the chairman of the committee, because the committee is the master of its own agenda. I cannot take the liberty of telling it what to do; the committee members will decide for themselves. I think my friend should take that up directly with the committee.

Senator Langlois: When I originally mentioned this matter, the chairman of the committee was not in his seat, but I sent to his office a copy of the information that I had passed to this house on that day. I have received no comment from him since.

Senator Roblin: I am sure that he did not intend to ignore my friend, because he is a pretty zealous committee chairman. I am sure that if Senator Langlois gave him a ring on the phone when he returns—he is travelling with one of the committees—he will deal with the matter.

EMPLOYMENT

LAYOFFS AT MONCTON CN SHOPS—GOVERNMENT POLICY

Hon. Charles McElman: Honourable senators, I ask the Leader of the Government in the Senate to do what I believe he suggested he would do; that is, to check on the figures that he has been given with respect to the CNR employment in what I assume to be the greater Moncton area. It may well be

that there are some 4,000 employees, because there is a large office staff there, but a reduction of 15 I find rather strange.

Two years ago there were approximately 1,200 employees at the CN shops, and I believe this is the area that Senator Thériault has quite properly been trying to zero in on. As of a month ago there were 950 jobs at the CN shops. That is a reduction of 250.

At the same time, could the government leader ask his colleagues—and I put this question sincerely—where is the logic of the government in putting scores of millions of dollars into my province and into other of the Atlantic provinces through grants to private enterprise to try to encourage development while, at the same time, permitting an agency owned by the Government of Canada to institute that awful process of gradualism that has crept into our society? The way to defeat any purpose is to go at it gradually, as the CNR is doing in my province. We lose a few jobs here, a few jobs there; we are getting it in the neck every six weeks and it is gradualism of the worst kind.

We had assurances from the honourable Minister of Transport that all of this would be held in place until a policy was decided upon, yet it goes on and on and on. Senator Thériault and I have been trying to convey the fact that the people of Moncton are living in terror. I am speaking not only of the families of the employees but also of the business community of Moncton. This is the lifeblood of a major city of the maritime provinces.

This government, the same as the previous government, puts scores of millions of dollars into the maritimes to preserve and encourage new jobs and new industry, yet permits an agency of the government to destroy jobs.

I will give just one more example and then I will sit down. In recent weeks employees in the city of Moncton who now have jobs have been interviewed by CNR officials, who ask them if they will move to Montreal or Winnipeg to do similar jobs to those they are now doing in Moncton. That is not waiting for a policy to develop. In the interests of those people—and there are thousands involved, when we take into account the families—would the government leader, in God's name, ask the CNR to stop until a policy has been decided upon, as was promised by the minister?

Hon. Duff Roblin (Leader of the Government): I understand the point my friend is making. I will tell him that the CN work force in Moncton is given to me as 4,037. It is my assumption that that figure includes everybody, not only those employed in the shops, and I believe that figure is correct. If one is talking about the shops only, the figure will be different because these other people are doing other things.

Senator McElman: I understood the government leader to say that there has been a reduction of 15.

Senator Roblin: That is right. Out of a total Canadian National work force of 4,037, the reduction at this particular moment on this particular issue is 15. I realize that it is not the first move of this kind that has been taken and I do know that it has been going on over a period of time. I wish I could tell my friend that it would stop, but I do not know that it will stop.

I know that technology does not stop and I know that the necessity of getting the railway into the most efficient position is a continuing pressure. Because it is owned by the government, it is subject to political comment in a way to which other enterprises perhaps would not be subject, and that has been going on for some time, too. While I have every sympathy with my friend, I have to warn him that the world moves on and there are problems.

He has asked me whether I can get anything from the minister that would give to the people of Moncton an assurance they do not already have. I will do my best, but I do not know that what I will get will be satisfactory. In any event, I will try.

THE SENATE

FORM OF QUESTION PERIOD—SUGGESTED REFERRAL TO RULES COMMITTEE

Hon. Douglas D. Everett: Honourable senators, I rise on a point on which I think I am out of order, but we have now spent an hour and 20 minutes on Question Period. The bulk of that time has been spent in debate, and I think both sides of the house have been guilty of misusing the Question Period. Would the Leader of the Government and the Deputy Leader of the Opposition consider a reference to the Rules Committee to see if there is some way of resolving this issue of Question Period so that we can operate under some definite rules as to what sorts of questions are allowed, what sort of debate may or may not take place and even what length Question Period ought to be?

I really think that Question Period is getting to the point where it is ridiculous. It is now a free-wheeling debate that totally derogates against the rules of this chamber. I think that we should correct this situation before it harms seriously the operations of this house. I feel somewhat sorry for senators who are prepared to speak and have to wait while Question Period rolls on and on and on, and while debate takes place in a forum where, so far as I know, debate should not take place.

Could the Leader of the Government and the Deputy Leader of the Opposition consider getting together to see whether a reference could be made to the Rules Committee to consider these matters that I have raised?

• (1610)

Hon. Duff Roblin (Leader of the Government): Honourable senators, from my standpoint that is the most constructive observation that I have heard in this house for a long time, and if any senator wishes to propose that the matter be referred to the Standing Rules and Orders Committee, to bring some sense, order and propriety into the way in which we conduct this Question Period, I for one will be glad to support it. I am positive that we can come to a better way of doing things than what we have now, and I thank my friend for raising it. I support it.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, the Standing Rules and Orders Committee is one of two committees that we have that are entitled to initiate matters, studies and reforms on their own initiative without reference from the Senate. I certainly understand the concern that Senator Everett has expressed today. As a member of that committee, of which he is also a member, if he wishes to suggest that the committee initiates such a study, which it is entitled to do—it would save our putting anything on the order paper here—I know that I will support him and that other members of the committee will support him.

Hon. Jacques Flynn: Honourable senators, the chairman of the committee is here and he can certainly tell us if his committee is ready to do that.

Senator Everett: Honourable senators, in light of the unanimity shown by the Leader of the Government and the Deputy Leader of the Opposition, I ask the Chairman of the Standing Rules and Orders Committee whether he would consider such an examination and report to the Senate.

Hon. Gildas L. Molgat: Honourable senators, I have listened to the Question Period today and for many days previously—both, I might say, before the change of government and since the change of government. I believe it might be a useful matter for the committee to review, and I will certainly bring the matter before the committee. Those members who are present in the chamber today will have heard the debate, and I will see to it that copies go to those members of the committee who are not here. At our next meeting we will see if the matter can be studied.

Senator Flynn: The honourable senator could send copies of the proceedings of yesterday and those of Tuesday of last week. He would then have an excellent example of how not to proceed with Question Period.

Senator Frith: Everyone will have their pet peeves.

EMPLOYMENT

LONDON, ONTARIO—STATUS OF CN COMPUTER EXPRESS TERMINAL

Hon. Charles Turner: Honourable senators, I have a question for the Leader of the Government regarding London, Ontario. It was announced last week that approximately 75 jobs would be lost in that city. In the spring of 1984, Dr. LeClair, chairman of the board of CNR, met with the city controllers and the mayor. I attended that meeting, and at that time he suggested that there would be a commitment by CNR to build a computer express terminal in the city of London, Ontario, which would create approximately 50 jobs. With the recent sale of En Route Express, will that commitment be maintained, or will those jobs be lost, as well as the 75 that were announced last week? Can the Leader of the Government provide me with any information?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I am not certain whether I have any information before me that would enable me to answer the question immediately. After casting my eye over the very extensive notes that I have been given, I cannot see this point mentioned. I will have to take the question as notice.

[Senator Roblin.]

Senator Turner: Honourable senators, as the Leader of the Government knows, seniority governs on all railways in Canada; so if workers are transferred from Moncton or Montreal to various districts in Canada, no matter where they go, sooner or later some of the younger employees in that terminal have to go out on the streets. So, it is a serious proposition. We all realize that the business is reduced, but surely to goodness they can rationalize in a far more humane manner than they are doing and have been doing for the past five or ten years on the CNR, a government-owned operation.

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have some delayed answers to questions.

TRANSPORT

NORTHUMBERLAND STRAIT FERRY—DELAY IN COMMENCEMENT OF 1986 SEASON

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 18 last by the Honourable Senator Bonnell regarding Transport—Northumberland Strait Ferry—Delay in Commencement of 1986 Season.

(*The answer follows*):

> Over the years, uncertainty has existed about the start-up of the Northumberland Ferry Service. Records indicate that since 1972, when the service commenced May 11, start-up dates have ranged from April 14 in 1981 to May 22 in 1983 due to a labour dispute.
>
> The selection of May 1 has been adopted after careful consideration of several factors including those of a budgetary nature. Any impact in instituting a sure start-up date for service May 1st is mitigated by the fact that the constitutional service between Borden and Cape Tormentine has sufficient capacity to reasonably meet all traffic requirements to the island well into May.

TERRORISM

TOKYO SUMMIT STATEMENT—GOVERNMENT POLICY RE LIBYAN NATIONALS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on May 7 last by the Honourable Senator MacEachen regarding Terrorism—Tokyo Summit Statement—Government Policy re Libyan Nationals.

(*The answer follows*):

> Canada has consistently advocated the discussion of international terrorism in the Summit context. This has occasionally been a minority view and we were pleased

that this year the Summit not only discussed the subject, but issued a strong declaration on it. The Summit "Statement on International Terrorism" is not to be seen as a victory for one or another country, but as a success for the Summit process. The Canadian Government acknowledges that it has continued to try to be in the forefront of those working for effective counter-terrorism in the Summit process. As a follow-up to the Summit, Canada is working closely with other members of the Seven in the group of officials known as terrorism "experts" to implement the several important provisions of the Statement.

As to Libya, on January 10, 1986, in response to the attacks on the airports at Rome and Vienna in December, 1985, the Prime Minister issued a statement outlining Canada's concern at Libyan support for extremists and outlining measures to limit our bilateral relations with Libya. These measures taken against Libya were concrete actions to signal that the people and Government of Canada would not condone terrorist activity. (Several other countries, including those of the European community, announced similar measures of their own just before the Tokyo Summit some months later.)

As a general principle, Canada will not take any action that weakens the measures of other countries directed towards Libya. For our part, all Libyans entering Canada are already subject to stringent security checks and visa requirements. The approximately 900 students from Libya currently studying in Canada have not presented us with any serious problems. Their fields of study are restricted to less sensitive areas.

CANADA-UNITED STATES RELATIONS

GARRISON DAM PROJECT—ENACTMENT OF DIVERSION UNIT LEGISLATION

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on May 13 last by the Honourable Senator Guay regarding Canada-United States Relations—Garrison Dam Project—Enactment of Diversion Unit Legislation.

(*The answer follows*):

On May 12, 1986, President Reagan signed into law a bill authorizing the construction of a modified Garrison Diversion Unit in North Dakota. This law was welcomed by the Canadian government and by Manitoba.

One of the purposes of the law is to "assist the United States in meeting its responsibilities under the Boundary Waters Treaty of 1901". It represents a major breakthrough for Canada as it appears to exclude irrigation using Missouri River water from the Hudson Bay basin and therefore should preclude the transfer of harmful fish and viruses to the Hudson Bay system. The law also requires municipal and industrial water systems in the Hudson Bay basin using Missouri River water to provide adequate treatment to meet the requirements of the Treaty. It also requires that the Sykeston Canal be "located, constructed, and operated" so that no violation of the Treaty would result. The Lonetree Dam and Reservoir remain authorized but cannot be built until consultations with Canada conclude the Treaty would be upheld. These provisions clearly provide a small margin of latitude in the implementation of the intent of the law and, in our view, dictate that the Government be vigilant and monitor future developments.

On May 13, 1986, in the Manitoba Legislature, the Manitoba Minister of Natural Resources, the Honourable Leonard Harapiak, in noting with great pleasure the new U.S. law, said that, while Manitoba still has some concerns about certain aspects of the project, he believed, as does the federal government, that they are technically resolvable. Federal and provincial officials are reviewing a recent U.S. Draft Supplemental Environmental Statement on Garrison and will provide comments on how the Canadian environment can be best protected.

Cooperation on this issue between the federal government and Manitoba has been extensive through the years. During the critical stages in the drafting of the new law in the U.S. there were almost daily consultations between federal and provincial officials to ensure Canadian concerns were reflected.

A copy of the U.S. law was provided to Senator Guay by the Department of External Affairs.

REQUEST FOR ANSWERS

Hon. H. A. Olson: Honourable senators, may I ask the Leader of the Government if he is going to provide an answer to, or attempt to answer, a number of questions I have been asking for months regarding the response of the government to the crisis in the oil and gas industry in western Canada? He said that it is up to the Minister of Energy, and on almost every occasion he has said that the government is holding a watching brief. I wonder if the government has finished watching and has come to a decision, because while the oil prices went down to near $10 and then back up they are again descending very rapidly; and the economic hardship that has been visited on scores of thousands of people has not stopped but is still going on. I plead for an answer so that we can give some indication of whether the government is going to make any provision to help the industry over a rough spot.

Hon. Duff Roblin (Leader of the Government): Honourable senators, the government has taken some action to help the industry over a rough spot. As my friend knows, in the last month or so there have been substantial changes in taxation and other measures that have been of some help. I am not pretending that that is the answer to the question, because it is not. We are facing a very trying situation, not only in oil but also in agriculture—both important industries in western Canada—and the demands that have been suggested as being suitable for the treasury to assume are enormous, and it is very difficult to contemplate what our proper policy would be. I have told my friend on a previous occasion that if I had

something to say about the oil business I would say it, but so far there is nothing that I can add to the matter.

Senator Olson: I am sorry to hear that, honourable senators; but I wonder how much longer the Leader of the Government expects people to sit and wait for the government to make up its mind whether or not it is going to do anything. It is not only a matter of making a great charge out of the federal treasury to assist in this. There are a whole lot of other things which my honourable friend has indicated the government is unwilling to do—the same kinds of things that there is a growing demand for in western Canada. If people have been laid off, with no prospect of being hired again at all—and in some cases unemployment insurance benefits are running out—then they are interested in whether the government intends to govern or will continue with a watching brief.

Senator Roblin: The government has the responsibility of trying to balance the various claims against the treasury with the responsibility of running a sound fiscal policy. My friend at some time should remember that in changing the NEP, for example, the government—I am not sure whether there is such a word as "forwent", but I will use it anyway—forwent several billions of dollars, if my memory is correct, in connection with revenue that it was taking from the industry; and since that time there has been a progressive decrease in the taxes that the industry has been paying. There may be more to come—I do not know—but to say that we have been doing nothing in the two years since we have been in office is quite wrong. We have done a great many things, and we simply have to do the best we can in the circumstances as we find them.

I really do not think that I am going to satisfy my honourable friend, because he is not going to be satisfied with the measures we have taken so far. If we are able to take further measures, we will let him know. He should remember that this question has been referred to the Rules and Orders Committee. The committee will look at it and we should be guided accordingly.

[*Translation*]

CANADA DEPOSIT INSURANCE CORPORATION ACT

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon. Jacques Flynn moved the second reading of Bill C-86, to amend the Canada Deposit Insurance Corporation Act.

He said: Honourable senators, this bill amends the Canada Deposit Insurance Corporation Act. As you know, the corporation has undergone great trials and been called upon to contribute handsomely in recent years, more especially as a result of the Northland Bank and the Canadian Commercial Bank failures.

Even before these two bankruptcies the government was considering the problem of revamping legislation governing financial institutions and, as you may recall, on August 23, 1985 it published a Green Paper on the Regulation of Canadian Financial Institutions. In addition, the government had already mandated a commission to examine the operations of the CDIC, and this led to the presentation of the Wyman Commission report on June 18, 1985. As you will note, these two events took place before the two western banks went bankrupt.

The Wyman report and the green paper were referred to separate committees of the House and the Senate. More particularly, the Senate Committee on Banking, Trade and Commerce tabled a report on December 11, 1985. These reports of the committees of the House and the Senate, along with the Wyman Commission report, are now under consideration by the government. Several bills will eventually be introduced to bring financial institutions regulations up to date. Specifically, there will be a bill to change the operational and financial structure of the Canada Deposit Insurance Corporation.

For the time being, we have Bill C-86, a purely temporary measure which deals only with the most pressing problems that can be dealt with at this time and covers two aspects of the Canada Deposit Insurance Corporation: the membership of the board of directors and the prospective reduction of the substantial deficits incurred and accumulated by the corporation, more recently as a result of two bank failures.

As far as the board of directors is concerned, clause 5 provides that "not more than four" appointed members will be added to the membership of the board.

Senator Frith: Does this apply to clause 5?

Senator Flynn: Paragraphs 5(1) and (2) of the act are repealed and replaced by a new section 5. However, the important thing is the addition of "not more than four" new directors, chosen from the private sector. Today, only public servants serve on the board of directors. In addition to the chairman of the corporation, there are the Governor of the Bank of Canada, the Deputy Minister of Finance, the Superintendent of Insurance and the Inspector General of Banks.

As I said before, the aim of this bill is to appoint "not more than four other members" from the private sector, who may not have a direct interest in the corporation, either by the fact that they are employed by the government or by a government agency, whether federal or provincial. This clause deals with the problem of conflicts of interest.

This concept was among the recommendations of the Senate committee and even in the Wyman report, namely to have people from the private sector in addition to the public servants I have just mentioned. That is the first aspect.

The second aspect is, as I said, reducing the corporation's accumulated deficit. This is to be achieved—and the measure will be retroactive to the month of February, 1986 and remain in effect until March 31, 1987—by tripling the institutions' premiums. In other words, this measure will multiply by three the contributions paid by the companies that are insured—the member institutions. The premium will be raised from 1/30th of 1 per cent of total deposits to 1/10th of 1 per cent of the aggregate of the amounts deposited with each financial institution.

Of course this does not do a great deal, for the time being. Although it reduces the deficit, eventually we will have to find a formula that will allow the corporation to operate without having recourse to public funds, without having to ask for a contribution from the government. The problem will be solved by legislation that will substantially restructure both the operations and the funding of this crown corporation.

Honourable senators, once again, the bill is essentially a temporary measure that is not overly complex. It deals with part of the problems but many others remain.

For the time being, Parliament is being asked to at least make this modest contribution.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, may I put a question to the bill's sponsor?

Senator Flynn: Of course.

Senator Frith: Am I right in believing that the contributions or payments made to the western banks were the main cause of the present deficit?

Senator Flynn: That is my understanding, but I want to be very careful about this. Other financial institutions experienced difficulties, in fact they went bankrupt and they certainly ate into the corporation's funds before.

I have no idea to what extent the corporation may have begun to make payments to compensate for losses incurred as a result of the failure of these two western banks.

If Senator Frith wishes to have more specific information in this respect, I will get it for him. I examined the documents I was given but did not see the amount which might be related to the failure of the western banks.

On motion of Senator Frith, for Senator Godfrey, debate adjourned.

INCOME TAX ACT

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon. Jean-Maurice Simard moved the second reading of Bill C-109, to amend the Income Tax Act.

He said: Honourable senators, I am pleased to say a few words—

Hon. Senators: Hear, hear!

Senator Simard: —on Bill C-109 entitled an Act to amend the Income Tax Act.

First of all I want to say that the debate was very short in the other place, for this is not a very controversial issue. I might add that hopefully it will be given similar treatment here because the government is quite anxious to put a stop to the abuses this tax has led to.

• (1630)

[*English*]

Let me say that when the Minister of Finance announced a moratorium on the SRTC quick-flip in October 1984, and when he announced the ending of the Scientific Research Tax Credit program altogether in his budget of May 23, 1985, he was much applauded. One of the reasons was probably that the people of this country do not want the kind of abuse of the income tax system that the SRTC program allowed.

Basically, honourable senators, we are not talking about a true tax change; we are not talking about additional taxes: We are talking about a change that will reinforce the intended operation of this SRTC mechanism. The legislation is necessary not to put the relevant taxpayers through the wringer but only to give power to the minister and to Revenue Canada—and Revenue Canada is firm that they only want to be given this power to deal with abusive transactions and only those abusive transactions would be affected. However, at the same time, the amounts of money at risk represent significant sums.

Therefore, honourable senators, these amendments, as I said, do not change the intended application of the Part VIII tax as approved by this house in 1983 nor, as I already mentioned, are they the subject of any difference of opinion in this regard on either side of the house in the other place or, from what I can see, in this chamber, either.

[*Translation*]

These amendments should therefore have the support of the Senate, for they are in line with the objectives sought when Part VIII of the Income Tax Act was adopted in 1983.

[*English*]

Honourable senators, to go back to the purpose of the original legislation, let me say that Bill C-109 relates to the controversial Scientific Research Tax Credit program which was introduced by the previous government and which was designed to allow corporations to transfer the benefit of tax deductions and credits to outside investors. A special tax equal to the SRTCs sold is payable by corporations which have utilized this measure and is refundable as the corporation actually performs research and development. As we know, this tax is provided for in Part VIII of the Income Tax Act and is payable 30 days after the end of the month in which the SRTC certificates are sold. Thus, honourable senators, the intention of the Part VIII tax is to protect the government from corporations which would drain the public purse without actually doing any research and development. I am one who agrees with the purpose behind these provisions, and I am happy to be discussing it here today.

However, honourable senators, the original intention to allow and favour research and development has been undermined by recent and conflicting case law. Notwithstanding the fact that Part VIII tax is payable within 30 days after the end of the month in which an SRTC certificate is issued, a court decision has held that the tax cannot be collected as it becomes due, but, rather, may be collected only after the corporation has filed its income tax return for the year in which the SRTC certificate was issued. This could be well after the corporation's year end and, in fact, in most cases has been long after the year end of some corporations since, as we know, a corporation has six months to file its return.

[*Translation*]

Mr. Speaker, I do not need to recall the abuses this program brought about, which resulted in its being abolished in the budget tabled in May, 1985. I want, however, to remind the Senate that the transitional tax break provisions implemented following the removal of that program allowed for some scientific research tax credits until the end of 1985. I suggest it is essential that Bill C-109 be adopted very quickly, so that the Government will not be forced to reimburse taxes collected under Part VIII and which could prove difficult to collect later on.

[*English*]

As I have mentioned already, substantial losses are at stake, and on this point I would like to add that I believe that in the absence of these amendments $225 million of Part VIII tax previously collected as the result of 576 audits—mainly by legal action, seizing assets or accepting security—may have to be refunded by Revenue Canada. In addition, Revenue Canada cannot proceed with collection of 866 additional assessments now being monitored, nor can assessments be issued for approximately 100 additional SRTC designations received since the court decision.

Honourable senators, in addition, the amendments in this bill also exclude the Part VIII tax from the taxes-in-dispute legislation contained in the Income Tax Act, which measures were passed by this house not so long ago. You will remember that the taxes-in-dispute legislation was introduced as one of the first acts of the present government in order to protect taxpayers who have legitimate disputes with Revenue Canada as to the amount of regular income tax owing. However, these provisions are not appropriate, we maintain, in the case of the Part VIII tax which merely offsets credits already issued by the corporation and which credits the government is bound to honour.

Therefore, Bill C-109 ensures that corporations cannot delay the recovery of Part VIII tax by the simple act of filing a notice of objection to an assessment. However, Revenue Canada's practice is to collect Part VIII tax during the course of a corporation's taxation year only when it has reason to believe that the SRTC funds will not be expended on research and development. Accordingly, the provisions in this bill will in no way hamper the business operations of legitimate research and development performers.

Honourable senators, I would like now to say a few words on the subject of retroactivity. The amendments proposed in this bill are not retroactive but are effective for assessments made after March 28, 1986, the day on which these proposals were announced by the Minister of Finance. Nevertheless, in cases where government funds are at risk, new assessments can be issued and Part VIII taxes collected as soon as is appropriate in the circumstances.

In closing, honourable senators, in my opinion there is no need to dwell on the abuses that have been reported on this program. It is for this reason that the SRTC was discontinued in the May 1985 budget.

• (1640)

I may mention that the Auditor General at one time questioned the cost, or pointed out the cost of this program or of the old program. It had been estimated that the cost to the government would be $200 million. It has reached now, at the best estimate, $3 billion of which $500 million may not be collected if the loopholes in this program are not closed. So, it was a good program, but as the Auditor General said, it was costly, and it was open to abuse.

Nevertheless, under the transitional relief provisions, it was possible for some SRTCs to have been issued up to the end of 1985. For all of these reasons, I believe, and we believe on this side, that it is imperative that Bill C-109 be implemented quickly in order that the government not find itself in a position of having to refund taxes collected under Part VIII which may be in danger of not being subsequently collectable.

So, honourable senators, that is what I had to say on this bill, and I would be pleased with early passage and with your co-operation in passing this bill.

Hon. Senators: Hear, hear.

On motion of Senator Barrow, debate adjourned.

The Senate adjourned until tomorrow at 2 p.m.

THE SENATE

Thursday, June 5, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

[*Translation*]

VISITORS IN GALLERY

REPRESENTATIVES OF REPUBLIC OF RWANDA

The Hon. the Speaker: Honourable senators, I would like to draw your attention to the presence in our gallery of Lieutenant Colonel Bem Ndindiliyimana Augustin, Minister of Youth and the Co-operative Movement of the Republic of Rwanda, accompanied by His Excellency Nsengiyumva Joseph, Ambassador of the Republic of Rwanda.

Hon. Senators: Hear, hear.

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

THIRTY-FIRST TO FORTIETH REPORTS OF COMMITTEE PRESENTED

The Hon. the Speaker, Chairman of the Standing Committee on Internal Economy, Budgets and Administration, presented reports of the committee approving the budgets of the following committees:

31st	Standing Rules and Orders;
32nd	Fisheries;
33rd	Agriculture and Forestry;
34th	Foreign Affairs;
35th	Legal and Constitutional Affairs;
36th	Social Affairs, Science and Technology;
37th	National Defence (Special);
38th	International Relations (Special Joint);
39th	Regulations and other Statutory Instruments (Standing Joint); and
40th	Official Languages, Policy and Programs (Standing Joint).

(*For text of reports, see today's* Minutes of the Proceedings of the Senate.)

[*English*]

He said: Honourable senators, when shall these reports be taken into consideration?

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I move that these reports be taken into consideration at the next sitting of the Senate.

May I be permitted the parenthetical comment that these are the long-awaited budgets. I believe that we now have budgets for all of our committees. There are a couple of items on the order paper that have not been dealt with because we have been awaiting these reports. We would like to have a look at this situation between now and the next sitting so that next week we can approve the reports and put our committees in full funds rather than three-twelfths funds.

Motion agreed to.

CANADA-NEWFOUNDLAND ATLANTIC ACCORD IMPLEMENTATION

ENERGY AND NATURAL RESOURCES COMMITTEE AUTHORIZED TO STUDY SUBJECT MATTER OF BILL C-94

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*e*), I move:

> That the Standing Senate Committee on Energy and Natural Resources be authorized to examine the subject-matter of the Bill C-94, intituled: "An Act to implement an agreement between the Government of Canada and the Government of Newfoundland and Labrador on offshore petroleum resource management and revenue sharing and to make related and consequential amendments", in advance of the said Bill coming before the Senate or any matter relating thereto.

The Hon. the Speaker: Honourable senators, is leave granted?

Hon. Senators: Agreed.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, Senator Doody advised me that he would be making this motion and gave me a very short and persuasive reason why. Perhaps he would like to put that reason on the record.

Senator Doody: Honourable senators, last evening the Energy, Mines and Resources Committee met to study the subject matter of Bill C-92 which deals with amendments to the Oil and Gas Production and Conservation Act and the repeal of the Canada Oil and Gas Act. We ascertained from the officials who were at the meeting that the bill is closely related to the content of Bill C-94. It was felt that in the interests of time and efficiency the committee could study both bills at the same time and have the minister appear and explain both of them together to us as soon as possible.

Senator Olson: That was short, but not persuasive.

Senator Doody: Down, boy!

Senator Petten: I am persuaded.

Motion agreed to.

ADJOURNMENT

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*g*), I move:

> That when the Senate adjourns today, it do stand adjourned until Tuesday next, June 10, 1986, at 2 o'clock in the afternoon.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

QUESTION PERIOD

[*English*]

CUSTOMS AND EXCISE

PRIME MINISTER'S WIFE—ALLEGED NON-DECLARATION OF GIFTS

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I have a question for the Leader of the Government in the Senate relating to the Prime Minister's wife. I want to preface my remarks by saying that I count myself among the legion of her admirers, and I hope that she will use the Senate to deal with a statement or an allegation that has been made that I just do not believe—or, if it is true, then it cannot be dishonourably so. In fact, I consider Mrs. Mulroney the only thing that helps to make bearable the existence of a Tory government.

The allegation has been made that when Mrs. Mulroney returned from a recent trip some gifts were not declared on the customs form. It is said that she received two cultured pearls, a beautiful and expensive Japanese vase, a beautiful and expensive Korean vase and a tea set. I hope that Mrs. Mulroney will use the good offices of the Leader of the Government in the Senate to explain away these allegations and convince us that they are false. In fact, I offer an answer that she might give. She might send us a little tape recording of the song (*whereupon the honourable senator crooned*):

> Take back your vase,
>
> Take back your pearls,
>
> What makes you think that I was one of those girls?

Some Hon. Senators: Hear, hear!

Senator Perrault: You have a great voice.

Hon. Duff Roblin (Leader of the Government): Honourable senators, it is clear to me that the wife of the Prime Minister needs more friends like the gentleman who has just sung. I think I shall let her answer that question herself.

CANADA-UNITED STATES RELATIONS

TRADE—IMPOSITION OF U.S. TARIFFS AND CANADIAN TARIFFS—MITIGATION OF HARMFUL EFFECTS—GOVERNMENT POLICY AND PROGRAMS

Hon. Raymond J. Perrault: Honourable senators, in all candour and charity, more and more this so-called retaliatory action against the United States appears to be a frenzy of masochism. We read in the newspaper—and I have a question!

Senator Frith: He was watching you, Jacques.

Senator Doody: You should have kept us in suspense.

Senator Perrault: I happened to see the Honourable Senator Flynn glowering across the way, and I wanted to assure him that there is a question at the end of the road.

Senator Flynn: It is always at the end of the road.

Senator Perrault: We now have the truth because of the candour we have recently come to expect from the Right Honourable Joe Clark. He said that Canadians are going to pay the cost of the new tariffs imposed on the United States. He said that Canadians will pay higher prices as a result of the federal government's decision to impose retaliatory tariffs on selected U.S. imports.

• (1410)

However, my question is this: Unknown to most Canadians is the fact that we are also retaliating against other nations in the world. Will the Leader of the Government in the Senate tell us today about the other nations which will be caught in the net of this so-called retaliatory action? In fact, honourable senators, Korea, Taiwan and Japan are also suppliers to Canada of components for computers, and they are caught in the same net. I would like the Leader of the Government in the Senate to explain to us what action has been taken by these other nations which would justify the imposition of this kind of tariff on components that Canada imports from them. Honourable senators, I have a supplementary question to follow.

Hon. Duff Roblin (Leader of the Government): I can tell my honourable friend that 91 per cent of the computer parts are sourced in the United States, and 88 per cent of the books affected are sourced in the United States also, so that indicates where the burden of these measures falls.

However, as I said the other day, we are obliged to make no exclusions because even though some of them may not come under certain aspects of GATT, nevertheless, generally speaking, there is no room for us to discriminate. Therefore these measures have been taken in the way that they have.

Senator Perrault: So are we to assume, then, that the innocent are caught with the so-called guilty in these measures that have been taken against the United States?

In view of the admission of the Right Honourable Joseph Clark that Canadians will pay these higher prices as a result of

this decision, can one assume that following this line of chop logic, the next time this happens, the government will raise income taxes in order to punish our trading partners, because all we are doing in this case—and this will endure the closest analysis—I note the Honourable Senator Flynn is laughing; perhaps he finds taxation laughable.

Senator Flynn: No, no; your reasoning is always laughable.

Senator Perrault: But as I stated yesterday, the fact is that it is yet to be demonstrated by this government what adverse effect this measure will have on the United States.

I spoke with one of our shingle producers in British Columbia this morning, honourable senators, and he said that there is an almost universal reaction from customers in the United States that they are going to go to alternative roofing products. If that is the case, how will the Americans be punished in any sense for the kind of arbitrary action which they took? We still have not had that reply, and I earnestly seek that information from the Leader of the Government in the Senate.

Senator Flynn: Which question do you want answered?

Senator Roblin: I think my friend's question was whether he could expect some action in the field of income taxes as part of our policy in this matter, and the answer is no.

Senator Perrault: It is quite logical.

Senator Roblin: I have said on a number of occasions that no one benefits from protectionism; everyone suffers, and there is no doubt about that in my mind.

Senator Perrault: Honourable senators, we have yet to hear from one government spokesman a statement that would demonstrate in any meaningful way how the Americans are going to pay for this action. Canadians are paying this extra $80 million in revenue, as we are told by the Minister of Finance. The Americans say that it will have no effect at all on their export sales to Canada. How are we putting any pressure on them at all to modify their policy if they are not suffering?

Senator Roblin: I think I have answered that question two or three times before.

[*Translation*]

Hon. Jacques Hébert: Honourable senators, I have a question for the Leader of the Government in the Senate. I am confident that he will give me a straightforward answer, either today or as soon as possible, especially as I can hardly be said to have bothered him with questions since I became a member of this chamber.

Senator Flynn: Both your appetite and your voice are in good shape again!

Senator Hébert: In fact, this is my first one!

My question is of course about a subject of particular concern to me,—no, it's not about Katimavik!—as it should be to all senators who care the least bit about the culture of Anglophones and Francophones in this country.

Like everybody else, since the "shakes and shingles" affair I have been rather embarrassed at the strongly worded exchanges between the U.S. economic giant and the poor relation that we are. But what I found not so much embarrassing as positively outrageous is that the government, with its improvised reprisal action, has decided to focus on a product that is different from ordinary products, namely, books. Despite the fact that our French and English culture must protect itself against the pervasive influence of large French-speaking or English-speaking countries, I have always defended the principle that custom tariffs should never restrict the free circulation of ideas between countries—

Senator Flynn: Question. If you want to make a speech, you should ask leave—

Senator Hébert: Yes, I heard you say that before, but since you are hardly one to respect the rules, I suggest I be allowed to abuse this one for a while—

Hon. Joseph-Philippe Guay: You don't know the difference!

Senator Hébert: Enough said. Now for my question.

Overall, the government's recent action will cost Quebecers alone $2.6 million and will make it even harder for them to have access to books that are already very expensive, and to certain periodicals imported from France. Public libraries, distributors, bookstores and above all, the Quebec consumer will suffer.

[*English*]

Can the Leader of the Government tell me why sanctions have been imposed on France, which has nothing whatsoever to do with the shingles affair, except for the fact that it happens to be a signatory to the GATT multilateral trade agreement?

My second question is this: Out of respect for the principle of allowing the free circulation of ideas among nations, and in order not to make it more costly and more difficult for English-speaking and French-speaking Canadians to have access to books, which are essential cultural tools, does the government intend to take books and magazines off the list of goods targeted for economic sanctions?

Senator Roblin: Honourable senators, I think I can at least give my friend an answer that will half please him by telling him that this new regulation does not affect literature printed in the French language.

Senator Steuart: That's even worse!

Senator Argue: The best comment is, "No comment!"

THE ECONOMY

INCREASE IN INTEREST RATES

Hon. H.A. Olson: Honourable senators, I should like to ask the Leader of the Government in the Senate, because of his long and, I presume, abiding interest in the Bank of Canada rate, whether or not it increased by one third of one per cent today.

Hon. Duff Roblin (Leader of the Government): I do not know, honourable senators. The Bank of Canada rate goes up and down on a regular basis, and one never knows where it is going to land.

Some Hon. Senators: Oh, oh.

Senator Olson: Honourable senators, that is a new admission. The Leader of the Government knows that the bank rate is announced at 2 o'clock every Thursday. When he sat on this side of the house—and he has more facilities at his disposal now—he came into the house right after 2 o'clock knowing how much it had changed. I am amazed to hear that he does not know what has happened to the interest rate today. I can give him the new rate, but I would not want that to be an official declaration—I would want that from the government. But, if it did go up by one third of one per cent today, I wonder if the—

Senator Flynn: Coming from you, how can it be official?

Senator Olson: I should have said "accurate".

Can the Leader of the Government give us the justification for increasing the bank rate today when the Bank of Canada reported that it took advantage of the relative strength of the Canadian dollar last month to pay off a large chunk, whatever that means, of the money that the government borrowed last winter to defend the dollar? What, therefore, is the justification for raising the rate today adding to the interest service costs which, no doubt, will be reflected in the rates most Canadians pay when they borrow money?

Senator Roblin: If my honourable friend reads the financial pages, he will find that for every variation in the market all kinds of people rush in with reasons, some of which are unconvincing and some of which, perhaps, might have a scintilla of truth.

I am not sure whether I am a competent enough surveyor of the market to give my honourable friend an explanation.

But what they are saying now is that it is related to recent movements in the Canadian dollar, which movements have been somewhat indecisive.

Senator Olson: What the Leader of the Government has said is nonsense. The Leader of the Government knows very well, because he used to express and articulate himself very well, that the Bank of Canada increases its rate to strengthen a weakening dollar and, indeed, for all of the consequences that we know, such as attracting money to Canada because of a higher interest rate. But it seems to me that it is simply penalizing people who are caught in floating interest rates to put that rate up when they admit that they are able to pay off past loans because the dollar is so strong.

Why doesn't the Leader of the Government show all of the expertise that he used to try to demonstrate in these international market situations and tell us why the government is doing this, because it is costing some people a lot of money that they can ill afford to pay.

● (1420)

Senator Frith: Hear, hear!

[Senator Olson.]

Senator Roblin: I think my honourable friend has demonstrated his interest in the matter.

Senator Olson: I may have demonstrated my interest, but I did not get an explanation as to why the government is supporting this kind of action, and that was the nub of the question I tried to ask.

Senator Roblin: Well, my friend knows that the Bank of Canada is the body responsible for these measures.

Senator Olson: Your friend also knows that the Bank of Canada is responsible to the government for the action that it takes.

Surely the Leader of the Government can tell us why they are increasing interest rates at the same time that the strength of the dollar relative to other international currencies is also increasing.

Senator Roblin: The Bank of Canada operates in an independent manner. If the government wishes to give instructions to the bank, as it well may do, it has to do so in writing; it has not done so on this occasion.

Senator Olson: Then the government endorses this kind of action; I guess that is how you can take it.

CANADA-UNITED STATES RELATIONS

TRADE—IMPOSITION OF U.S. TARIFFS AND CANADIAN TARIFFS—MITIGATION OF HARMFUL EFFECTS—GOVERNMENT POLICY AND PROGRAMS

[*Translation*]

Hon. Jacques Hébert: I would like to ask a belated supplementary as I may have misunderstood the answer of the Leader of the Government to my previous question. I think he said that books and periodicals from France would not be affected by the action of the government. Is this true? I am not questioning what he says. What I want to know is this: Since when has he been certain about that?

As recently as this morning at 11 o'clock, the Quebec bookselling industry was extremely worried after hearing this piece of news yesterday. I would like to know since when exactly the Leader of the Government has been sure that books and periodicals from France will not be affected by the government action?

[*Englis*]

Hon. Duff Roblin (Leader of the Government): I have received advice from the Department of Finance that that is the case, that materials, books or periodicals in the French language are not included in the measure.

Hon. D.G. Steuart: Honourable senators, I have heard what the Leader of the Government has said and I have heard what Senator Hébert has said. I find it unbelievable!

My first question is: Would books printed in English, for example, coming here from Great Britain have the duty imposed on them?

Senator Roblin: I'm afraid so.

Senator Perrault: Oh, my God!

Senator Steuart: So, are you telling me that the government has discriminated not geographically but linguistically, in that books printed in French come in here free of duty and books printed in English do not? Can you imagine what would happen if it were the other way around? Senator Hébert and every French Canadian in this place would be up in arms in their places and screaming to high heaven. What kind of reverse discrimination is this? Can you answer that question?

Senator Roblin: Any form of protectionism, in my mind, is objectionable, and this is no different from any other.

Senator Steuart: This is even more objectionable. We have two standards. If the book is printed in French there is a duty, and if it is printed in English there is no duty. Is that the truth?

Some Hon. Senators: It's the other way around.

Senator Steuart: In French there is no duty, but in English there is, is that the case?

Senator Roblin: My friend is right on that.

Senator Steuart: I would like to ask the Leader of the Government, as a non-francophone Canadian: On behalf of the Government of Canada, is he not embarrassed by this reverse discrimination? Because I am.

Senator Roblin: I am embarrassed by the whole process starting with the tariff on shakes. I think this thing should never have started. Once it starts, we get into difficulties of all kinds and this is certainly one of them.

Senator Steuart: Now it has started, you have escalated it by doing this. If you had said that all books would have a duty on them, I think it would have been bad enough, but now you say to English Canada—75 per cent of Canadians: "If you want to bring books in that are printed in English, you cannot do it unless you pay this duty." You have said to francophones that they can bring these books in without paying duty. That is pandering to a minority. That is one of the problems we have, and the Leader of the Government and I, coming from western Canada, know it. We support the idea of one Canada and the principle of no discrimination.

I fought discrimination against the French language, as did my honourable friend, and now we have discrimination against the other language, and I think that is a bloody disgrace.

Senator Roblin: The trouble is that the measure is aimed at the United States where these particular periodicals and textbooks come from. They supply 88 per cent of them. I do not like the situation any more than my honourable friend does.

Senator Steuart: I buy all kinds of books that we import from Great Britain. Now we are also discriminating against Great Britain in terms of books that are printed in English and imported into Canada.

I have great sympathy for the leader's position, so I will not pursue this.

Hon. John B. Stewart: Honourable senators, there is another aspect to this matter on which the Leader of the Government may wish to enlighten us.

As we know, Bill C-96 has attracted a good deal of criticism in university circles by reason of the fact that provincial governments will not be able to meet the financial requirements of the universities as adequately as they might if the government had not introduced Bill C-96.

As Senator Steuart has suggested, many Canadians, particularly Canadian university libraries, make purchases of books published by distinguished British presses such as Oxford, Cambridge, Donald and Nelson. The Leader of the Government has let us know that he has been informed by the Department of Finance on this matter. Is it correct that purchases by university libraries will be exempt from the duty which has recently been imposed?

Senator Roblin: It is correct to say that books which can be described as textbooks and educational material are excluded from this measure. If my friend has a definition he would like me to deal with in connection with this matter, I will try to get a more definite statement for him. Generally speaking, educational books are not included.

Hon. Douglas D. Everett: The Leader of the Government answered the question on the GATT rules indicating that we could not discriminate geographically under those rules as we are a member of GATT and are bound by those rules even though these actions are outside of the GATT rules. Does that mean that under the GATT rules we can discriminate linguistically?

Senator Roblin: I cannot answer that particular question. The point as to whether or not these have to be universal in the sense that I am using it, namely, in one language, was dealt with by the Minister of Finance yesterday, and he has stated that these matters have to be dealt with on a universal basis.

My friend asks me: Why are the French publications excluded? I will try to ascertain the answer to his question.

Senator Flynn: Does he suggest they should be included?

• (1430)

Senator Everett: No. The suggestion is that we cannot discriminate geographically. I understood that what government was trying to do was to take a rifle shot at the United States. Now, it is saying that under the GATT rules it cannot do that; the action has to be non-discriminatory. But it is also saying that we can discriminate linguistically, under the GATT rules. I think it would be worth while making an inquiry as to which aspect is correct.

Senator Steuart: Honourable senators, when the Leader of the Government is seeking that information, would he also find out whether books printed in Ukrainian, Polish or German are also discriminated against? If what he says is true, I would hope that every member of this chamber who is francophone would rise and protest in the same way I should hope that I would get up and protest if only English language materials were exempted and French language materials were dis-

criminated against. I should hope that in such a situation we would all rise in our places and be as outraged as I am now.

Some Hon. Senators: Hear, hear!

Hon. Keith Davey: Honourable senators, can the government leader tell us whether there is an expiry date set for these tariffs?

Senator Roblin: Not that I know of, honourable senators.

INCOME TAX ACT

BILL TO AMEND—SECOND READING

On the Order:

Resuming the debate on the motion of the Honourable Senator Simard, seconded by the Honourable Senator Doody, for the second reading of the Bill C-109, intituled: "An Act to amend the Income Tax Act".—(*Honourable Senator Barrow*).

Hon. A. Irvine Barrow: Honourable senators, I wish to thank Senator Simard for his very clear explanation of the purpose behind the proposed legislation covered by Bill C-109.

As he explained, it is first to enable Revenue Canada to proceed with collection procedures which the department felt it had the right to do but which were questioned. In two different court cases the decisions were evenly split; one for Revenue Canada saying that it had the right to collect Part VIII tax within 30 days after the end of the month in which the scientific research tax credit certificate is issued, and the other decision saying it may only be collected after the corporation has filed its income tax return for the year in which the SRTC certificate was issued.

If all of the SRTC projects were legitimate and had been carried out as represented, there probably would have been little difficulty in this latter procedure. However, as well intended as the program was—and it had the support of both sides of this chamber—the enormity of the abuse was apparently not foreseen. In that respect, I will quote the Deputy Minister of Finance in his response to a question concerning the lack of adequate safeguards. He said:

> In retrospect, we ought to have had tougher controls. I think that is the real issue here. We ought to have had tougher controls on the program than we anticipated and in that respect I suppose officials are responsible for not recommending to ministers who in turn recommend to Parliament that we have tougher controls.

The second basic thrust of Bill C-109 is probably warranted when one considers the apparent degree of abuse that surrounded the marketing of SRTC credits. However, it might also be viewed as a change in policy vis-à-vis the recent income tax initiative under which taxpayers have been allowed to postpone the payment of assessed taxes until the matter at issue is resolved one way or the other. As a general rule, certain 1985 amendments to sections 164 and 225.1 of the Income Tax Act promoted the theme that unless taxes could be shown by the minister to be in jeopardy of being collected a taxpayer could postpone payment until the notice of objection and appeals procedures had been completed. Clause 2 of Bill C-109 provides an exception from these new rules with respect to the tax liability that arises under Part VIII of the act on account of SRTC credits. While this may mean that certain R&D performers will be required to pay Part VIII tax or post security for such tax prior to resolution of an assessment levied against them, it does ensure that prompt collection procedures can be taken in the apparently large number of cases where no real R&D was being done. Given the SRTC problems, quick collection action appears appropriate to protect the revenue.

• (1440)

In summary, although there appears to be a slight reversal of policy here, I believe that the bill does address a real tax collection problem in a reasonable way. Accordingly, after having reflected on the contents of the bill, I do not consider that this is an issue that warrants detailed study, and I am, therefore, prepared to recommend that the bill be approved without the necessity of its being sent to committee.

Hon. Jean-Maurice Simard: Honourable senators—

The Hon. the Speaker: Honourable senators, I wish to inform honourable senators that if the Honourable Senator Simard speaks now his speech will have the effect of closing the debate on the motion for second reading of this bill.

[*Translation*]

Senator Simard: Honourable senators, I do not wish to add any other comment. Senator Barrow gave us the reasons why he was prepared to recommend to his colleagues to give third reading to this bill. I thank him for his consideration and good words. I make the same recommendation to my honourable colleagues.

[*English*]

Motion agreed to and bill read second time.

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

On motion of Senator Doody, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

The Senate adjourned until Tuesday, June 10, 1986, at 2 p.m.

THE SENATE

Tuesday, June 10, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

COMPETITION TRIBUNAL BILL

FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-91, to establish the Competition Tribunal and to amend the Combines Investigation Act and the Bank Act and other Acts in consequence thereof.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(*f*), bill placed on the Orders of the Day for second reading at the next sitting of the Senate.

[*Translation*]

POINT OF ORDER

TABLING OF DOCUMENTS IN THE SENATE IN BILINGUAL FORM IN COMPLIANCE WITH OFFICIAL LANGUAGES ACT

Hon. Eymard G. Corbin: Honourable senators, I rise on a point of order. I would like to know from the Leader of the Government in the Senate whether the documents he has just tabled are in both official languages.

[*English*]

Hon. Duff Roblin (Leader of the Government): I believe they are, honourable senators.

[*Translation*]

Senator Corbin: Honourable senators, I deliberately raise this point of order. On two occasions lately I noticed that, according to the *Minutes of the Proceedings* for June 3, correspondence was tabled in the English language only; in the *Minutes of the Proceedings* for May 27, I also noticed that a joint communique by the Minister of the Environment and the Administrator of the United States Environmental Protection Agency was tabled in the English language only.

The Official Languages Act stipulates that all documents tabled in either House be in both official languages of the country.

I am sure it is not because of lack of goodwill but rather as a result of an oversight that the Leader of the Government in the Senate has tabled documents in English only.

Nevertheless, I insist on my privileges as a senator and I ask that the Official Languages Act be fully respected so that when I want to consult these documents I do not have to ask translators to provide me with a version in my language of work.

I am asking the Leader of the Government in the Senate to table the French texts of the two documents to which I referred, as required by the Official Languages Act.

Senator Roblin: My dear colleague, I will table them with great pleasure.

[*English*]

CORRECTIONS

ANNUAL REPORT OF CORRECTIONAL INVESTIGATOR—REQUEST FOR TABLING

On tabling of documents:

Hon. Earl A. Hastings: Honourable senators, may I make an inquiry of the Leader of the Government concerning the annual report of the correctional investigator? It is long overdue and I understand that it is in the hands of the government. Perhaps the Leader of the Government might facilitate the tabling of that document.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I will be glad to look into it.

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS

REPORT OF NATIONAL FINANCE COMMITTEE ON SUBJECT MATTER OF BILL C-96 PRESENTED

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I have the honour to table the Seventeenth Report of the Standing Senate Committee on National Finance on the subject matter of Bill C-96, to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977. Senator Kelly, deputy chairman of the committee, was to have presented the report today, but he was called out of town on a personal matter and he asked me to table the report in his stead.

(*For text of report, see* Minutes of the Proceedings of the Senate.)

Hon. Royce Frith (Deputy Leader of the Opposition): Your Honour, are we going to decide when that report will be taken into consideration?

The Hon. the Speaker: I understand that it was only tabled. There was no other motion. I had expected that we would be asked to have it printed as an appendix to today's *Minutes of the Proceedings of the Senate*, but that has not been suggested.

Senator Doody: Your Honour, that is the usual form. I tabled the document as it was presented to me; but certainly it is a report that should be taken into consideration, since it is a report of a committee of the Senate. If the chamber wishes, I could rephrase the motion to suit the situation. Certainly, it is my wish and the wish of the committee, through Senator Kelly, that the subject matter be taken into consideration at the next sitting.

The Hon. the Speaker: Do I have a motion to that effect?

Senator Doody: I so move.

Senator Frith: Perhaps it should have been presented rather than tabled.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

The Hon. the Speaker: It is moved by the Honourable Senator Doody, for the Honourable Senator Kelly, seconded by the Honourable Senator Phillips, that this report be placed on the Orders of the Day for consideration at the next sitting of the Senate. Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to.

COMMITTEE OF SELECTION

FIFTH REPORT PRESENTED AND ADOPTED

Hon. Orville H. Phillips: Honourable senators, I have the honour to present the Fifth Report of the Committee of Selection respecting the appointment of senators to serve on the Standing Senate Committee on Agriculture and Forestry and the Standing Senate Committee on Fisheries:

Tuesday, June 10, 1986

The Committee of Selection has the honour to present its

FIFTH REPORT

Pursuant to Rule 66(1)(b), your Committee submits herewith the list of Senators nominated by it to serve on each of the following select committees:

COMMITTEE ON AGRICULTURE AND FORESTRY

The Honourable Senators Argue, Barootes, Bielish, Fairbairn, Hays, Le Moyne, *MacEachen (or Frith), Marchand, McGrand, *Roblin (or Doody), Sherwood, Sparrow, Steuart (Prince Albert-Duck Lake), Yuzyk. (12)

*Ex officio members.

COMMITTEE ON FISHERIES

The Honourable Senators Bielish, Bonnell, Le Moyne, *MacEachen (or Frith), Marshall, Molgat, Perrault, Petten, Phillips, Robertson, *Roblin (or Doody), Rowe, Thériault, Watt. (12)

*Ex officio members.

Respectfully submitted.

ORVILLE H. PHILLIPS
Chairman

• (1410)

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

Senator Phillips: Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*f*), I move that the report be adopted now.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to and report adopted.

QUESTION PERIOD

[*English*]

CANADA-UNITED STATES RELATIONS

TRADE—IMPOSITION OF U.S. TARIFFS AND CANADIAN TARIFFS—MITIGATION OF HARMFUL EFFECTS—GOVERNMENT POLICY AND PROGRAMS

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I have a question with respect to the tariff changes announced by the Minister of Finance on June 2. Among the items on which the tariff was increased was tea in tea bags, which had been allowed into Canada at a free rate and which had, as the minister pointed out, a GATT bound rate of 6 cents per pound. In view of the fact that the tariff increase will bear more heavily on the United Kingdom than on the United States, why did the government choose to raise that tariff item?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I will have to check the facts in this matter.

Senator MacEachen: May I ask the Leader of the Government to check whether it is true that in 1985 Canada imported more than $32 million worth of tea in tea bags from the United Kingdom, and from the United States an amount worth $5 million? Obviously, the impact of this tariff is much greater on the United Kingdom. That is why I want to find out whether those amounts are accurate and, if so, why the government would not reconsider an action which was intended to damage the United States and which is having a much greater impact on the United Kingdom. Not only is the United Kingdom affected directly through the tariff on its exports of tea to Canada, but it is further affected because a portion of the tea imported from the United States is British tea that is

re-exported from the United States. I would like some information on that point.

Senator Roblin: Honourable senators, I shall try to get some information for my friend.

Senator MacEachen: Honourable senators, may I return to the announcement of June 2 in which the Minister of Finance also announced tariff changes with respect to books and periodicals? There is an explanation with respect to the impact on the United States, but no detail is given on the periodicals to be covered. I notice that attached to the statement is a notice of ways and means, but there is no reference in that notice to books. I wonder whether that tariff change is to be included in a subsequent ways and means motion, or whether there is some other way in which that tariff change can be made without amending the Customs Tariff.

Senator Roblin: There are certain items, I believe, that do require legislation. The particulars of these items I have not seen, because I have not seen the document covering them, but I can find out.

Senator MacEachen: With respect to the importation of books, I understand that next to the United States the country most affected is again the United Kingdom. I also understand that books have entered Canada from the United Kingdom at a free rate since 1906.

I want to ask again whether the government has considered the side-swipe effect on the United Kingdom, not only with respect to the direct importations but also from the point of view that British books are re-exported from the United States into Canada. While I am on that point—and I think this has possibly been referred to here and elsewhere—is it a fact that while English books are subjected to the tariff, books in Italian and in French are admitted to the country duty free and will continue to enter duty free?

Further, I would like to ask what is the status of books published in Gaelic? Are they also subject to the new tariff? The Honourable Senator Barootes is waving his hand as if in contempt at the mention of this language. I should remind unenlightened persons such as Senator Barootes that there is a book publishing industry in the United Kingdom in this language with considerable exportation into Canada.

Therefore, I want to find out whether this tariff relates to books in English only; whether books in French and Italian are still entering duty free, and what the status is of books in Gaelic.

Senator Roblin: Yes, this matter was discussed last week in the chamber and I gave the answer at that time. I can repeat it. The measure affects books written in English only. Approximately 88 per cent of the books that are affected by this tariff come to us from the United States. However, books written in other languages, including Gaelic, belong to other headings in the tariff schedule and, therefore, are not included.

Senator MacEachen: Has any thought been given by the government to doing something in this particular field in light of the unfortunate impact of reversing the free entry of publications from the United Kingdom, which goes back to 1906?

Senator Roblin: I know of no move in that direction, but I will take my honourable friend's suggestion and work on it.

Hon. D. G. Steuart: Honourable senators, as a supplementary to that question, I asked the question last week about books in English and French, and Senator MacEachen has raised an excellent point. Books in Gaelic, in Irish, in German and in Ukrainian are also imported. This measure by the Government of Canada was a rifle shot aimed at the United States because of what they did to us with respect to shakes and shingles. Would the Leader of the Government in the Senate, when he is finding out about all these other things, find out exactly why we are exempting books in French and Italian and why we are imposing duty on books in English imported from England? If books are printed in England in the Italian and French languages, can they come into this country duty free?

Senator Roblin: My understanding is that the tariff item refers to books printed in English only.

Senator Steuart: So, this particular shot aimed at the United States is based on language and is an absolute discrimination against English as compared to all other languages. I must say I am amazed. We just had a French-Canadian senator get up and give you a bad time because something was not tabled in the French language, but I never heard him, or any other French-Canadian senator, say one word about this discrimination, and I think it is a disgrace.

Hon. Jean Le Moyne: I would like to say to Senator Steuart that I agree with the point he has made. I think it is a silly move.

Senator Steuart: Thank you very much.

• (1420)

Hon. L. Norbert Thériault: Honourable senators, I rise on a point of order. The point raised by Senator Steuart may be a good point, but I do not recall in my seven years in the Senate an English-speaking senator rising in defence of the French language in the Senate.

Senator Steuart: I remind my honourable friend that I made a speech against discrimination against the French language in Ukrainian Place and had 700 Ukrainians who wanted to hang me. I still made my speech in favour of the French language.

Hon. Eymard G. Corbin: Honourable senators, I rise on the same point of order. I think the problem lies with the fact that, like alcohol and driving, the two do not mix. Language should not be mixed with tariffs. That is the government's error.

Senator MacEachen: Honourable senators, I have just one other point. In the release issued by the Minister of Finance, he refers to the fact that certain tariff changes were applied to items that were not bound by the GATT. I have failed to determine from the press release which items on which the tariff has been increased are not bound by the GATT. Can I

get some help in finding out what these items are? The minister referred to them in the press release by stating:

> —there also is a range of other unbound products in which the trade is not large but which, if duties on them were raised, would make clear to the U.S. administration, the Congress and various interest groups, however small, that yielding to protectionist pressure is not without cost.

One is fearful that the cost, as in the case of tea, is being borne by the United Kingdom and not by the United States. I wonder whether a similar situation might apply to the unbound items in the GATT.

Senator Roblin: I agree with my honourable friend that tariff protection costs; it usually costs both the importer and the exporter. That is why we do not want tariff protection any more than we can help it. That is why we have measures in place now to try to come to some agreement with the United States in an attempt to mitigate this problem.

My friend asks what items are bound and what items are not bound. I will try to find that out for him.

THE ECONOMY

INCREASE IN INTEREST RATES

Hon. H. A. Olson: Honourable senators, on Thursday last I asked the Leader of the Government to tell us why the Bank of Canada rate was increased by, I think, 34 points—from 8.58 per cent to 8.92 per cent, if my memory serves me correctly. To say the least, the leader gave me an unsatisfactory answer.

Could the leader give us a satisfactory answer as to why the bank did that in view of the other things the bank did which were completely contrary to taking that kind of action, and also tell us whether the government supports this kind of action at this time?

Hon. Duff Roblin (Leader of the Government): My honourable friend can correct me if I am wrong, but my impression is that these rates are set by public auction of treasury bills, or some other financial documents, and that the Bank of Canada takes the rate for those as its basis and makes an adjustment of, I think, 25 basis points. That is the process by which these rates are set, as I understand it.

Senator Olson: I am not sure whether that is the process or not; I am not questioning that.

There does not seem to be any logic in raising the bank rate now when the bank stated the same day last week that it had, in fact, paid off many of the loans that it had obtained from several countries during the winter when the Canadian dollar was under siege and was weakening rather dramatically.

A few days ago the Canadian dollar was so strong—according to the Bank of Canada—that the bank acquired the foreign exchange to pay off many of the loans it had made last winter, but the consequence of changing the bank rate last week by that amount has been the root cause of some longer-term mortgage rates increasing. There are people already hurting because they pay too high an interest rate on their mortgages, and there is no reason in logic that I know of that would cause the Bank of Canada, obviously supported by the government, to raise this rate now, as the Leader of the Government said last Thursday.

I admit that the prime rate has not changed yet, but some of the other mortgage rates have, and the likelihood of the prime rate's changing because of the bank rate's going up by 34 points could have a very profound and deleterious effect on people who are on floating rates.

I would like to hear from the Leader of the Government as to what the logic is behind this. It does not make any sense as far as I can see.

Senator Roblin: The Bank of Canada uses its market judgment when it enters into transactions of this kind—it does it all the time. It has been doing it for years. I can tell my friend that the five-year mortgage rate is down to 10.5 per cent, and that is the lowest that it has been since September of 1978.

Senator Olson: I think the rates mentioned by my honourable friend are not quite up to date; they went up on Friday.

Senator Roblin: Well, they are still the lowest since 1978.

Senator Olson: Well, that does not make any difference. If they are over 10 per cent, then probably they should be around 9 per cent, or 8.5 per cent—if that is where it should be—so that we can stimulate the housing industry and relieve some of the people of Canada who have these mortgages from the exorbitant rates that they have been paying for the last few months. That is the critical point.

I see Senator Barootes over there making funny gestures at me again. I do not know what is troubling him, because I have talked to him many times and I am sure he agrees that we should get these devastating interest rates down.

Now we have the Bank of Canada going contrary to all of the economic indicators that used to motivate them, and I am asking the Leader of the Government, if he does not already know why, to try to find out why the Bank of Canada did this in the face of the other statements that they made respecting the economic indicators that were apparent to them.

Senator Roblin: Not only are mortgage rates at the lowest they have been in a very long time, I can encourage my honourable friend by telling him that housing starts are also up. They are up 27 per cent in the first part of this year as compared to the same period last year.

Senator Olson: The Tories were in last year, too, don't forget that.

Senator Roblin: Well, they were also up a good deal more than they were the year before that. The housing industry is flourishing at the present time.

Senator Olson: That is an interesting comment, but would the Leader of the Government now answer the question? The question was: What is the logic behind changing the bank rate last Thursday by 34 points, which is a very significant amount?

Senator Roblin: Well, I will ask the Governor of the Bank of Canada if he wants to give my friend an answer, and I suspect

he will. I might also ask him to explain why it has gone down in previous weeks.

Senator Olson: Well, that is easy; I already know the reason for that.

Senator Roblin: You know all of the reasons.

SCIENCE AND HUMANITIES

FUNDING FOR RESEARCH COUNCILS—IMPLEMENTATION OF BUDGET PROPOSAL

Hon. Lorna Marsden: Honourable senators, buried in the February 26 Budget Speech was an announcement by the Minister of Finance concerning funding for the three major granting councils for science and humanities research in this country.

The proposal was for a matching grant scheme from the private sector to raise funds for those granting councils which would have otherwise been given under other arrangements.

Would the Leader of the Government in the Senate please tell us if the government has decided how to implement that proposal?

Hon. Duff Roblin (Leader of the Government): My friend was good enough to let me know that she was interested in this topic, so I have what I think is hot-off-the-press information for her, namely, that a final decision on the rules has not yet been made in spite of the fact that it was advertised in the press as having been a fait accompli. That is not the case, and the government is consulting with the private sector, universities and professional groups, and will continue to do so before a final decision is made. I expect it will be made fairly soon, but it will not be made without consultation with the people I have mentioned.

Senator Marsden: Thank you. Could the Leader of the Government in the Senate tell us if that consultation will be in the form of a green paper, or is it not to be a public consultation?

Senator Roblin: I have noticed the report in the press that there would be a green paper, but I do not believe one is intended at the moment.

Senator Marsden: Can the Leader of the Government in the Senate also tell us if the meeting, which began yesterday and is taking place today in Winnipeg, of leading Canadians who are concerned with these issues is part of these consultations?

• (1430)

Senator Roblin: I am quite sure the matter will be raised today if it has not already come up at that meeting.

Senator Marsden: Finally, if I may, the private sector which is concerned with this, the universities and the granting councils, as well as, I would suggest, some officials of the government, seem very uneasy about whether or not this scheme will ever work at all.

Will the government withdraw this scheme before it is implemented if, in fact, it appears that it is not going to work?

Senator Roblin: I do not think the government will withdraw the scheme. We have a good deal of confidence that the private sector will see some advantages in this which will persuade it to continue its substantial contribution to R&D and, indeed, increase it, as the government hopes. I suspect, if we find that does not work, we will have to think of something else, but, for the time being, we think that is the correct course to follow.

CANADA POST CORPORATION

REPLACEMENT OF BOARD MEMBERS

Hon. L. Norbert Thériault: Honourable senators, my question is for the Leader of the Government in the Senate and it arises from a press release by the minister responsible for the Canada Post Corporation.

The press release states that three new appointments have been made to the board of directors of the corporation. It goes on to say that one of these people comes from Calgary and two come from Toronto. The bottom part of the press release states that the two persons whose terms have expired are Derek Oland from Dartmouth and Adélard Savoie from Moncton. The minister then goes on, in a very polite way, to thank them for their services while they were members of the board.

For the information of my colleagues, Derek Oland is known in the Atlantic provinces as one of the most progressive young businessmen in the Atlantic area. He, to my knowledge, has no political affiliations. Adélard Savoie is a well known, highly respected lawyer from the city of Moncton and is past president of the University of Moncton. However, he has committed the sin of having been a Liberal member of the legislature for a few years when he was about 21 or 22 years of age.

My point is not political; it has to do with the fact that two worthy members of the board of directors of the Canada Post Corporation from Atlantic Canada have been replaced by two members from Toronto and one from Calgary.

I ask the Leader of the Government in the Senate if he thinks his party is unable to find in the Atlantic provinces two persons who belong to the political party to which they must belong now in order to have these appointments, to replace those from the Atlantic provinces who are retiring.

Hon. Duff Roblin (Leader of the Government): I would not agree with my friend that a *sine qua non* is one's political allegiance; that is obviously not the case, because one can see instances of the appointment of people who are obviously not supporters of the present administration.

Our policy is to try to have widespread representation on the various boards and commissions operating across the country to ensure that not only is language diversity considered, but also sex as well as, in some cases, cultural background. The idea, therefore, is to have a broad distribution.

That is not to say that every board will fit that frame completely, because that is not always possible over the wide variety of government appointments, but that is what we try to do.

Senator Thériault: I should like to point out, honourable senators, that to my knowledge, from reading the names, none is francophone. Apart from that, my point is that this government has again cut the Atlantic provinces adrift. I cannot accept that no one in Atlantic Canada could be found to replace those two appointments on the board of directors of the Canada Post Corporation. I protest in the name of the people of Atlantic Canada.

Senator Roblin: Obviously, I do not agree that the government has set the Atlantic provinces adrift. I think the measures proposed in the last budget with respect to the economic welfare of the Atlantic provinces, both for Cape Breton and for the Atlantic provinces as a whole, are a very good indication of our concern.

AGRICULTURE

GRAIN—GRASSHOPPER THREAT IN PRAIRIE PROVINCES—REQUEST FOR ASSISTANCE—REQUEST FOR RESPONSE

Hon. Hazen Argue: Honourable senators, I should like to ask a question of the Leader of the Government in the Senate. Last Wednesday I raised the question of the federal government's providing 50 per cent of the cost of chemical sprays to deal with the grasshopper infestation. I had written a letter to the Honourable John Wise, and the government leader was kind enough to say that he would take up with the minister the matter dealt with in the letter. He said:

> I will attempt to get for him a speedy answer to the letter that he was written to the minister.

Is the Leader of the Government making any progress? Was he able to raise it with the Minister of Agriculture and, if so, does he have a response?

Hon. Duff Roblin (Leader of the Government): The minister is aware of my honourable friend's concern, but he is not able to give me a reply as yet.

Senator Argue: Is the Leader of the Government aware that George Price, a long-time and very effective reporter on agricultural questions for the CBC, is reported to have spoken to Mr. Wise? I understand that the minister replied to Mr. Price that this problem did not fall within the federal jurisdiction, but if provincial premiers or provincial governments were to request him to act he would be amenable to or considerate of such a request. I have paraphrased the news report, but I believe what I have said is accurate.

Can the government leader say whether or not the response of Mr. Wise is now awaiting a request from the Province of Saskatchewan and the Province of Alberta?

Senator Roblin: I was not aware of Mr. Price's report, but I will check up on it.

REGIONAL INDUSTRIAL EXPANSION

SUGGESTED APPOINTMENT AS MINISTER

Hon. M. Lorne Bonnell: Honourable senators, I would like to ask a question of the Leader of the Government in the Senate which also has to do with the Atlantic provinces.

I read in a Prince Edward Island local newspaper that there is a possibility that the government will downgrade the Department of the Environment and thereby make the Minister of the Environment a junior minister. He would, therefore, have no power to spend money and would have only an advisory role in this government. That being the case, I wonder if the Leader of the Government in the Senate would bring to the attention of cabinet my suggestion that the present Minister of the Environment be named the new Minister of DRIE.

Hon. Duff Roblin (Leader of the Government): I am sure the Minister of the Environment has the full confidence of his colleagues in his present capacity.

Senator Bonnell: Honourable senators, he may have the full confidence of most of his colleagues, but he certainly does not have the full confidence of the Deputy Prime Minister. Mr. Nielsen's report says that the position of Minister of the Environment should be downgraded.

However, we in Prince Edward Island have confidence that he is doing the best he can for us, in his present capacity, with the leadership of the government. We would like to see him take on the portfolio of DRIE and thereby help the whole of Atlantic Canada.

Senator Roblin: I understand that the other day in the House of Commons the Deputy Prime Minister denied the allegation now repeated by my friend.

EMPLOYMENT

PRINCE EDWARD ISLAND CN SHOPS

Hon. M. Lorne Bonnell: Honourable senators, I have a further question for the Leader of the Government in the Senate. I also read in the local newspaper that nothing has been done by the Minister of Transport to save the jobs of the eight people in Charlottetown and Borden employed in the maintenance shops of the CN Rail. Those jobs might not mean very much to the economy of British Columbia or Toronto, but they mean $200,000 a year to the economy of Prince Edward Island.

Would the Leader of the Government in the Senate raise those concerns with the Minister of Transport, on behalf of the honourable senator from Prince Edward Island, in an effort to hold those CNR jobs, as well as the "save-our-shops" jobs in Moncton, New Brunswick?

Hon. Duff Roblin (Leader of the Government): Last week I made a lengthy statement with respect to the future of some

jobs with the Canadian National Railway. I do not think I should repeat that statement.

THE SENATE

REFERRAL OF BILLS TO COMMITTEE BEFORE SECOND READING

● (1440)

Hon. John M. Godfrey: I have a question for the chairman of the Standing Committee on Standing Rules and Orders. As senators will recall, two weeks ago His Honour made a ruling on whether or not a bill could be referred to a committee before second reading. By reason of his ruling, it seemed to be presumed that such a referral would kill the bill. I am not so sure that that is the case, and I think at one point I suggested that we might have a clarification of the ruling from the Speaker. However, I later suggested that this is the sort of thing which really should be decided by consensus—and I must say that I thought we had reached a consensus on this matter before—and that in any event, if there is any doubt and if a certain procedure is felt to be desirable, then it should be considered by the Rules Committee, which can bring back a report and decide what to do on the merits.

I must point out that in this particular case the only bills regarding which there is difficulty in terms of their referral to committee before second reading are those bills introduced in the first instance in the Senate, because we already have a procedure whereby the subject matter of a bill can be referred to a committee even before the bill reaches the Senate, and that committee can even recommend that the bill be given second reading, as was done recently by the Banking, Trade and Commerce Committee on the Canadian Arsenals Bill.

My question to the chairman of the Rules Committee is: Will his committee consider this whole matter and come back with a recommendation to the Senate as to what we should do?

Hon. Gildas L. Molgat: Honourable senators, my reply to this request is the same as those given to previous requests along this line. I will ensure that copies of Senator Godfrey's comments are sent to the members of the committee and that the question will be put to them as to whether they wish to study this matter further.

AGRICULTURE

FARM DEBT LEGISLATION—GOVERNMENT POLICY

Hon. Hazen Argue: Honourable senators, I should like to direct another question to the Leader of the Government in the Senate. The Minister of Agriculture indicated as long ago as before Christmas of last year that the government would be introducing legislation dealing with the farm debt situation. At one point he said that such legislation would have teeth in it.

My question is: Can the government leader give any indication at all as to the program of the minister or of the government with regard to introducing what I believe to be very necessary legislation? There are still many foreclosures going on and many farmers are in great distress. I think they are looking for a positive response from the government.

Hon. Duff Roblin (Leader of the Government): Honourable senators, the minister has every hope of introducing a bill on this matter before this particular session of Parliament comes to an end.

Senator Argue: Can the minister give me any indication whether this bill would be in response to the request made by the Minister of Agriculture for Manitoba, the Honourable Bill Uruski, for federal legislation which would assist the Manitoba government in its own debt legislation? The provincial minister was talking more specifically about federal legislation that would permit a judge to consider a request for a hearing in the case of foreclosure proceedings, legislation that would give that judge the power to delay such proceedings until he received a report satisfying him that a satisfactory report had been received by a Manitoba debt review committee.

It seems to me that it is quite a minimal request for a province to ask the federal government to provide judges with some minimum power, not to write down legislation and not to change the interest rates but merely to delay proceedings in a given case until that judge has had a chance to look at all the facts.

Senator Roblin: I think we will have to wait until the bill is available before we can comment on its contents.

Senator Argue: Can I take it from that that the minister does not have any idea whether the provisions of the bill might cover this situation? I know that he cannot disclose anything at this stage, but is there a possibility that that bill can address itself to this question?

Senator Roblin: My friend knows that I cannot really forecast what will be contained in bills. We have to wait until they are produced.

NATIONAL POSTAL MUSEUM

ADVISORY COMMITTEE—ORDER FOR RETURN

Hon. Henry D. Hicks: Honourable senators, on May 1 this house adopted a motion to the effect that there be laid before it a return showing the names, addresses and dates of employment of those persons who are presently members of the Advisory Committee to the National Postal Museum. Thus far, the report has not been tabled. This is a small—some would even say trifling—matter, but more than a month has passed since the request was made and it merely requires someone in the department concerned to list the names of seven or eight people. Honourable senators, I do not like to think that this delay is indicative of the attitude of departments of government towards orders of this house.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I agree with my friend that we should do our best to get him an answer and to get it quickly. I will do my best to do that.

REQUEST FOR ANSWER

Hon. Gildas L. Molgat: Honourable senators, I have a question for the Leader of the Government. In the light of his reply to Senator Hicks, I wonder whether he could hasten a reply to a written request of mine which was tabled on April 3, 1985—that is now some 14 months ago—to which no reply has yet come forward. Could he hasten that reply?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have asked my staff to put a blitz on all outstanding questions. It is our hope that we can produce the required answers by the end of this month. I cannot promise that that is going to happen, but we have been doing our best.

CANADA-UNITED STATES RELATIONS

TRADE—IMPOSITION OF U.S. TARIFFS AND CANADIAN TARIFFS—MITIGATION OF HARMFUL EFFECTS—GOVERNMENT POLICY AND PROGRAMS

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I have one more question on the subject of the tariff measures taken by the Government of Canada. In a recent press release the Minister of Finance stated that the manufacturing clause of the U.S. Copyright Act is to expire at the end of June, at which time it would become inoperative unless extended by legislation. From the press release I draw the conclusion that if the manufacturing clause of the U.S. Copyright Act does expire at the end of June and is not extended, the Canadian government would withdraw the tariff items relating to certain books, periodicals and publications. I really want to know whether my understanding of that is correct. The minister stated:

> Should it not be extended,—

namely, the manufacturing provision of the Copyright Act,

> —we will seek other ways to ensure the integrity of our response to the U.S. action on shakes and shingles.

I conclude that if this provision is not extended at the end of June, we would withdraw our tariff items on books and publications. I should like confirmation or otherwise from the Leader of the Government on that point.

Hon. Duff Roblin (Leader of the Government): That may be the case, but I do not think that my friend should conclude that that will happen. If there is a discussion between the two governments with respect to this particular matter, it is possible that the provisions of GATT may apply. That question is open. Until we have examined all of the options that might be involved in what is a fairly complicated issue, I do not think that any change in our policy will be made known.

Senator MacEachen: The Leader of the Government suggests that I am in error. If I am, I would ask that he explain to me this statement of the government as quoted by the press release:

> Should it not be extended, we will seek other ways to ensure the integrity of our response to the U.S. action on shakes and shingles.

If I am in error, what is the meaning of that particular sentence?

Senator Roblin: I think we will have to wait until we find out what the American action is.

Senator MacEachen: Honourable senators—

Senator Roblin: How many supplementary questions does my honourable friend want?

Senator Frith: As many as are necessary.

Senator MacEachen: Honourable senators, I want to ask the Leader of the Government to return to this matter for a moment, because this does not make sense. If we do not take any action on these tariffs even if the manufacturing provision is not extended, what would we do by way of seeking "other ways to ensure the integrity of our response"? I read it as saying that if the manufacturing provision is not extended, the government would then withdraw the tariff items on the books and would seek other measures to ensure that the response to the shakes and shingles measure was maintained in its integrity.

• (1450)

I do not want to press the Leader of the Government further, but I would like him to try to clarify that matter, because I think it would be a good development if the government is saying, "We will withdraw that tariff." If we received redress by the non-extension of the manufacturing provision, that would be a good thing, because it would remove some of the contradictions that have been highlighted even in today's Question Period.

Senator Roblin: I have no objection to conveying my friend's suggestion to the Minister of Finance; but I am not sure that an announcement on policy changes can be made at the present time.

Senator MacEachen: So, I am to conclude that the last sentence, which I have now read twice, is not saying that we would withdraw the tariff provisions if the manufacturing provision is not extended? It is not saying that?

Senator Roblin: It is saying that these are matters that will be considered should certain eventualities develop. They have not yet developed.

Senator MacEachen: It does not say that at all. It says, "We shall seek other ways." In fact, it says, "We will seek"; it is not even "shall". It is an expression of determination. It says, "We will seek other ways to ensure the integrity of our response" in the event that the manufacturing provision is not extended. I believe the clear wording supports my interpretation. Perhaps here again the draftsman failed to convey the clear intent of the minister, because the Leader of the Government is saying that if that manufacturing provision is not extended, we will review the situation at that time, but that at this time we do not know, in fact, what we would do. My view is that the wording says that we would withdraw those provisions and seek other measures to take their place in order to ensure that

our response has been maintained. But I leave that to the contemplation of the Leader of the Government.

INCOME TAX ACT

BILL TO AMEND—THIRD READING

Hon. C. William Doody (Deputy Leader of the Government) moved the third reading of Bill C-109, to amend the Income Tax Act.

Motion agreed to and bill read third time and passed.

CANADA DEPOSIT INSURANCE CORPORATION ACT

BILL TO AMEND—SECOND READING—DEBATE CONTINUED

On the Order:

> Resuming the debate on the motion of the Honourable Senator Flynn, P.C., seconded by the Honourable Senator Simard, for the second reading of the Bill C-86, intituled: "An Act to amend the Canada Deposit Insurance Corporation Act".—(*Honourable Senator Godfrey*).

Hon. John M. Godfrey: Honourable senators, as Senator Flynn pointed out when opening the debate on second reading, this bill deals with two matters. One is the composition of the board of directors of the Canada Deposit Insurance Corporation, and the other is the question of raising the fees paid by the members.

With regard to the first point, it is interesting to note that the bill provides that the board of directors will consist of the person appointed as chairman, then those holding the offices of Governor of the Bank of Canada, Deputy Minister of Finance, Superintendent of Insurance and Inspector General of Banks, and four independent members appointed by the minister with the approval of the Governor in Council. The same clause says that one of the four independent members of the board cannot be a director, officer or employee of a federal institution or a provincial institution.

I am not sure what that means. It may well be that in the act—I have not yet had an opportunity to look at it—a "federal institution" is defined. If not, I would like to ask Senator Flynn what is actually meant by that provision.

The Banking, Trade and Commerce Committee brought out a report last December on deposit insurance, and recommended that the board should consist of a part-time private sector chairman, a president and chief executive officer, and three board members from the federal government, namely, the Inspector General of Banks, the Superintendent of Insurance and the Governor of the Bank of Canada. Honourable senators will note that the committee did not recommend that the Deputy Minister of Finance be a member of the board.

The committee's report then went on to recommend three board members designated by the provinces, namely, one from Ontario, one from the western provinces and one from the Atlantic provinces. There was no designation of a member from Quebec because that province has its own separate system. The report also recommended industry representatives, namely, one designated by the Canadian Bankers' Association, one designated by the Trust Companies' Association and one designated by the Credit Union Associations. It also recommended two other independent directors.

I should like an explanation from Senator Flynn as to why the recommendations of the committee were not followed, or whether this is just a temporary measure that will be reconsidered when, as he said, in due course there will be another bill brought in.

The other question dealt with in the bill is that of increasing the fees. The fees, in fact, are tripled. Senator Flynn in his speech referred to the fact that the purpose was to reduce the corporation's accumulated deficit.

The Banking, Trade and Commerce Committee held hearings on the Canada Deposit Insurance Corporation, and I would like to refer to some of the evidence given at the hearings, first by Mr. Allan Taylor, who was Chairman of the Executive Council of the Canadian Bankers' Association and also President and Chief Operating Officer of the Royal Bank of Canada, but who has since become Chairman and Chief Executive Officer of that bank. Mr. Taylor said:

> A third proposal in the Wyman Report, which the banks feel strongly about, is the deficit refinancing proposal. Although this issue has not received much attention in the House Finance Committee hearings currently taking place, we believe that this is a crucial issue which must be resolved. In this regard, we do not consider that the participants in the CDIC should be asked to shoulder any part of the deficit resulting from payments in excess of agreed insurance limits in place at the time recent insolvencies occurred.
>
> The banks recognize their liability within the terms of the CDIC Act. This includes insured deposits up to the $20,000 limit which prevailed when many of the recent insolvencies occurred, and deposits insured up to the $60,000 limit only to the extent that this limit was in place at the time of the failures. In other words, we do not accept liability for losses associated with the retroactive increase in the insurance ceiling from $20,000 to $60,000.

At the following meeting of the committee, Mr. Fullerton, Chairman, President and Chief Executive Officer of the Canadian Imperial Bank of Commerce, said:

> On a final note, we are most concerned over the corporation's existing deficits and the expected increase in that deficit arising from the demise of the Canadian Commercial Bank and, today, the Northland Bank.
>
> Over the years, we have paid into the fund on the basis of a $20,000 insurance limit. Two years ago the government increased that limit to $60,000. It did so retroactively, and then it paid uninsured depositors of failed institutions such as Crown Trust. It is not equitable to expect member institutions alone to repay the resultant deficit. We are willing, of course, to pay our full share but that

should not include those payments resulting from political decisions.

The bill is unclear as to whether or not the minister intends to make this measure retroactive. The limit has been increased from $20,000 to $60,000. It is perfectly logical that premiums should triple. It may be that there will be no retroactive effect or, indeed, perhaps that decision has not been taken at this juncture. However, I would like Senator Flynn to tell us what is intended in the bill. Is it intended to have a retroactive effect and to take care of the large deficit resulting from political decisions, and they were political decisions, made with respect to the Northland Bank and the Canadian Commercial Bank?

● (1500)

I must say that I think that the banks have a very good case here. Personally, I do not think that the measure should be retroactive. I believe that the banks got a raw deal in the case of the Canadian Commercial Bank and the Northland Bank because the government did not adhere to the spirit of the original undertaking. Originally it was believed that they would be ranked with the depositors, but through a technicality the bill did not include the chartered banks. I must say that the banks, in trying to bail out the Canadian Commercial Bank and the Northland Bank, acted in a very responsible fashion, much more so than the trust companies which, you may recall, had $39 million worth of debentures that would have been wiped out completely if there had been a failure. Yet they held the government to ransom and exacted a tribute through which they were paid the entire $39 million, which they would not have been repaid if the banks had failed. Of course, though the chartered banks came forward and tried to help, they were not repaid the money they had a right to expect if all creditors were repaid.

I would like Senator Flynn, when he closes the debate, to give us some information on this matter. Subject to that, I do not see any reason why this bill should be referred to committee. We have already considered this whole question, and, as he has pointed out, this bill is only a temporary measure. The increase in fees will only last for another year or so.

Hon. Jacques Flynn: Honourable senators, depending on whether Senator Godfrey—

The Hon. the Speaker: Honourable senators, I wish to inform you—

Senator Flynn: Your Honour, I am merely putting a question to Senator Godfrey. Would the honourable senator like answers to his questions before the bill is given second reading? If so, I shall move the adjournment of the debate until tomorrow, at which time I shall provide the answers. Then, if there is no problem, we can move third reading either tomorrow or Thursday.

Senator Godfrey: I would prefer to have the answers before the bill is given second reading.

Senator Flynn: Then, I should move the adjournment of the debate. Before doing so, perhaps Your Honour should put the question as to whether I am closing the debate by merely adjourning it.

[Senator Godfrey.]

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, in that case, I will save everybody the trouble and move the adjournment of the debate. I shall yield to Senator Flynn tomorrow.

On motion of Senator Frith, debate adjourned.

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

THIRTY-FIRST TO FORTIETH REPORTS OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the Thirty-first to Fortieth Reports of the Standing Committee on Internal Economy, Budgets and Administration presented in the Senate on June 5, 1986.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I believe it was last Thursday that I mentioned that the Committee on Internal Economy, Budgets and Administration had managed to complete its consideration of the budgets of the various committees listed in this order. Honourable senators will remember that some of the budgets had been approved by the committee but not by the Senate, and in the meantime any committee that had its budget so approved was entitled to three-twelfths of its total budget.

Since that time the committee has considered all the budgets mentioned, and we are able to recommend to the Senate that the budgets be approved, thereby putting these committees in the position to proceed with their work on the basis of the full granting of the budgets submitted, reviewed and approved by the Internal Economy Committee.

Honourable senators, I move that all these reports be adopted.

Motion agreed to and reports adopted.

THE ESTIMATES 1986-87

REPORT OF NATIONAL FINANCE COMMITTEE—ORDER STANDS

On the Order:

> Resuming the debate on the consideration of the Sixteenth Report of the Standing Senate Committee on National Finance (Main Estimates 1986-87), presented in the Senate on 28th May, 1986.—(*Honourable Senator Hicks*).

Hon. Henry D. Hicks: Honourable senators, I do not know why this order is standing in my name. I have nothing to say.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I can explain. The week before last, Senator Leblanc and Senator Kelly brought this matter forward. Before going to Washington with the Foreign Affairs Committee, Senator Hicks stopped by my desk and asked me to stand the debate in his name because he would be away the following week. That is why it stands in the name of Senator Hicks, because he asked me to do it and I did.

Senator Flynn: He has changed his mind.

Senator Hicks: Honourable senators, it looks as if I am in default. I shall have to refresh my memory. I shall come prepared to address the subject tomorrow.

Order stands.

STANDING RULES AND ORDERS

ELEVENTH REPORT OF STANDING COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the Eleventh Report of the Standing Committee on Standing Rules and Orders (Membership of Cabinet Ministers on Senate Committees), presented in the Senate on May 14, 1986.

Hon. Gildas L. Molgat: Honourable senators, I move that the report be adopted.

In doing so, I would like to thank Senator Phillips, deputy chairman of the committee, for presenting the report to the Senate some time ago. The report is really quite simple. It arose out of a request by Senator Godfrey that the committee consider whether or not cabinet ministers should be members of Senate committees. The question is really the independence of Senate committees. The feeling is that cabinet ministers may in some way influence committees and that this would not be a proper practice in the Senate. Under the present situation, there is only one cabinet minister in the Senate. He is the Leader of the Government in the Senate, so it is a slightly different circumstance. I believe that Senator Godfrey's views on the subject go back to the time when there were as many as four cabinet ministers in the Senate.

After very careful consideration, it was the view of the committee that the present practice, which is that the Leader of the Government in the Senate, who is a cabinet minister, and the Leader of the Opposition, who is not a cabinet minister but who represents the official opposition, should continue to be *ex officio* members of all committees and that we should not change that rule. It is felt to be advisable that the Senate establish as a practice that in future other cabinet ministers not be members of committees. That is the recommendation in the report.

• (1510)

Hon. Duff Roblin (Leader of the Government): Honourable senators, I just want to add a word to what has been said, because I have in mind the interests of senators who, in the unforeseeable future, might find themselves to be cabinet ministers but not leaders in this house. I think Senator Godfrey's original concern went back to the days when Senator Olson, Senator Austin, Senator Perrault and others, perhaps, were holding portfolios, and he had in mind the question as to whether or not senatorial cabinet ministers holding portfolios should be allowed to be members of a committee. I take it that it is the opinion of the committee that that should not happen in the future, and that senators holding portfolios should not be members of committees in any official sense.

However, I want to put in a caveat in favour of Senator Olson, in case he should ever be in the same position as he was formerly with respect to the cabinet, and that is, while I would not like to see him be a member of a committee for the reasons already stated, I stand up for his right to attend the committee. We know that it is the right of every senator, whether he or she is a member of a committee or not, to be there, to attend the committee, to take part in the proceedings, to speak and to have full opportunity to express himself or herself, to state policy and whatever else he or she wants to say, but not to vote. I just want it clearly understood that while I am not opposing the recommendation made to us by the committee at this time, I do stoutly maintain that we should not deprive any senatorial cabinet minister in the future of the right to attend a committee and to do all of those things that I have mentioned, although it is not necessary that such a senator should vote.

Senator Frith: Or move motions.

Senator Roblin: Yes, that is right, or move motions, although I dare say the senator concerned could get them moved if he or she really wants to.

I regard this as being not quite of the essence of our labours here in this house. While I have no objections to the motion as proposed, I defend the right of future senatorial cabinet ministers to go to committees and do the things that they are allowed to do, and I hope that that is clearly encompassed in the resolution that we have before us.

Hon. John M. Godfrey: Honourable senators, I move the adjournment of the debate because I disagree with both the report and with Senator Roblin.

On motion of Senator Godfrey, debate adjourned.

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

TWENTY-EIGHTH REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the Twenty-eighth Report of the Standing Committee on Internal Economy, Budgets and Administration (Supplementary Budget of Banking, Trade and Commerce), presented in the Senate on April 29, 1986.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, this is a supplementary budget of the Standing Senate Committee on Banking, Trade and Commerce and is included in the comments I made earlier.

I move the adoption of this report.

Motion agreed to and report adopted.

TWENTY-NINTH REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the Twenty-ninth Report of the Standing Committee on Internal Economy, Budgets and Administration (Supplementary Budget of Energy and Natural Resources), presented in the Senate on April 29, 1986.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, the same comments apply to this order. Again, in our global consideration of the budgets we considered two supplementary budgets, namely, the one that we have just dealt with and this one dealing with the Standing Senate Committee on Energy and Natural Resources.

I move the adoption of this report.

Motion agreed to and report adopted.

The Senate adjourned until tomorrow at 2 p.m.

THE SENATE

Wednesday, June 11, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

APPROPRIATION BILL No. 2, 1986-87

FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-115, for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending 31st March, 1987.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(*f*), bill placed on the Orders of the Day for second reading at the next sitting of the Senate.

BUSINESS OF THE SENATE

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I wonder if you would agree with the following suggestion. We have before us the bill on the competition tribunal and I believe that the sponsor of the bill, Senator MacDonald (Halifax), is ready to proceed with it. Senator Sinclair and I will be making interventions from this side, and perhaps other senators will also.

The committee to which it is agreed it ought to go for further study before it gets third reading—assuming it gets second reading—is the Standing Senate Committee on Banking, Trade and Commerce. That committee is sitting this afternoon at 3.30, and the minister is going to be there. Honourable senators well know that ministers have quite busy schedules and it is not always easy to get them at the snap of a finger or the drop of a hat.

So, I discussed this with Senator Doody and our suggestion to you, honourable senators, is that we deal with that bill before Question Period. Then, if we give it second reading, and if we send it to the committee, it will be there ready for the minister to discuss.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

COMPETITION TRIBUNAL BILL

SECOND READING

Leave having been given to proceed to Order No. 3:

Hon. Finlay MacDonald moved second reading of Bill C-91, to establish the Competition Tribunal and to amend the Combines Investigation Act and the Bank Act and other Acts in consequence thereof.

He said: Honourable senators, the purpose of this bill, in brief, is to maintain and encourage competition in Canada for its positive effect on the Canadian economy. This bill then provides us with the legislative framework necessary to achieve four important objectives.

The first objective is to promote the efficiency and adaptability of the Canadian economy so that it can respond to changing and varying market conditions and, in the process, create new opportunities for employment.

The second objective is to ensure that Canadian firms can compete effectively in world markets and can meet foreign competition in our own marketplace.

The third objective is to ensure that small and medium-sized companies are given a fair chance to participate in the Canadian economy.

The fourth objective is to ensure that consumers can realize the benefits of competitive prices and expanded choices of products and services.

Passage of this bill into Canadian law is important—simply because it will replace legislation that is out of date. The Combines Investigation Act has remained virtually unchanged since its introduction in 1910—76 years ago.

Existing competition law was designed to apply to a turn-of-the-century marketplace, most certainly not the marketplace of today. In those days there were only seven million Canadians and our total exports amounted to approximately $274 million. Today our exports amount to over $90 billion and our population is nearly four times what it was in 1910. Clearly, legislation that is in tune with the contemporary marketplace is long overdue and, I might add, that fact was also recognized by recent and previous governments.

This bill as it now stands is, we believe, a balanced bill. It is balanced because it is not the solitary creation of government; it is the product of a long process that has seen input from virtually every sector of our economy—big business; small business; economists; consumer groups; lawyers; academics; not to mention parliamentarians. Members of the committee and the opposition in the House of Commons all have played an active part in getting this bill to where it is today. It is largely through this process that a good balance has been achieved while addressing such a wide range of needs and concerns.

Honourable senators, Bill C-91 has come a lot further than its predecessors in terms of being written into Canadian law

and, I repeat, part of the reason for the success of this bill, no doubt, lies in the reform process built on the work of previous governments and the consultation that took place each step along the way.

I should like to turn to the specifics of the bill. First, the bill will establish the Competition Tribunal which will adjudicate non-criminal competition matters. Its membership will be comprised of judges and lay experts in the area of business, economics and public affairs. This tribunal will deal effectively with complex competition cases in addressing questions concerning the probable effects and implications of various business activities. The concept of this tribunal is based on recognition of the fact that two things have to be addressed: first, to be able to draw on relevant expertise; and, second, to do so in a process that is and appears to be fair, open and independent.

We believe that this tribunal meets both requirements. Its membership will include judges appointed from the Federal Court as well as people appointed from the world of business and economics. To ensure fairness and consistency, the tribunal will be chaired by a judge. Lay appointments will be cleared by an advisory council made up of representatives of big and small business, consumer groups, the legal community and labour. This council will ensure that lay members are impartial and have the necessary qualifications to carry out their duties.

The tribunal will adjudicate, but it will not have the powers now held by the Restrictive Trade Practices Commission to, for example, authorize searches, subpoenas and conduct inquiries of its own. On matters of law, there will be an appeal from decisions of the tribunal to the Federal Court of Appeal.

The bill also proposes a basic change in our approach to the questions of mergers and their impact on competition. This change is primarily to consider mergers as falling under the jurisdiction of civil law rather than criminal law as is the case under the present act.

It has been evident for some time that using the criminal law approach to deal with mergers is not appropriate. The principles, procedures and sanctions inherent in criminal law simply do not fit. When we are dealing with mergers and other related practices, we are concerned with day-to-day business transactions that, upon review, may or may not prove harmful to competition. We should not be attempting to put someone in jail or to levy a fine, but, rather, we should be concerned with protecting the public interest by establishing specific rules in keeping with the realities of the marketplace and then by strictly enforcing these rules. Aside from the fact that criminal law does not lend itself to an analysis of the impact of a merger, that approach has proven ineffective.

In criminal law, as I am informed, not only must you prove that a violation has taken place, but you must do so beyond a reasonable doubt. When dealing with the likely future effects of mergers, that can be a difficult task. For example, can it be confirmed beyond a reasonable doubt that a merger or an acquistion will have an entirely detrimental effect on the public? Seen in this context, it is not surprising that in three quarters of a century there has not been a single conviction in a contested merger case.

The new law takes a more effective approach by empowering the competition tribunal to prohibit, or to attach specific conditions to, mergers that are deemed likely to result in a substantial lessening of competition without bringing compensating gains in efficiency. The role of international competition in the Canadian economy will be given much greater recognition in this legislation. In 1910, when the present provisions were consolidated in the current law, Canada was protected in many ways from international competition. But today many of our industries have to face international competition both at home and abroad. With the reformed law, when it decides on the legality of a merger or an acquisition, the tribunal will also take into consideration the role of foreign competitors in the Canadian market.

The proposed act will also provide exemptions for joint ventures that clearly do not lessen competition in research and development, for example, or in natural resource exploration. These types of arrangements are particularly important to the resource sector of the economy. Most joint ventures do not lessen competition but promote efficiency by allowing firms to share the high risk associated with large capital projects. Where such arrangements do lessen competition, the law will enable the tribunal to assess their implications and to prevent them, if necessary. The new law will also require advance notice or pre-notification of mergers involving companies with assets or sales in excess of $400 million. This will enable the legislators to examine the merits or disadvantages of large mergers—those most likely to lessen competition substantially—before they are permitted to take place. That requirement, we are told, is currently found in the competition laws of other nations such as Japan, West Germany, Australia and the United States.

In essence, the merger provisions will give us a law that works, that can be enforced, that protects competition and does not handicap Canadian businesses in international trade. As an aside, we are assured that legislation affecting mergers will be promulgated immediately following Royal Assent.

This bill also contains provisions to deal effectively with the abuse of market power. As it stands now, the act can deal only with the most blatant and serious abuses of market power. The new law recognizes that in a small open economy such as ours, some firms may well achieve market dominance. Thus, it allows those firms doing a better job to continue to succeed while enabling action against firms that abuse their power and prevent or lessen fair and healthy competition. Small businesses—the sector that provides so many Canadian jobs—are particularly vulnerable to this type of behaviour. The new act will serve as an effective deterrent to these practices and will give small businesses the protection and the fair chance they deserve.

In the first place, the clauses in the bill on abuse of dominant position clearly define what constitutes anti-competitive behaviour. As well, we will have a law that can be applied more precisely, enabling us to distinguish between

market success based on superior performance as opposed to success built on unfair market muscle. No public interest is served, for instance, by preventing businesses from reducing prices and gaining a larger market share because they have found ways to keep their costs down. However, it is very much in our interest to act against dominant firms that use predatory practices to eliminate competition. For this reason, the new law invites the tribunal to consider whether the practice results from simply superior competitive performance.

Another important aspect of the new law is the way in which it deals with conspiracy designed to lessen competition. Conspiracy remains what it has always been in this country—a serious criminal offence—out the present law is simply not strong enough to deter the real conspirators. It is also so unclear in some areas that it might actually inhibit agreements that would be good for our economy.

This legislation provides penalties severe enough to deter individuals from entering into anti-competitive agreements and, at the same time, does not prevent Canadian enterprises from negotiating desirable agreements to improve their positions in world markets.

With respect to its deterrent value, the new law increases the maximum penalty for conspiracy from $1 million to $10 million, a clear message that conspiracies in restraint of trade simply will not be tolerated. Also, it clears up uncertainties about the criminal intent that is required to prove a case, and "inferred agreements"—that is, the weight that courts will give to circumstantial evidence in such matters.

• (1410)

Other important provisions concern the status of banks and crown corporations. At the moment bank agreements and mergers come under the Bank Act alone, and agent crown corporations are generally exempt from competition law altogether.

Bank mergers and agreements will now be subject to the new legislation and enforcement by the competition law authorities. Also, crown corporations which compete with private business will be subject to the provisions of the act. In order to provide that investigatory clout, the powers to issue search warrants and subpoenas will be vested in the courts. That is seen as the best way to protect individual rights under the Charter of Rights and Freedoms while, at the same time, providing the tools that are required for effective enforcement.

Finally, in response to one of the concerns which was raised in our pre-study of the bill—I believe by Senator Barrow—the bill gives regulation-making powers to the Governor in Council. The government has ensured that these regulations will be gazetted before they come into force. In other words, affected parties may submit comments before the regulations are promulgated.

Honourable senators, we need this new law to enable us to meet the complexities of the modern marketplace. We need the law to make Canadian firms more competitive both at home and abroad; and we need the law to see to it that Canadian consumers derive the fullest possible benefit from vital and healthy competition. Therefore, honourable senators, I ask that this chamber provide the necessary approval for Bill C-91.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I congratulate Senator MacDonald on his lucid presentation of the elements of this bill. At this stage we are, after all, debating the principle of the bill, and I cannot see any reason why we should not support that principle. I had the experience, before becoming a senator, of prosecuting two cases under the old legislation. I might say that they were not merger cases; so I won them, I did not lose them. I understand there have not been any convictions under the merger sections. They were, of course, prosecutions under the criminal law. The procedure at that time was that someone would file a complaint, or it would come up. The Director of Investigation and Research would look at it and then decide to open a file on it and do investigations, including finally going out and seizing documents to try to prove the case. He would then present a case to the Restrictive Trade Practices Commission and the Commission would spend a long time studying the matter. But nobody was being charged with an offence at that stage. It was an investigation by the Commission. The Commission would hold hearings and then make a report, I believe, to the Attorney General or the Minister of Justice, who would then decide whether or not he wanted to recommend prosecution—because at that stage, as Senator MacDonald has pointed out, if there were going to be a prosecution, a higher test had to be met. It would be the criminal test of guilt, namely, proof beyond a reasonable doubt.

I believe that part of the reason for putting this legislation under criminal law in the first place was the fact that there was some doubt as to whether the federal government would have jurisdiction under section 91 of the British North America Act, as it then was, to enact this legislation. Constitutionally, the support for the legislation was offered under the criminal law subsection of section 91 as the authority for the federal government to deal with what otherwise might have been considered property and civil rights under section 92, which is within the exclusive legislative jurisdiction of the provinces.

All of the points made by Senator MacDonald have been the subject of discussion over the years as areas for improvement of our system. In terms of the scope of the discussions over the last decade, this is only a part. It is one step, and I believe it to be a good step. The questions that were raised in the committee of the other place were raised by witnesses who had particular interests and expertise. There were a number of such questions, and some of them may be raised here. The consultation process has been the subject of discussion in the other place.

I have a note of some of the issues that were raised in the other place. My colleagues can decide whether or not they want to raise them in the committee, or whether or not they have been sufficiently dealt with in the other place. The merger test is new, as is the list of factors with regard to mergers. The merger efficiency defence is, I believe, very new.

It provides that any gains from a merger must be passed on to the consumers. At one time the effect on the consumers, even if it was beneficial, was not a defence, at least not in conspiracy cases. Of course, most conspiracy cases were what was called "price-fixing" cases. As Senator MacDonald has said, you had to prove a conspiracy, which was done by proving that there was agreement. Usually the accused parties did not sit down and write out an agreement saying that they would fix prices. That is why evidence with regard to prices being the same when they tendered or published new lists had to be introduced in court, and counsel would argue that without an agreement there would never have been such a similarity in prices, right down to the penny, as it was in some cases. The test at that time was whether the limitations on competition were undue, and you usually proved it was undue by illustrating the dominance, as Senator MacDonald said, that the accused had over the market and that such action would thus have the effect of "unduly" limiting competition.

Another question about this bill was the relationship with Investment Canada. There was a question about whether the $400 million pre-notification threshold is too high. In other words, whether other mergers should be included under the same jurisdiction. Questions on the appointment process to the tribunal were raised on the other side. I believe we have pre-studied this bill. Perhaps Senator Murray could confirm that.

Senator Murray: We are in the process of doing so now.

Senator Frith: Some questions were raised about the constitutionality of the tribunal in that it proposes a mixture of judicial and lay members. Some other questions raised were about third parties' standing before the tribunal and about whether the rights of appeal were too broad. The provision for a cabinet override when the tribunal blocks or dissolves a merger was the subject of some controversy, but I believe that provision remains. Mention was made both here and in the proceedings of the committee about the abuse of the dominance provisions and whether or not they are too weak. That is, whether it is too easy to get away with an abuse of dominance. Questions were raised about class actions and loss leader selling.

Those are just some of the questions that were raised. I mention them too, because it may be appropriate to raise some of them here, though the minister and our committee have probably already examined many of them.

What it all comes down to is this: This legislation constitutes an important advance. There are still many problems, because this is a complicated issue. The solutions offered in the legislation are not perfect. The best way to find out which ones require improvement is to put the legislation into effect, let it work and see how well it works. Only in that way can we find out what needs improvement. With those few comments, I support the motion for second reading.

Hon. Ian Sinclair: Honourable senators, I also want to extend to Senator MacDonald my congratulations on his exposition of this complicated legislation that has been before parliamentary committees and Parliament for a great number of years. As I listened to him, I thought, surely here is a man who is telling this chamber that he has a perfect bill. There was not a single thing that he said that indicated any doubt in his mind about the efficacy, the conciseness and every other aspect of this legislation.

● (1420)

Honourable senators, I am sure that in that respect he was wrong. This type of legislation has been an area where members of the bar have wallowed in great abandon for many years, including Senator Frith, and he never lost a case—so he said. That shows you what kind of cases he had.

Senator Frith: That is part of the skill—picking the winners.

Senator Sinclair: Let me say this, honourable senators: In a market economy, good competition legislation is an absolute essential. For many years we in Canada have not had that type of legislation. Many times people in business have appeared before committees on draft legislation and, as has been indicated, a number of bills have not been proceeded with because of substantial flaws in that legislation.

At the present time and after much consultation, I think a bill is now before us that solves a lot of the problems in the existing law. The make-up of the tribunal, which is a mixed tribunal, is unusual; it raises some difficult questions as to what happens on mixed questions of fact and law, and I agree with Senator Frith that the way to find out whether or not a law is going to work is to put it into effect and see what happens. Unquestionably, the legislation is much more flexible. Undoubtedly, that is required. The world is changing; the marketplace is changing and flexible legislation and a flexible tribunal is essential, in my opinion, for effective maintenance and enhancement of competition.

Coming down to the question of its coverage, as Senator MacDonald has indicated it now covers banks, which previously were not covered. Whether or not that is a good thing raises a question as to whether you can have more than one tribunal or one group controlling an institutional framework. There is some doubt about that, certainly on the part of some of us who have had problems due to the fact that the Competition Act legislation, in effect, did not apply to crown corporations, and to see them now covered by this legislation is a very major step forward.

Honourable senators, if there was one area that bothered me somewhat and which I think has not been fully covered, it is the whole question of market dominance. However, I do not intend to spend a lot of time discussing that, because there are so many different views as to what constitutes market dominance, and how that aspect is to be controlled for effective competition is a very difficult question. I am sure that we will be addressing this question at a later time.

I think this legislation is a good step forward and I ask honourable senators to join with me in supporting this motion.

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE

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

Hon. Finlay MacDonald: Honourable senators, as you are aware, this bill has been the subject of pre-study by the appropriate Senate committee. I believe—and Senator Murray can correct me if I am wrong—that the final witness, the minister responsible for the legislation, is scheduled to appear before the committee. Therefore, I move that the bill be referred to the Standing Senate Committee on Banking, Trade and Commerce.

Motion agreed to.

DISTINGUISHED VISITOR IN GALLERY

AMBASSADOR OF HUNGARY

The Hon. the Speaker: Honourable senators, may I draw to your attention the presence of His Excellency, Mr. Lajos Nagy, Ambassador of Hungary, who, during a courtesy visit to my chambers, mentioned that July 4 next would be the hundreth anniversary of the arrival of the first groups of Hungarian immigrants in Canada, more precisely, in what is now known as the municipality of Esterhazy, Saskatchewan.

Hon. Senators: Hear, hear!

The Hon. the Speaker: His Excellency brought with him a short history of Hungarians in Canada, and honourable senators might agree that it would be appropriate to add this text as an appendix to the *Debates of the Senate* of this day. Is it agreed, honourable senators?

Hon. Senators: Agreed.

(*For text of document, see appendix "A", p. 2593.*)

QUESTION PERIOD

[*English*]

TRANSPORT

TRAVEL TO UKRAINE—REFUND OF RESERVATION DEPOSITS—REQUEST FOR ACTION

Hon. H. A. Olson: Honourable senators, I should like to address a question to the Leader of the Government in the Senate. By way of a preamble, I should like to advise the leader that I have been contacted by a number of people who have told me that a fairly large number of people who have paid substantial deposits on trips to the Ukraine are meeting stubborn resistance on the part of travel agencies to their requests for a refund of those deposits.

In the wake of the recent nuclear disaster in that part of the world, and having regard to the daily news reports of the mounting effects of that disaster, quite naturally many of those people have grave doubts as to the wisdom of travelling to that area. Would the leader take this issue up with the Minister of Transport to determine whether or not a special arrangement can be made so that the deposits paid by those people can be returned?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I can certainly have the matter looked into. The obvious question arises as to whether the particular subject is one that is within the jurisdiction of the federal government or within the jurisdiction of the provincial governments. The question that naturally follows is: What is the nature of the contracts?

I will take the matter under advisement to see if there is anything that can be done that would be helpful.

Senator Olson: I appreciate that. If they are not already well known to the minister, I would be pleased to obtain details of certain cases so that the leader can determine what the situation is.

Senator Roblin: That would be useful.

ABORIGINAL PEOPLES

GOOSE BAY, LABRADOR—BARRING OF INUIT FROM MEETING ADDRESSED BY MINISTER OF JUSTICE—REQUEST FOR REPORT AND APOLOGY—REQUEST FOR ANSWER

Hon. Len Marchand: Honourable senators, my question is addressed to the Leader of the Government in the Senate. Last week Senator Adams and I posed questions arising from the following headline in the *Toronto Star:* "Inuit barred for not wearing jackets, ties as Crosbie woos NATO over big air base." I wonder if the Leader of the Government has any information on that issue today. I am rather anxious to hear some explanation.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have some information, but not a complete reply. I can tell my honourable friend that I have been told that the people concerned were told of this condition when they set out for this meeting. My reaction was: "Well, so what?" I was not satisfied that the matter had been properly checked into, so I have asked that further inquiries be made.

Senator Marchand: I thank the leader for that statement. I appreciate his sentiment very much. It is the same as mine. I understand and respect the rules of the officers' mess regarding proper dress code. I also have a high regard and admiration for the members of the Canadian Armed Forces and their traditions. But in this particular instance this was not a normal mess dinner. It was a highly political meeting where the leaders of the NATO countries were wooed by the Minister of Justice to establish a NATO training base at Goose Bay. I believe that the rules of the mess should have been relaxed in that instance. I was hurt, and I know that a number of other people were hurt, to read headlines of this nature. I know that my Inuit colleagues were particularly hurt to read such headlines. I hope that the Leader of the Government can obtain a report as soon as possible.

Senator Roblin: I must say that I have a great deal of sympathy with the point that is made. I will do my best.

• (1430)

GOOSE BAY, LABRADOR—PROPOSED NATO BASE—FUNDING OF INTEREST GROUPS

Hon. Len Marchand: Honourable senators, when the Leader of the Government is looking into that matter, there is another that I would draw to his attention. I refer to the report that $150,000 was to be given to the group in favour of locating the training base at Goose Bay.

I think it is equally important to fund those peoples, whoever they might be—I know in this case they are Inuit groups and Indian groups who are opposed—who have an opposing view on the question of this base. I hope that he can get me some information on this subject.

Hon. Duff Roblin (Leader of the Government): I take it my friend is asking what the distribution of this $150,000 is going to be. I will try to find out about that.

There is a good deal of interest in this base. I notice that one of the members of the House of Commons who represents the area is strongly in favour of it, so I presume there is some support for the idea.

Senator Marchand: Honourable senators, I understand that on issues like this there are pros and cons and I am not one who is always negative about these matters. I can understand the need for creating employment in that area and creating employment in all of those areas where unemployment is high. Certainly our native peoples need employment as much as anyone else, but the point I want to emphasize, though, is that a proper assessment should be made and all points of view should be considered before a final decision is made.

There are some very important environmental considerations involved here, the caribou herd, in particular, which the native peoples depend upon, and the effect that these low-flying planes, for instance, will have on the caribou herd, their calving, their migration, and so on. I hope that this aspect, as it affects the native peoples of the area, will be totally canvassed.

Senator Roblin: Honourable senators, it is the policy of the government to give the widest possible consideration to the environmental factors involved.

CANADA-UNITED STATES RELATIONS

TRADE—IMPOSITION OF U.S. TARIFFS AND CANADIAN TARIFFS—MITIGATION OF HARMFUL EFFECTS—GOVERNMENT POLICY AND PROGRAMS

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I would like to return to a subject I raised yesterday with the Leader of the Government, namely, trade relations between Canada and the United States.

Perhaps I can begin by referring to a statement which was made by the Secretary of State for External Affairs on Sunday last on the CTV program "Question Period". The minister said, referring to the recent incident on shakes and shingles:

[Senator Roblin.]

> We had also made it very clear to the Americans and I think it's now understood that we regard the action on shingles and shakes to have been a breach of the Quebec Accord and that we don't want it happening again.

We know that the tariff item on shakes and shingles was unbound. It was not negotiated under the GATT and, therefore, we could not complain or seek compensation under the GATT. I understand why the minister did not refer to the GATT, but he referred to the Quebec Accord, which, I presume, is the declaration that flowed from the Quebec Summit.

I would like to know from the Leader of the Government whether he can clarify in what respect the action of the American government broke the agreement reached at the Quebec Summit.

Hon. Duff Roblin (Leader of the Government): I have not seen my colleague's statement, but I will ask him if he can explain it further along the lines raised in the question.

Senator MacEachen: In order to assist the minister, may I ask him to confirm whether the accord was broken with respect to the commitment made by the two governments to halt protectionism in cross-border trade in goods and services.

The Prime Minister, the Minister of Finance and now the Secretary of State for External Affairs have said that the United States has broken its word. The most recent utterance by the Secretary of State was that it had broken a solemn undertaking. I want to ask whether the breach was against the following sentence of the declaration, and I quote:

> As a first step, we commit ourselves to halt protectionism in cross-border trade in goods and services.

So my precise question is: Is this the declaration which was breached, in the view of the government, by the imposition of this particular tariff?

Senator Roblin: I will ask my colleague to expand on his original statement.

Senator MacEachen: May I follow that up and ask for a further clarification, honourable senators, on a related matter? In the same interview the minister was asked what the government's attitude was with respect to a stand-still arrangement, or a cease-and-desist arrangement by which the government on each side of the border would commit itself to refrain from further trade actions.

I was surprised, I must say, to read the answer of the Secretary of State for External Affairs when he said that:

> . . . it is our considered judgment that the effect of a stand-still across the board would be more damaging, more limiting, to us; more limiting, for example, to corn producers in Ontario who want to take action against the United States than it would be to them.

I assumed that what the Quebec declaration was was a stand-still agreement, in other words, an agreement to halt all protectionist actions. When the minister is asked if the Canadian government is in favour of a stand-still, even though he accuses the United States of breaking its word, he says,

"No, because we want to take action ourselves," or, as he puts it, "there are corn producers in Ontario who want to take action." In other words, at a certain point it would be in the interests of the corn producers for the Canadian government to take protectionist action.

I would like to have some clarification on what the Quebec Summit did say. Was it a halt to protectionism? Was it a stand-still, absolute, and if it was not, why is it objectionable for the United States to take trade action and not objectionable for Canada to do so? The minister says that if we made a solemn mutual undertaking it would limit us more than it would limit the United States, and it would prevent the corn producers—in his example—from taking tariff action. So, I really would like to get some clarification on this apparent discrepancy and whether, indeed, there is an obligation to halt protectionism. If there is such an obligation, is it absolute? Or are there certain areas that are still open to both governments? That is really my question.

● (1440)

Senator Roblin: I will ask the minister what light he can throw on that general subject.

Senator MacEachen: I thank the Leader of the Government for his undertaking to ask the minister, but I hope the Leader of the Government, on his own responsibility, will undertake on behalf of the government to clarify the situation. I think it is reasonable to find out on this major matter what the policy of the government is; what it is that the United States broke; how it broke its word; how absolute is the undertaking to halt protectionism; and if it is not absolute, what are the exceptions? I thank the minister, but I want him to go further and say that he will provide some answers.

Senator Roblin: I can tell my friend that when he gets the answers he will see that they comprise the policy of the government.

Senator MacEachen: I should like to ask one further question as a follow-up to the question I asked yesterday about the Minister of Finance's statement. Specifically, I asked: What items were unbound that had been affected by the Canadian retaliatory action? The minister said that he would find out, and I wonder if he is able to tell me what items have been affected that are not bound by the GATT.

Senator Roblin: I will get that information to the house just as soon as I can, honourable senators.

Senator MacEachen: I find it rather urgent to deal with this matter because of what the Secretary of State for External Affairs said on Sunday when asked why the government chose books. Indeed, the question we are all asking is why it chose books for its retaliatory action. In this connection the Secretary of State for External Affairs said:

> We chose books because we didn't have many choices in terms of unbound tariffs and they happen to be one of them.

Can the Leader of the Government confirm that, in fact, books are unbound items?

Senator Frith: No pun intended!

Senator Roblin: Honourable senators, I have undertaken to get the answer and I will do so as soon as I can.

ENERGY

OIL AND GAS PRICING—GOVERNMENT POLICY

Hon. Dan Hays: Honourable senators, my question is for the Leader of the Government in the Senate. As it has been some few sitting days since the matter of energy was raised with him, I should like to do so at this time.

My question is prompted by a telephone interview granted by the Deputy Minister of Energy, Mines and Resources and reported in today's paper. The interview dealt with the effect of low prices on Canada's self-sufficiency in oil. It was indicated that we may lose our self-sufficiency and become more dependent on imported oil very quickly as a result of low prices. In the interview he said that, nonetheless, federal energy officials see no need for policy changes at this point. He goes on to say that Ottawa is monitoring events closely while waiting for oil markets to settle down.

Essentially, I think that is what the Leader of the Government has been saying in the Senate.

My question is prompted not only by this interview but by increasing anxiety and frustration in western Canada over the question of whether or not something is going to happen. I think that is reflected in a recent report that the Alberta Progressive Conservative caucus chairman was reported to be fuming and simply not satisfied with Finance Minister Wilson's promise that PGRT removal was being reviewed.

Specifically, what I think we would all like to know, and particularly western Canadians, is: Is there a set of circumstances in terms of a low price for any prolonged period of time that the government has as a guideline in which, when that has occurred, they will come forward with an announcement?

Hon. Duff Roblin (Leader of the Government): Honourable senators, there is no doubt at all that we have a very serious problem on our hands in western Canada, first, with the oil industry and, second, with agriculture.

Some measures have been introduced, and I will not repeat them now because they are known in this chamber, to alleviate that problem insofar as we can do so at the present time.

However, we are very much concerned with the question of self-sufficiency and national control of the oil supply over the long term; that is perfectly true. We are monitoring that matter carefully to make sure that we do those things we can do now to take care of that problem. For example, in the case of the Hibernia field off the Atlantic coast, negotiations are now going on between the company and the provincial and federal governments in order to see what régime can be arrived at which would enable that particular discovery to be brought into production.

I dare say that we will have to give consideration to other aspects of that same problem which bear on the question of our long-range oil prospects.

If policies on a global scale are developed, and they are not at the present time, then, of course, we will be presenting them to Parliament and to the public.

Hon. H. A. Olson: I have a supplementary question. The Leader of the Government mentioned action to proceed with the development of Hibernia, and I agree with that, but I do know that there was a high priority placed on developing the known deposits of oil, such as the tar sands and the heavy oil in Lloydminster, Peace River, Wolf Creek and many other places where there are several hundred billion barrels of known deposits of oil, and to bring that on at least at the same pace at which the production from the conventional fields is declining. That was a highly desirable objective. Is this no longer a priority of the government?

Senator Roblin: These matters are still very important to us. For example, the converter in Regina is one that is under study at the present time for prompt attention.

As my honourable friend knows, we have also changed the tax régime with respect to the heavy oil plants in northern Alberta to help them weather the storm. If we are not doing enough, we will have to reconsider the program, but at the present time we are taking these problems one at a time.

Senator Olson: I have a further supplementary question. To make this type of heavy oil, bitumen, useful, it needs to be upgraded to a synthetic crude oil for two reasons: one is for transportation through the existing pipelines; the second is because most of the refineries in Canada require oil that is upgraded to that status, otherwise, they cannot use it. That is one of the reasons we are shipping so much heavy oil to the northern tier refineries in the United States where they have a different processing procedure. I am wondering if those upgraders at Lloydminster, particularly, and the other two or three which have been proposed, remain a high priority of this government so that we can at least hold our own and bring on this oil at the same rate as our conventional oil production is declining.

Senator Roblin: The site under consideration at the present time is the Regina one of which my friend and I are aware. I am quite sure that the Lloydminster plant is the subject of some negotiations, but I am not able to say what progress has been made.

Senator Olson: I have one final supplementary question. Many people such as the engineering crew and many construction companies who are standing by waiting to build these processing plants, both the enhanced recovery and the heavy oil upgrading plants, would like to know if the minister could give us some indication as to when the negotiations might be completed so that some positive action could be taken out in the field.

Senator Roblin: We are certainly aware of the considerations that attach themselves to these decisions and we will make them as quickly as we can.

[Senator Roblin.]

CANADA POST CORPORATION

CLOSING OF POST OFFICE AT FORGET, SASKATCHEWAN

Hon. Hazen Argue: Honourable senators, I have a question for the Leader of the Government in the Senate. It is the kind of question that I suppose, when senators hear it, they will think it is probably not of sufficient importance to raise here, but on reflection I think they may agree that it is wise to raise it. It is the kind of question that I am sure is not likely to make Question Period in the House of Commons. Perhaps we can be a forum in preventing what I believe to be an injustice in the making.

I refer to the determination of Canada Post Corporation to immediately close the post office at Forget, Saskatchewan. My information is that a public meeting was held in that town on June 4. The whole community came out for it. Approximately 200 people were served by the post office. Their wish, desire and request is that Canada Post look at the economics of the Forget post office and at the need to keep it in the community. They hope to solve what Canada Post says is a deficit being run by the Forget post office.

● (1450)

Honourable senators, if every little post office in western Canada that runs at a deficit is closed, there will be hundreds upon hundreds of such closures. The argument the community makes in favour of keeping their post office is that the alternative is to provide group post office mail boxes, requiring Canada Post to send in a truck on a regular basis to deliver mail to those mail boxes.

The current postmistress is almost ready to retire. The suggestion is that if a new postmaster or postmistress were to accept a much lower salary—and that is a possibility—then the post office would break even. It is further pointed out that the Forget Credit Union is willing to provide space for the post office and clerical assistance free of charge. The community proposes that by this means their post office will be a paying proposition, and they do want to keep it.

The community has a number of businesses. It has a growing credit union. People who have come to the community to retire have built new houses. It would be a hardship for senior citizens who have retired in Forget to have to go eight miles to pick up their mail.

The correspondence I have received goes on to point out that the offer of the credit union includes free space and box lobby, which should reduce the deficit; free clerical assistance from 9 to 4 daily, regardless of the post office hours, which should provide better service at very little cost, and a postmaster at a nominal charge; that is, if one of the staff of the credit union were postmaster, it is agreed that he will accept very low pay, or none at all, and would consider the post office operation as part of the credit union duty for which a salary is already received.

In view of all of these circumstances and in view of the fact that there is an agricultural crisis there at the present time, I think it is extremely callous of three officials of Canada Post Corporation to come and state to this community that it is a

fait accompli, that their post office will be closed in nine days. This creates a hardship. This is narrow minded on the part of Canada Post, and I think it is economic stupidity to close the post office if the offer of the community makes its retention possible and may, indeed, enable it to make a profit for Canada Post.

Honourable senators, this request has been taken to a number of important politicians on Parliament Hill. I ask the government leader in the Senate to use his good offices and Senate *Hansard* of today's date in an endeavour to prevent an injustice and to allow this community to enjoy the very important services of its post office.

Hon. Duff Roblin (Leader of the Government): Up until his peroration, my honourable friend was making me an offer that seemed hard to refuse. But when he got to his description of the attitude of the postal authorities, I felt that perhaps that did not improve his case. If a number of "important personages" on Parliament Hill have been consulted about this, perhaps my honourable friend will give me those names so that I know what allies I have in this respect. I will see what sort of reply we can get from Canada Post with respect to this situation.

Senator Argue: I would be happy to send the government leader the correspondence that I have, and it lists those names. I really made that statement because three officials from Canada Post Corporation came down to a public meeting at Forget and the only message they had was that the post office in that town was to be closed nine days from that date, and they gave their reasons for that. If they had come down with that proposition and then went on to say that they were willing to keep the post office open for another 45 days in order to consider some other options—as has been requested—if they had proposed another look at the situation if the community could help clear up the deficit, then the words I used would not have been appropriate. However, the officials took that attitude, which got the people all stirred up. I think that the people of Forget would agree that I was rather mild in my choice of words.

EMPLOYMENT

PRINCE EDWARD ISLAND CN SHOPS—DISPARITY IN TREATMENT OF DISPLACED EMPLOYEES

Hon. M. Lorne Bonnell: Honourable senators, I have a question for the Leader of the Government in the Senate. Yesterday I asked a question about the employees at the CN shops in Charlottetown. Last evening I received a letter from the CNR equipment shop in that city. In it there are complaints about losses of personnel and so forth. I know that the Leader of the Government in the Senate will do what he can about that. But they have another concern that I would like to bring to his attention so that perhaps he can do something about it as well. The letter reads:

> The employees affected, many with thirty or more years of service, cannot receive full pension benefits because they are not sixty years of age. Recently many management employees of CN who were not sixty years of age received full pension benefits; paid-up life insurance and larger cash payments to retire.
>
> We would like to know why when working for the same company, does management employees deserve more than the worker and where does this extra money come from?

Perhaps the government leader could find the answers to those questions so that I can write back to these CNR equipment shop employees and inform them of those answers.

Hon. Duff Roblin (Leader of the Government): I agree that the crown corporation is a crown corporation and runs its own affairs in a businesslike manner. I also agree that it ought to deal with its employees on the basis of equity. If the facts given to me by my honourable friend are correct, it would seem that we have departed, to some extent, from equity. If he would be kind enough to let me have that correspondence, I will see what I can do by way of a satisfactory answer or a satisfactory reaction.

Senator Bonnell: I will see that the honourable government leader gets a copy of this letter.

CANADIAN WHEAT BOARD

MISSION TO CHINA—COMPOSITION OF DELEGATION

Hon. Gildas L. Molgat: Honourable senators, my question is for the Leader of the Government in the Senate. Recently we received from the Minister of State (Canadian Wheat Board) a news release dated June 3. The headline reads: "Mayer to Lead Mission to China". It goes on to state that the minister will be going to China to deal particularly with investment as between Canada and China in the agricultural and food sectors.

The release is very helpful in that it has with it a backgrounder on the Canada-China wheat trade. One thing it does not have, however, which announcements of such trips often do include, is the list of participants. Could the government leader undertake to get for us a list of those who went on this trip with the minister, people both outside and in government, and a statement of what their responsibilities were?

Hon. Duff Roblin (Leader of the Government): The minister is still in China, so I am not able to get the information from him. I will, however, take note of the question and see what I can do to provide an answer.

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have some delayed answers to questions.

OFFICIAL LANGUAGES

RECRUITING PRACTICES OF RCMP

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question

asked in the Senate on March 5 last by the Honourable Senator Muir regarding Official Languages—Recruiting Practices of RCMP.

(*The answer follows*):

The RCMP employs standard recruitment criteria for screening candidates for protective policing duties which include a minimum grade 12 education, suitable aptitudes and a standard level of medical and physical fitness. In addition to these basic requirements, preference is also given to additional qualifications which relate to the operational requirements of the job such as previous guard duty experience.

In keeping with the need for federal institutions to have the ability to serve the public in both official languages, particularly in the bilingual areas of Canada, the ability to speak both official languages is considered an important preferential qualification. This is of special importance in the National Capital Region where the majority of protective policing positions are located.

Recent experience has shown that the number of qualified candidates with bilingual capabilities seeking to become Special Constables in the protective policing service of the Force has far exceeded the number of positions being staffed. Recent RCMP recruitment efforts have focused on filling protective policing positions in the National Capital Region. Given the more than adequate supply of fully qualified bilingual candidates, all of these recruits were bilingual. There has been no requirement to establish a language training program for protective policing service recruits.

The Force will also be recruiting Special Constables for protective policing duties in unilingual areas in the near future. Consistent with the Force's practice of matching the recruitment qualifications with the duties of the job, it is expected that a number of unilingual candidates will be hired to fill these positions.

The preferential qualifications that apply to persons seeking to join the Force as full regular members is somewhat broader than those for protective policing and includes not only persons with bilingual capabilities but also university graduates. Women and natives are also recruited on a priority basis, consistent with the Government's affirmative action program. As many of these regular member recruits are not fully bilingual, a language training program of modest proportions is provided to interested unilingual recruits who demonstrate a facility for learning the other language.

TRANSPORT

POSSIBLE SALE OF CN ROUTE—GOVERNMENT ACTION

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on April 17 last by the Honourable Senator Lawson regarding Transport—Possible Sale of CN Route—Government Action.

[Senator Roblin.]

(*The answer follows*):

As Mr. LeClair said in his news release of April 17, 1986, "Canadian National and the purchaser will ensure any affected management and staff are treated fairly and equitably through early retirement and other measures. This will require negotiations with the unions involved".

As the Minister stated in the House on April 18, 1986, within the context of the agreement there will be provision for certain job guarantees. The final package will have to be approved by the Governor-in-Council and the CTC. Until such time as all of those details can be worked out with the unions and other parties affected, the Department cannot say just what the full package will look like.

BROADCASTING

CAPLAN TASK FORCE REPORT

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on May 28 last by the Honourable Senator Davey regarding Broadcasting—Caplan Task Force Report.

Hon. Royce Frith (Deputy Leader of the Opposition): What is the word on the task force?

Senator Roblin: To paraphrase the answer, we expect to receive the report this month. It has been delayed because they ran into problems they did not anticipate when they started. After we allow six to eight weeks for translation and printing, it should be available.

Senator Frith: Did it have a deadline originally?

Senator Roblin: I cannot tell my honourable friend that.

(*The answer follows*):

The Task Force is presently expected to report to the Minister of Communications during the last week of June, 1986. Following the report to the Minister, production of the report will take from six to eight weeks taking into account the time needed for typesetting, printing and binding.

The report was unavoidably delayed due to the lack of definitive research in several key fields, particularly financial analyses of broadcasting and cable systems, analysis of the current regulatory system and studies of Quebec broadcasting. Additionally, public hearings were held across Canada and in northern communities, a process which was not originally part of the Task Force timetable.

• (1500)

CANADA DEPOSIT INSURANCE CORPORATION ACT

BILL TO AMEND—SECOND READING

On the Order:

Resuming the debate on the motion of the Honourable Senator Flynn, P.C., seconded by the Honourable Senator Simard, for the second reading of the Bill C-86, intituled: "An Act to amend the Canada Deposit Insurance Corporation Act".—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I yield to Senator Flynn, who, I believe, is going to provide some information for Senator Godfrey.

Hon. Jacques Flynn: Honourable senators—

The Hon. the Speaker: Honourable senators, I wish to inform the Senate that if the Honourable Senator Flynn speaks now, his speech will have the effect of closing the debate on the motion for second reading of this bill.

Senator Flynn: Honourable senators, I wish to thank Senator Godfrey for his participation in the debate on second reading of this bill to amend the Canada Deposit Insurance Corporation Act. He has noted that this is an interim measure, and I repeat that that is the case. The government will continue to study the report of the Standing Senate Committee on Banking, Trade and Commerce, the report of the House of Commons Committee on Finance, Trade and Economic Affairs, and the Wyman report, and eventually we will have a bill that will deal with all of the problems of the corporation and which may deal with questions relating to the structure, operation and financing of the corporation.

I shall now try to reply to the specific questions asked by Senator Godfrey. The first concerned the appointment of some directors from the private sector who shall not be employees of a federal institution. Senator Godfrey inquired as to what was meant by "a federal institution". There is no definition, but if one reads the bill, one can see that anyone who is paid by public funds is considered to be a member or an employee of a federal institution. The term "federal institution" really has a general meaning, the definition of which I do not believe would create any difficulty in deciding whether or not someone is qualified to represent the private sector.

Senator Godfrey's second point concerned the composition of the board of directors and the fact that the Deputy Minister of Finance will be one of the non-private sector administrators when the report of the Banking, Trade and Commerce Committee recommended that he should not be a director of the corporation.

The fact is that the corporation is the responsibility of the Minister of Finance, and, therefore, I believe it is only proper that he should have his deputy minister on the board to advise it. I do not believe that the committee felt, as a result of its hearings, that its view on this specific point was an absolute conclusion.

The honourable senator also asked why the directors are not described as representing Ontario, the western provinces and the Atlantic provinces, and whether they should represent the Canadian Bankers' Association and others. The way the bill is worded does not preclude the appointment of people to represent those areas or associations. We simply say that they should not be related to a federal or provincial institution. Therefore, we could very well meet the recommendations in the Senate committee's report dealing with the composition of the private sector representation on the board of the corporation.

The honourable senator also referred to some evidence given by Mr. Taylor and Mr. Fullerton before the Senate committee when it considered the Wyman report. The comments made by those two gentlemen referred to a situation which existed in 1983, if I am not mistaken, when the legislation was amended to increase from $20,000 to $60,000 the amount of protection afforded depositors. At that time, after the bill was tabled on a certain day, some failures of trust companies occurred. The retroactivity to which Messrs. Taylor and Fullerton referred was in the sense that the bill provided for protection from the day of the tabling of the bill. Honourable senators can well imagine the situation in which depositors were placed when a bill was before Parliament saying that they were going to be protected to the extent of $60,000, yet, before the bill was enacted, the depositors were faced with a loss in excess of the $20,000 ceiling then in force. So, it was a decision reached by Parliament at that time. I would suggest to Senator Godfrey that I do not believe it was a mistake; but if it was a mistake, then it was made at that time and it is not related to the bill now before us.

Senator Godfrey then referred to the retroactivity aspect of the bill now before us. I am not sure if he is referring to the failure of the two western banks. The present law with the $60,000 limit covers all of the depositors of those two banks up to that amount. This bill does not otherwise affect the situation. Any excess of the deposits in those two banks was covered by Bill C-79, which was adopted after long debate. I propose to put on the record the figures involved in connection with the failure of those two western banks. Let us say that the deficit of the Canada Deposit Insurance Corporation at the end of 1984 and before the payments to the Canadian Commercial Bank and Northland Bank was approximately $547 million. The cost to the corporation resulting from the failure of those two western banks is $688 million.

Senator Frith: All in?

Senator Flynn: All in, yes. It is split in the following way: the Canadian Commercial Bank, $277,800,000; the subsidiary, the Canadian Commercial Mortgage Corporation, $95 million; and Northland Bank, $316 million, making a total of $688 million, supported by the Canada Deposit Insurance Corporation. But that figure excludes the amount which will be paid under Bill C-79, which is $875 million.

Senator Frith: For the uninsured?

Senator Flynn: For the uninsured—what we have covered in addition by Bill C-79. Exactly how much the corporation, or the government, or whoever else is concerned, will recover from the realization of the assets of the two failed banks is not yet known. Some vague estimates have been made, but at this time it is much too early to mention any figure. There will be a recovery of some kind. Those are the figures we have at this time.

• (1510)

The last point mentioned by Senator Godfrey relates again to Bill C-79. He speaks of the contribution of the five major banks to the salvage package for the two western banks, and particularly for the Canadian Commercial Bank. He says that through a technicality the bill did not include the amounts provided by these chartered banks. I do not think that it was a technical error. I think that the government felt that the banks, having agreed to provide these funds to help save the two banks, also took the risks involved. Therefore, there was no reason to include them in the list of protected creditors of the two western banks.

I think that covers the points raised by Senator Godfrey. Again, as I have said, it is an interim measure.

Perhaps I should mention the increase in premium. The reason for the increase in premium is to cover the deficit which is, as I have mentioned, $1,235,378,000. The new premium scale would provide something like $216 million per year. It is estimated that if no other major failures occur in the meantime, the deficit will be wiped out in approximately five years. That is the perspective at this time. It may be that when the government has considered all the recommendations in the reports that I have mentioned, it will find another way to deal with the deficit. However, as of now the idea is that the premiums should serve to erase the deficit, and that in the future they should provide enough funds for the corporation to meet its obligations and its objectives.

Hon. John M. Godfrey: Honourable senators, perhaps I should explain something on this question of the banks. I said that there was a technical difference between the banks and the depositors. What I meant to say was that the government had agreed that it would treat the banks and the depositors in the same way. The government then found a technical difference, which means that for this purpose they deliberately included in the bill the wording that meant that the banks would be excluded. I happen to think that this action was unfair. However, in view of the explanations of Senator Flynn, and in view of the fact that this matter has been previously considered, I do not believe that the bill has to go to committee.

Motion agreed to and bill read second time.

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

On motion of Senator Flynn, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

STANDING RULES AND ORDERS

ELEVENTH REPORT OF COMMITTEE—ORDER STANDS

On the Order:

Resuming the debate on the motion of the Honourable Senator Molgat, seconded by the Honourable Senator Godfrey, for the adoption of the Eleventh Report of the Standing Committee on Standing Rules and Orders (Membership of Cabinet Ministers on Senate Committees), presented in the Senate on 14th May, 1986.—(*Honourable Senator Godfrey*).

[Senator Flynn.]

Hon. John M. Godfrey: Honourable senators, in view of the fact that I am supposed to be at a meeting of the Banking, Trade and Commerce Committee right now, and that Senator Roblin is not present in the chamber at this time, and as some of my remarks will be directed to him—I would rather that he was here so he can reply to them immediately if he so wishes—I would like to stand this order.

Order stands.

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS

REPORT OF NATIONAL FINANCE COMMITTEE ON SUBJECT MATTER OF BILL C-96—ORDER STANDS

On the Order:

Consideration of the Seventeenth Report of the Standing Senate Committee on National Finance (subject-matter of the Bill C-96, intituled: "An Act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977"), presented in the Senate on 10th June, 1986.—(*Honourable Senator Kelly*).

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, this particular report was tabled by me yesterday. It was then suggested that it should be presented in the Senate for consideration rather than being tabled. I have been told that it is our custom to table the subject matter studies of committees and to present for consideration the reports following the study of bills. Whether or not honourable senators wish to continue that practice, obviously, is up to the Senate. There is no hard-and-fast rule on the matter.

In any event, Senator Kelly is not here today; nor will he be here tomorrow. There is illness in his family, and this will keep him away for a few days at least. So, if anybody wishes to speak to this matter, Senator Kelly would be only too willing to yield.

Hon. Henry D. Hicks: Honourable senators, this is a very important matter. Personally, I should like to hear Senator Kelly's remarks, and if we can afford the time I think it ought to stand in his name. If he cannot be here next week, we may have to consider some other arrangement.

Senator Doody: That is perfectly acceptable. If Senator Kelly is not here next week, with the permission of the Senate we will have somebody else speak to it.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, on the point of order, are we leaving it as consideration?

Senator Doody: Apparently.

Senator Frith: Good. So it will stand exactly as it is now?

Senator Doody: Yes.

Order stands.

THE ESTIMATES 1986-87

REPORT OF NATIONAL FINANCE COMMITTEE ADOPTED

On the Order:

Resuming the debate on the consideration of the Sixteenth Report of the Standing Senate Commttee on National Finance (Main Estimates 1986-87), presented in the Senate on 28th May, 1986.—(*Honourable Senator Hicks*).

Hon. Henry D. Hicks: Honourable senators, again I apologize for my lapse of attention and lapse of memory when this item was called yesterday. I am, however, prepared to proceed briefly today. There were two points to which I wanted to refer as a result of the reference of the estimates to the National Finance Committee.

The first point arises from the statement of the Minister of Finance on February 26 of this year that he would impose a further $500 million reduction in expenditures as a lump sum, not to be disclosed in the estimates, thus denying to both houses of Parliament the opportunity to review the reduced sums of money that in the end result would be made available to several departments of government to enable them to carry out their duties. The committee urged the President of the Treasury Board to table before Parliament a document indicating the areas targeted for expenditure reduction and, indeed, the President of the Treasury Board said that he would do this. Had I spoken yesterday, I would have said that thus far we have heard nothing further on this matter. It so happens that, perhaps while I was not speaking yesterday, the President of the Treasury Board did refer to this matter in the other place and again repeated his intention that he would make available very shortly to Parliament the breakdown of the expenditure reductions that would achieve this additional $500 million in savings. That is fine, and I for one will be interested in looking at those reductions when they are made available to Parliament.

● (1520)

However, I suppose the general point I wanted to make I could have made without reference to the particular handling of this item, and that is that it seems to me that it ought to have been possible for the Minister of Finance to have effected that reduction among the departments concerned and included it in the estimates that were laid before Parliament. It could have been done, it seems to me, in the few weeks before February 26, just as readily as it could have been done in the weeks following February 26, although I observe that we are already into the month of June and it has not yet been done. It seems to me that this ought not to be a practice in handling the budget of Canada, and in laying before Parliament the estimates to implement that budget without disclosing to Parliament, in exact detail, the actual expenditures which the Minister of Finance and his colleagues in the Government of Canada expect to have allocated to the various departments of government for the carrying out of their work.

Honourable senators, that is my first point. I deplore this practice of a kind of secret reduction. Indeed, I am glad there is a reduction, but still, one would like to see what the items are, and one would like to see whether there are certain items that are considered harmful to the interests of the people of Canada and where we might like to have expressed our opinion and said, "No, this money ought not to have been cut from here." However, we shall have a look at the statement of the President of the Treasury Board when, in due course, it is laid before Parliament. I certainly hope that this can be done before Parliament rises for the summer, otherwise, it seems to me that the exercise will not be of very much value to members of either house of Parliament.

The other point on which I wish to comment, honourable senators, arises out of a question which my colleague, the Honourable Senator John Stewart, asked of the Deputy Minister of Revenue Canada on the taxation side. The question had to do with the amount of the accounts receivable by Revenue Canada. The answer was not available at the time of the committee hearing, but it has since been sent to members of the committee. Having read this answer, I, for one, am astonished at the enormity of the accounts receivable by Revenue Canada. Here is the breakdown in millions of dollars; from individuals, $1,532 million in arrears from March 31, 1985, until mid-May 1986 when this question was answered. In other words, for over a full year there is owing from individuals arrears of $1,532 million; from corporations, $1,217 million; from employers, $355 million, and from sundry sources such as Petroleum Gas Revenue Tax, non-residents and bankruptcies, $321 million. This comes to a grand total of $3,425 million owed to Revenue Canada for over a year, or during the period commencing on March 31, 1985, and not received by the Government of Canada more than a full year after that.

I would urge that the responsible officials, starting of course with the responsible minister, address themselves to this problem and try to reduce this enormous accounts receivable item which is costing the taxpayers of Canada who have paid their taxes a good many additional millions and millions of dollars in interest and carrying charges on that amount.

Although Senator Stewart's question did not embrace this, it might be worth while for the Standing Senate Committee on National Finance to look at this question at another time to see whether those arrears are typical, or whether they are extraordinarily large, or whether for years and years we have had an accounts receivable item in excess of some $3 billion. The people of Canada and their government ought to have the use of this money and ought not to be charged with the additional expense of carrying it indefinitely.

Honourable senators, that is all I have to say about the Sixteenth Report of the Committee on National Finance. I am pleased to have had the opportunity of making these statements. I am sorry that I held you up during the period that I was absent in another country, and because of my lapse of memory of yesterday afternoon.

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, in the absence of the chairman of the committee, Senator Leblanc, who is ill, and of the deputy

chairman, Senator Kelly, for the reasons I explained earlier, I would like to move the adoption of the report.

I might just mention that Senator Hicks's comments on the outstanding accounts of the Department of National Revenue are certainly worthy of attention. Perhaps this is a topic that the committee could seize upon. I am unhappy to say that I am not a member of the elite who owe all that money to Revenue Canada. They seem to be inordinately quick in getting after me when I owe them the smallest possible amount of money. Perhaps we should find out how it is done. The Standing Senate Committee on National Finance could then serve a very useful function for our colleagues here in this chamber.

Having said that, I move the adoption of the report.

Motion agreed to and report adopted.

[*Translation*]

YOUTH

CONSIDERATION OF REPORT OF SPECIAL SENATE COMMITTEE—DEBATE CONTINUED

On the order:

> Resuming the debate on the motion of the Honourable Senator Fairbairn, seconded by the Honourable Senator Frith, for the adoption of the Report of the Special Committee of the Senate on Youth, entitled: "Youth: A Plan of Action", tabled in the Senate on 19th February, 1986.—(*Honourable Senator David*).

Hon. Paul David: Honourable senators, being a member of the Special Committee of the Senate on Youth has been a very rewarding experience.

A number of my colleagues already gave a summary of the report's four chapters. I would now like to offer some comments and reflections on certain aspects of this paper.

Among the many statistics we find in the report, I would like to emphasize the link between unemployment and educational level (page 79), where we see that the unemployment rate is 27.6 per cent, that is, one out four, for those who have not gone beyond elementary school. We see a rate of 17.7 per cent, one out of six, among young people with only a high school diploma. And even among community college or university graduates, we find an unemployment rate of 9.8 per cent, that is, one out of ten.

I think there are two factors that play a fundamental role in the decision to continue or drop out of elementary or high school: the family environment and the school environment. I will comment later on other important factors at the post-secondary level.

Over the past 20 years, the structure of the family has changed considerably. Whether or not we approve of these changes, we must understand the social climate within which young people live today. We read this on page 7 of the report. A number of statistics are given to illustrate these changes. For instance, the divorce rate has risen from 21.4 per 100,000 population in 1941 to 285.9 in 1982.

The percentage of single-parent families rose from 10.5 in 1976 to 12.8 in 1981. More than half of Canadian families now have two earners, that is, both parents working every day.

The number of suicides in the 15-to-19-year age group rose, between 1961 and 1981, from 3.7 for males and 0.9 for girls per 100,000 population to 21.1 for males and 3.8 for girls.

The report indicates that consumption of alcohol, drug use and the delinquency rate have increased considerably among young people over the past years.

The breakup of the traditional family unit is probably the consequence of the ideological, societal and technological changes which have occurred over the past 40 years. Major changes have also transformed our post-industrial society and seriously disrupted the Judeo-Christian values of our civilization.

In this different climate, need we wonder about the problems experienced by young people often isolated within their family or families and in a society which prizes individualism very highly? Let us not forget that beside the insecurity within their family, young people must live with the reality of the atomic threat, terrorist attacks and economic instability.

● (1530)

Honourable senators, it would be surprising if these extremely rapid transformations of the family and social fibre were not deeply felt by our young people. The crisis they are going through could be a concrete result of that.

In a country such as ours where compulsory primary education is free, we should question ourselves about these young people who drop out with a minimum of education. Their ensuing practical illiteracy will probably mean for them, today like tomorrow, a lifelong unemployment problem.

To remedy this disastrous situation, I suggest it is essential to study thoroughly the psychological, social and economic aspects of the family environment of these futureless young people. In their cases, welfare benefits are an indispensable band-aid which will never really solve the problem and which cost various states a fortune. The experimental action of non-governmental and merit-subsidized organizations is, I suggest, a promising option. Social prevention is indispensable; it is cost efficient because, without it, these young people would forever represent for the state a permanent and costly burden.

The age of secondary education is that of early teens, a period especially difficult and often troubled for the young person who needs solid support in his or her family and school environment.

The positive interaction between family and school seems to me to be the surest way to develop a taste for study, knowledge and work, to develop ambition and the desire to succeed. Training and education go hand in hand, as we know, and parents and teachers alike have complementary responsibilities. Whether we like it or not, studying demands a proper climate, a surrounding both quiet and stimulating, an understanding and demanding discipline, a good balance between physical development through sports and intellectual development through learning to find a place on the labour market.

Already troubled by their physiological development, the teenage boy and girl have difficulty coping with either family agitation or insecurity, or a more or less anonymous school supervision.

Honourable senators, I suggest that the responsibilities of both parents and teachers are vital at this time in their lives, during which is generally established the basis for their eventual success or failure. Life values are taught at home, but they are subjected to a great many influences in their school society which is the mirror of the adult society. I feel, therefore, that it is vital to establish a connection between the crisis of youth and that of our contemporary society. After all, aren't adults models for our young people? Our action plans for helping young people are often temporary and superficial solutions that try to alleviate the symptoms instead of curing the disease.

In this connection, I think the debate between the generalist and specialist views of education very important. Personally, I tend to lean towards the generalist theory as far as secondary education is concerned. At this stage, I am inclined to agree with those who insist that the ultimate goal of our schools is to dispense knowledge and to develop the intelligence and judgmental and analytical skills of our young people, so that they may become independent and responsible citizens. I refer you to page 49 of the report.

And since this is a matter that is certainly worthy of reflection, I think it would be appropriate to give a summary of the many educational reforms that have taken place here in Canada over the past 20 years in an attempt to adjust to the needs of a changing society.

Honourable senators, in a society based on competition and productivity, are we right to eliminate marks and examinations, to put our best and our weakest students in the same class, to relax discipline, to reduce the emphasis on homework and learning lessons, to avoid elitism and focus on the average student? On the other hand, should we not assess our teachers as rigorously as we assess our students? In a world of constantly expanding knowledge, teachers also need constant upgrading, not bureaucratic and unionized tenure.

Entering the labour market is the young person's first major test. But our young people must be prepared for this demanding struggle which requires ambition, motivation, hard work, knowledge, perseverance and discipline.

In the present situation, I think these factors are largely responsible for the high rate of 17.7 per cent we referred to earlier.

The third chapter of the report which is called: The Transition from School to Work, uses a number of briefs to illustrate the difficult transition from learning to working.

On page 47, a witness states: We are not preparing them to live in a world that can cope with change and complexity; we are not preparing them to deal with moving into a workplace where the technology is changing.

I am as much in favour of the generalist thesis in secondary education as I strongly advocate the specialized option in post-secondary education.

The committee recommendation, on page 114, to offer certain co-operative education programs—adapted to the Canadian reality—which have proved successful elsewhere seems relevant and interesting to me. This option might meet the needs of both the community college or university student and the world of business. The post-secondary institution would give the student theoretical teaching in a limited choice of options, the workplace would enable him to make the transition while making practical use of his knowledge. Indeed, teachers themselves would benefit if they were to accompany their students. It would be a practical way for them to update their knowledge in line with modern technological developments.

Adding these mandatory stages would obviously require very close co-operation between business circles and governments. The co-operation of the central government is a *fait accompli* since federal funds already finance most of the post-secondary education. Although this sector is the exclusive jurisdiction of the provinces, it seems to me it should be possible to achieve a consensus so that the planning would be relatively similar for all young Canadians.

Honourable senators, many studies show that young people from affluent families are more likely to continue their studies than others whose parents are not so well-to-do. But then we must admit that Canada in general and the provinces in particular have made remarkable efforts to facilitate university access through generous grants which reduce tuition fees to a minimum, and through scholarships or loan programs available to many students.

I therefore gladly endorse the statement on page 71 of the report to the effect that the option of continuing or not university studies is a matter of attitude and encouragement and not only one of financial support.

It is enough to remind people that the unemployment rate varies between 27.6 per cent and 9.8 per cent according to the level of education to encourage parents, teachers and the young people themselves to acquire as much knowledge as possible to give them easier and better paid access to the labour force.

Having said that, I am nevertheless surprised and concerned to note an unemployment rate of 9.8 per cent among college and university graduates. This certainly shows, at least to me, a lack of adjustment on the part of colleges and universities to actual opportunities on the labour market. In my opinion, a better informed distribution of supply and demand is a priority if we are to avoid a maximum number of registrations in programs which offer little or no future to those enrolled in them. Financing on the basis of the number of students registered for a program may be a traditional obstacle deserving of serious consideration. On page XIV of the introduction to the report, we find the following:

The youth of the 1980's are facing new challenges in completing their education, finding work and adapting to a changing world.

These young people are our future, honourable senators. They represent a major challenge to the conscience of the parliamentarians of Canada and of every province. Are we not the physicians of the nation? We must therefore, like physicians, try to find gradual or radical remedies to our present problems, prevent future ills and relieve, by technical and human means, the most vulnerable elements of our society.

This society is aging morally and physically. Our young people suffer the consequences of this fact. This is why the report of the Committee on Youth gives us an opportunity to reflect on the weaknesses of this society and to correct them by energetic, intelligent and foresighted action.

Thank you, honourable senators, for your courteous attention.

On motion of Senator Corbin, debate adjourned.

PARLIAMENTARY AFFAIRS COMMISSION OF THE INTERNATIONAL ASSOCIATION OF FRENCH-SPEAKING PARLIAMENTARIANS

MEETING IN BRAZIL

Hon. Martial Asselin rose pursuant to notice of Tuesday, May 27, 1986:

That he will call the attention of the Senate to the meeting of the Parliamentary Affairs Commission, of the International Association of French-Speaking Parliamentarians, on Women in Political Life, held in Brazil from 20th to 25th April, 1986.

He said: Honourable senators, at this time of the day I imagine it will not be very easy to draw the attention of the Senate to such widely varying subjects as reports by parliamentarians on international conferences. Nevertheless, today I want to take this opportunity to draw the attention of the Senate to the subject of women in political life.

Honourable senators, this theme was discussed at an international meeting of French-speaking parliamentarians, held in Brazil from April 20 to 25, which I had the honour and the privilege of attending.

In 1975, as part of International Women's Year, the International Association of French-Speaking Parliamentarians held a general discussion on the theme: Women in Political Life. At the end of the United Nations decade on women's problems, in July 1985, the Paris office approved the idea of calling a meeting of the Parliamentary Commission for a conference on "Women in Political Life". A study of this ever topical question would give the various sections of the International Association of French-Speaking Parliamentarians an opportunity to measure and compare how the position and role of women in parliamentary assemblies had evolved over the past ten years.

This meeting, held in Brazil at the invitation of the Brazilian section, was chaired by Mr. Pacheco Chaves, the section president. He and his executive did not spare any effort to hold this meeting under difficult conditions.

Honourable senators, we also had the pleasure of being greeted by His Excellency President Sarney of the Republic of Brazil. As you know, there will be a general election in Brazil next November. We are now witnessing the advent of a new democracy in Brazil after 20 years of military rule. The President was an extremely charming host. He is quite familiar with international institutions. He told us that in the past he attended several meetings of the Interparliamentary Union, particularly in Spain and in Japan as well. So he knows all about parliamentary meetings.

Honourable senators, we held this meeting from April 20 to April 25. We set up two commissions. One was chaired by Mrs. Monique Tardif, Member of Parliament for Charlesbourg. Incidentally, she performed her duties very well. We sat in committees to discuss the various aspects of the presence of women in our Parliaments. These discussions were well received, especially by Brazilian women, who, for the first time in twenty years, are on the point of taking part in a democratic election in their country. Following the work of this committee, resolutions were passed and referred to the general assembly, where they were very well received by all delegates.

Honourable senators, we have tried recently to establish a certain practice in the Senate. We ask for leave to table reports on missions abroad. If the Senate so desires, these can be printed in appendix to the official report of that day. I could talk to you for an hour about the various resolutions which were passed, but I believe that it would be more beneficial if each senator could read this text in appendix to the official report of today rather than hearing mere words or enlargements on this theme, which I could develop for several minutes.

With leave of the Senate, I would like to table in both official languages the report of the meeting of the International Association of French-Speaking Parliamentarians held in Brazil from April 20 to 25, 1986.

Mr. Speaker, if I have leave to table this report to be printed in appendix to the official report, I shall table it immediately.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

The Hon. the Speaker: Since no other senator wishes to take part in this debate, this inquiry is deemed to have been debated.

(*For text of report, see Appendix "B", on page 2595.*)

The Senate adjourned until tomorrow at 2 p.m.

APPENDIX "A"

(*See p. 2581*)

HUNGARIANS IN CANADA

ONE HUNDRED YEARS OLD ARE THE FIRST HUNGARIAN SETTLEMENTS

The outset of Hungarian emigration to Canada—apart from a few travellers and emigrants after the Hungarian War of Independence in 1848—can be exactly dated: it was July 4, 1886 when the first tents were pitched by Hungarian immigrants in Western Canada, the present Saskatchewan. The soil was hard, untouched by plough until that time. Almost 150 worn and haggard, penniless Hungarians stopped at a secluded spot in the vast prairie. They wanted to set up new homes, to start life afresh, having overcome so many difficulties. Nowhere a house or a highway as far as the eye could see.

The emigrants of middle east Europe—including also the Hungarians—fled from misery and starvation. Until the turn of the century the emigrants' destination was chiefly the United States of America. Her flourishing industry and enormous mines swallowed immigrants who came to the New World with the purpose of quick enrichment. Only a few of them wanted to establish a permanent home here. For this very reason they were living in Canada in closed communities and did not strive to learn the language either.

The first immigrants arrived in Canada from the United States. The offer of the Canadian government was very attractive: 160 acres of land without payment, the necessary equipment and loans. Besides, they had still fresh in their memory the trying experiences of the coalmines in Pennsylvania, and of the burning hot air in the forges of Pittsburgh.

The Government of Canada had employed a well-known Hungarian for recruitment, Count Pal Esterhazy, whose name survived in the history of Canadian Hungarians. The establishment and formation of the scattered and isolated Hungarian farm system is due chiefly to him and to the pioneer work of the first Hungarian immigrants.

The first year's crop was destroyed by bitter frost and by lack of experience. In the first winter they were threatened with death from starvation. Some of them took their chance to make a fortune as gold-diggers; others chose the nomadic life of trappers instead of agriculture which latter seemed to be quite hopeless.

Many true stores survived from the lives of pioneers of "Hungarian Canada" as that region was called at that time. These do not lack adventurous buffalo hunting and coloured stories related to Red Indians. The stories reflect that the natives and the Hungarian immigrants had always been living in peaceful co-existence and mutual respect for each other. Contemporary descriptions bear evidence of natives' liking for Hungarian immigrants whom they held industrious and steady people, worthy to be relied on.

Towards the end of the century Hungarian settlements were formed, one after the other, preserving the memory of the fatherland in their names too: Esterhaza or Kaposvar, 1886; Halmok, 1896; Otthon, 1895; Bekevar, 1896. Mention must be made of a settlement, densely populated by Hungarians, which originally was founded by Swedes and named Stockholm. When the Hungarian population became predominant, they changed the name simply to a Hungarian one: Sokhalom. Thus runs the story of an evangelic parson named Jeno Ruzsa in his book written about the history of Canadian Hungarians.

In 1924, when the Government of the United States restricted immigration by the "quota" system, Canada remained open, primarily for those who had engaged themselves to go to Western Canada for agricultural work. The outset of mass immigration may be put at 1924. According to official data, 1,510 Hungarians emigrated to Canada between 1920 and 1925, while the period 1925-1931 numbered 28,628 immigrants. This wave of immigration consisted predominantly of peasants, but there were many craftsmen, artisans, merchants and intellectuals among them. Almost all of them headed for Winnipeg, the gate of Western Canada at that time. They were allotted there by agents to farms, mines, forest clearing and road-building. It was not agriculture that attracted them—they intended to cultivate it in their fatherland from savings earned in Canada—but higher wages paid in industry. For this very reason Canada was regarded by them as a transit station; the real destination was the United States.

The foundation of the communities of Hamilton, Windsor, Toronto, Niagara Falls, Brantford, Welland and Montreal may be put at this period.

All emigrants have disappointments in store, especially at the outset. The envisaged future is much more beautiful than the blunt facts of the present. Their embitterment and despair were even further increased by the great economic crisis. They had arrived only recently and had neither permanent homes nor any savings. In the "years of starvation," as the early thirties were so often called, many of them wandered from town to country, from agriculture to industry, and in the meantime they were gathering more and more in the provinces of Ontario and Quebec. In 1941 Ontario numbered 22,000 Hungarians.

The Hungarian farms in Delhi and vicinity came into being as a result of economic depression. The peasants from the Szabolcs and Heves counties, being experts in tobacco-growing, moved to the farms of Belgian tobacco-growers. They had first been working there as hired men. Later this was changed by a half-and-half system. Those who stayed there became later well-to-do farmers, partly as a result of the war boom, partly because of the fantastic jump in land prices.

The number of Canadian Hungarians increased again after World War II, and especially at the end of 1956. The Canadian government then facilitated the immigration, especially for those who had relatives in the country. The majority of these immigrants were university or college graduates and well qualified skilled workers. Their adaptation to Canadian society and customs was easier and quicker than that of their predecessors.

Hungarians' emigration to Canada was a continuous phenomenon during the last century. The immigrants represented every social rank and political shade of Hungary's population. Their social organizations reflected a great variety. Hungarian immigrants founded various types of clubs, circles and associations. However, their characteristic organizations were the ecclesiastical ones, especially in Western Canada. At Kaposvar and Stockholm (Sokhalom) densely populated communities were founded by the Catholics leading a profound religious life. At the same time the Reformed did the same at Bekevar. The Hungarian Catholic church is one of the most beautiful ones in the Saskatchewan province, which is abounding in ecclesiastical buildings. But the two-steepled church of the Reformed is worthy of mention, too. That reminds us of the Great Church in Debrecen.

The first congregations in Ontario were organized at the end of the twenties amid economic depression and unemployment. Canadian churches strove to stimulate such endeavours by giving them financial and moral support. At the same time they also made efforts to get control over them.

In the middle of the thirties the leading part was taken from the churches by secular organizations, friendly societies, sick-relief funds, cultural and social circles. The oldest of them, the Canadian Hungarian Workers' Friendly Society, was formed in 1926 in Hamilton. This, by establishing provincial branches, developed into a nation-wide organization. Its seat was transferred to Toronto in 1934, and with the union of other organizations of similar purpose but different nationalities, assumed the name of Independent Sick-Relief Friendly Society. Under the guidance of the Canadian Hungarian Workers' and Farmers' Club it displayed large-scale social, cultural and political activity through its provincial branches. Many Hungarian organizations are functioning in Canada in our day, too.

The essence of the multicultural policy of Canada was put into words by Prime Minister Trudeau as follows: "Adherence to ethnical groups doesn't exclude or lessen inevitably loyalty to the nation and society." Through the Canadian multicultural program the cultural organizations of Canadian Hungarians can obtain subsidies, too. By means of this and certain subventions of the Hungarian government they have been successful in maintaining their national character. They have met with good results in the cultural field. This is reflected by a Hungarian faculty being set up at the University of Toronto; in the ever increasing interest of the second and third generations in Hungarian folk art, folk dances and songs, and as a whole in the history and present-day life of Hungary.

According to Canadian statistics, ten years ago 137,843 persons declared themselves to be Hungarians and more than 116,000 speak Hungarian in their homes too. It is natural that Hungary should not be indifferent to their fate, reserving an important role for them in developing political affiliations and cultural connections between the two countries.

APPENDIX "B"

(*See p. 2592*)

SUMMARY OF THE SYMPOSIUM

OF THE PARLIAMENTARY AFFAIRS COMMISSION (A.I.P.L.F.) HELD IN BRAZIL, APRIL 20-25, 1986

WOMEN IN PARLIAMENTARY LIFE

In 1975, to mark International Women's Year, the AIPLF held a general discussion on the theme of "Women and Political Life". In July 1985, at the end of the decade organized by the United Nations on the problems of women, the Paris Bureau agreed to a proposal that the parliamentary affairs commission should hold a symposium on "Women in Parliamentary Life". It was thought that a study of this issue of continuing current interest would enable the sections of the AIPLF to evaluate and compare the development or stagnation, as the case may be, of the situation and role of women within legislative assemblies over the last ten years.

PARTICIPANTS:

Fourteen countries were represented. The Canadian participants were:

— The Honourable Martial Asselin, P.C., Senator
Speaker *pro tempore* of the Senate
Vice-Chairman of the AIPLF
Chairman of the Canadian Section of the AIPLF

— The Honourable Yvette Rousseau, Senator

— Mr. Alain Tardif, M.P.

— Mr. Jean J. Charest, M.P.
Deputy Chairman and
Assistant Deputy Chairman of Committees of the Whole House

— Mr. André Harvey, M.P.

— Mr. Nic Leblanc, M.P.

— Mr. Fernand Robichaud, M.P.

— Mrs. Monique B. Tardif, M.P.
Parliamentary Secretary to the Minister of Regional Industrial Expansion

— and the staff of the Parliamentary Relations Secretariat

DEVELOPMENT OF THE THEME: GENERAL INFORMATION ON THE PRESENCE OF WOMEN IN PARLIAMENTS

The presence of women in Parliaments is determined by different realities which are influenced by historical, political and cultural factors. Before broaching any in-depth analysis on the theme "Women in Parliamentary Life", it was considered desirable to present from the beginning of the symposium and in plenary session, basic data which would be helpful in understanding and measuring the place assigned to women in the parliamentary world. In the comparative perspective which is ours, each section specified the following points, among others:

—Date on which women acquired the right to vote and the right to hold office.

—Date on which the first women were elected to Parliament.

—Presence of women candidates and percentage of women elected in the last legislative elections, taking account, where applicable, of variations according to political party.

—Presence of women in the leadership organs of assemblies and parliamentary groups.

—Sociological data on the constituencies in which women were elected (urban/rural; capital/province; working-class/residential).

This list only provided an indication, and all other significant general data could be introduced in the section reports which, taken together, provided the delegates participating later in the working groups with a good reference tool.

ESTABLISHMENT OF TWO WORKING GROUPS

"Women in Parliamentary Life" suggested the treatment of two general sub-themes which could be developed in working groups:

—Women's Access to Parliament

—The Role and Functions Assigned to Women in Parliaments

The suggested development relates to the two most classic and worrisome aspects of the theme in this symposium. Without wishing to be exhaustive, it appeared to us interesting to underline some of the questions related thereto.

1st Working Group: Women's Access to Parliament

Despite a recent evolution, the nomination of female candidates still appears to be a difficult undertaking, against which both a traditional political vision and a certain sociological sluggishness are working. Thus, in considering the impact of political factors on women's access to Parliament, a general observation emerges: very much in the minority, women are often candidates in the constituencies which are the most difficult to win. This observation raises a number of questions:

—To what extent has this situation evolved, or not evolved, over the last 20 years?

—In multi-party systems, does the nomination of female cadidates vary according to the different traditions of the political parties, their ideological orientation or the age of their activists? And what role is assigned to female candidates in one-party systems?

—Has there been or is there now a real relationship between the type of electoral system and the percentage of female candidates?

The nomination of candidates is related to the more general problem of activism and the role which women play in political groups:

—Can we still speak today of women's disengagement from politics? And when this occurs, can the source of this disinterest be found in the form of political life built solely according to male canons?

—Do the "women's organizations" or "women's movements" within political parties favour women's activism and facilitate their access to nomination as candidates in legislative elections?

In defining the role and place occupied by these organizations and "movements", it seemed interesting to try to determine whether these exclusive zones, which might be called "female ghettoes", are creating a danger for themelves, or whether, on the contrary, such movements help to improve the collective expression of women and give them a wider hearing within the political world.

Beyond this political impact, there exists in all societies a greater or lesser degree of sociological sluggishness which tends to dissuade the political parties from presenting female candidates, candidates judged to be liabilities vis-à-vis a certain electorate. In the face of this traditional attitude, are mindsets evolving, and, if so, what are the determining factors:

—Is there a correlation between the situation of women within society, their presence in the labour market and the attitude of voters toward female candidates?

—To what extent have actions supporting the rights of women, such as the creation at the national level of specialized ministries or the organization by the UN of a decade on these questions, influenced these attitudes and, in particular, helped to improve the presence of women in Parliaments?

Sensitized to the under-representation of women in Parliaments, generally as a result of pressure from the women themselves, political parties have been induced to propose measures favouring their nomination. It would be helpful to retrace the circumstances in which these measures were taken, their impact and their future prospects.

—What proposals were advanced and which were acted on?

—Analysis of the implementation and effectiveness of regulations in this area, according to the political situation:

- Parties announced as winners or losers
- Snap elections or elections prepared for long in advance
- Elections in a period of crisis
- Correlation with municipal, regional or supranational elections.

—Can the internal regulation of political groups lead to the militant and organizational conformity of parties vis-à-vis female candidates?

—What is the meaning and significance given by the political parties to the promotion which they give to female candidates?

—Does the absence of internal regulation in the parties signify status quo and stagnation?

2nd Working Group: The Role and Functions Assigned to Women in Parliaments

In dealing with this subject, it is necessary to consider, first, the percentage of women candidates and the percentage of women elected, and to present a socio-professional analysis of parliamentary women.

A minority in the Parliaments, do women have access to all of the areas dealt with and all the functions exercised within Assemblies:

—Are women confined to the social areas traditionally considered more feminine (culture, family, environment, et cetera) or do they have broad access to so-called "technical" or purely political areas? In this research, it is interesting to identify the committees on which they participate and the reports which they are entrusted with. Moreover, we may ponder over the nature of the debates in which they participate, and whether or not we see any evolution in this area. Finally, are there differences in behaviour according to the political groups over the course of recent history?

—Do women participate in the leadership organs of Parliaments as well as in the executives of committees? Are they asked to lead national or international missions? In what areas?

—Do parliamentary groups entrust to women internal functions of co-ordination or representation (Speaker, spokesperson, whip, et cetera)?

—The importance which the collaboration between bureaucrats and parliamentarians can have is another reason to ponder over the importance and place assigned to women within the parliamentary administration.

Beyond this analysis lies the question of relations between men and women parliamentarians.

—Are these relations established on the basis of competition or of dialogue? Although they are a minority in this traditionally male world, are women able to say "other" things or say things "differently", in all areas? Finally, has the presence of women in Parliament contributed to the development of new modes of expression?

The symposium ended with the adoption in plenary session of the resolutions already approved by the Commissions.

THE SENATE

Thursday, June 12, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

PAROLE ACT
PENITENTIARY ACT

INTERIM REPORT OF LEGAL AND CONSTITUTIONAL AFFAIRS COMMITTEE ON SUBJECT MATTER OF BILL C-67 TABLED

Hon. P. Derek Lewis: Honourable senators, I have the honour to table the Twenty-second report of the Standing Senate Committee on Legal and Constitutional Affairs respecting the subject matter of Bill C-67, to amend the Parole Act and the Penitentiary Act. I ask that this report be printed as an appendix to the *Minutes of the Proceedings of the Senate* and the *Debates of the Senate* of this day and form part of the permanent records of this house.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

(*For text of report, see p. 2606.*)

CANADA PENSION PLAN
FEDERAL COURT ACT

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE AUTHORIZED TO STUDY SUBJECT MATTER OF BILL C-116

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*e*), I move:

> That the Standing Senate Committee on Social Affairs, Science and Technology be authorized to examine the subject-matter of the Bill C-116, intituled: "An Act to amend the Canada Pension Plan and the Federal Court Act", in advance of the said Bill coming before the Senate or any matter relating thereto.

The Hon. the Speaker: Honourable senators, is leave granted?

Hon. Senators: Agreed.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I assume that the chairman of the committee feels that he has the necessary time and person-power to deal with this pre-study.

Senator Doody: As usual, honourable senators, the chairman has demonstrated himself to be completely available and absolutely anxious to get at this particular piece of legislation.

Senator Frith: He has the full support of his troops?

Senator Doody: So he assures me.

Motion agreed to.

FISHERIES
AGRICULTURE AND FORESTRY

ORDERS OF REFERENCE

Hon. Jack Marshall, with leave of the Senate and notwithstanding rule 45(1)(*e*), moved:

> That the Order of Reference of the Standing Senate Committee on Agriculture, Fisheries and Forestry, dated February 6, 1985, pertaining to a study on the marketing of fish in Canada and all implications thereof, be deemed to have been referred to the Standing Senate Committee on Fisheries; and
>
> That the Order of Reference of the Standing Senate Committee on Agriculture, Fisheries and Forestry, dated March 26, 1985, pertaining to the impact of the recommendations contained in its Report on soil and water conservation in Canada, entitled: "Soil at Risk—Canada's Eroding Future", tabled in the Senate on November 6, 1984, be deemed to have been referred to the Standing Senate Committee on Agriculture and Forestry.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

FARM DEBT REVIEW

AGRICULTURE AND FORESTRY COMMITTEE AUTHORIZED TO STUDY SUBJECT MATTER OF BILL C-117

Hon. C. William Doody (Deputy Leader of the Government), with leave of the Senate and notwithstanding rule 45(1)(*e*) moved:

> That the Standing Senate Committee on Agriculture and Forestry be authorized to examine the subject-matter of the Bill C-117, intituled: "An Act to facilitate financial arrangements between farmers and their creditors", in advance of the said Bill coming before the Senate or any matter relating thereto.

He said: Honourable senators, Bill C-117, to facilitate financial arrangements between farmers and their creditors, was introduced in the House of Commons today. The subject matter of this bill is of some concern to a great number of

senators and we would like to have it referred to the Standing Senate Committee on Agriculture and Forestry.

My problem is a minor but technical one. I have not been in a position to discuss this matter with the chairman of that committee, or with the deputy chairman, since I do not yet know who these particular people are. However, I have no doubt that they will be most happy to accept this bill.

Motion agreed to.

ADJOURNMENT

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*g*), I move:

> That when the Senate adjourns today, it do stand adjourned until Tuesday next, June 17, 1986, at two o'clock in the afternoon.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

QUESTION PERIOD

[*English*]

ENERGY

GASOLINE PRICING

Hon. L. Norbert Thériault: Honourable senators, I have a question for the Leader of the Government in the Senate. My question arises from a press report that appeared on June 11 of this year in *Le Journal de Montréal* and relates to the pricing of gasoline in Canada.

In that report a Mr. Robinson of Petro-Canada said that Petro-Canada should make a good profit this year. He went on to say that one of the reasons for that was that usually refining companies tried to make half a cent per litre net profit on their operation. He went on to state further that, because there has been a reduction in the price of crude, now, six months or more after the dramatic drop in the price of crude oil, the refining companies, including Petro-Canada, which has 20 per cent of the retail outlets in Canada and has a 25 per cent share of the market, will keep three cents per litre profit.

My concern, honourable senators, is that in New Brunswick especially, notwithstanding the fact that we have a modern refinery in our province, and the fact that we have a long sea coast and a lot of our communities, the towns and cities, are serviced by water, we have noticed hardly any drop in the retail price of gasoline since the dramatic worldwide drop in the price of crude. It has gone down by only a dribble since last year.

Would the Leader of the Government take the matter up with the Minister of Energy, Mines and Resources, who keeps mentioning a free market situation? Surely, there should be some limit to the free market and how much consumers have to pay. I am especially concerned about the amount for which the farmers and fishermen in the Atlantic provinces will be gouged by the major oil companies under this kind of régime.

Hon. Duff Roblin (Leader of the Government): I believe this subject is coming to the top of the agenda these days, honourable senators, because we know that there is a report expected from the Restrictive Trade Practices Commission in the next few days, which I am sure will comment on this matter.

We also know that the Standing Senate Committee on Energy and Natural Resources is looking into the energy question and has raised a number of questions along the same lines. Therefore, I am certain the matter will be at the top of the agenda before very long.

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have some delayed answers to questions.

THE ECONOMY

VALUE OF CANADIAN DOLLAR—MARKET INTERVENTION—ROLE OF GOVERNOR OF BANK OF CANADA—GOVERNMENT ACTION

Hon. Duff Roblin (Leader of the Government): Honourable senators, the first of three delayed answers I have is in reply to a long discussion involving the Leader of the Opposition and the Honourable Senator Sinclair about the Canadian dollar and the economy, which took place a little while ago.

(*The answer follows:*)

> The question was asked if it was the Governor of the Bank of Canada who was responsible for the actions of the authorities in the foreign exchange market in early February. In carrying out official operations in the foreign exchange market the Bank of Canada is acting as the Government's fiscal agent and under general guidelines from it. To reveal the tactics of the authorities with regard to foreign exchange market intervention and its timing would be less than prudent or appropriate and would run the risk of undermining its effectiveness, particularly in circumstances where the market is heavily influenced by the actions of speculators. Nevertheless, there is a continuous process of consultation on exchange rate policy matters between the Bank of Canada and the Department of Finance and that in operating forcefully in the foreign exchange market the Bank was doing so with the Government's knowledge and approval.
>
> The question was also asked: Why had not some firm but gentle response been made in the market earlier so that the very costly intervention which took place might not have at least been reduced somewhat, if not avoided? As previously remarked, it would not be appropriate to

comment on the extent and timing of official operations in the market. The impression that the Government only took action to resist declines in the currency in early February is not an accurate one. The monthly press releases of Canada's official reserves, for example, while not providing details on intervention, suggest that the authorities were resisting downward pressure on the exchange rate. Increases in Canadian short-term interest rates relative to comparable rates in the United States also suggest use of monetary policy to resist untoward movements in the exchange rate.

There also seems to be some uncertainty concerning the scale of foreign borrowing recently undertaken by the Government to bolster our international reserves. In early February, the Minister of Finance announced that Canada would borrow some U.S. $2.4 billion to add to reserves. These consisted of drawings totalling $1 billion on the standby credit facilities which the Government maintains with Canadian and foreign banks, a $1 billion public issue in the Eurobond market and an 80 billion Euro-yen issue—equivalent to about U.S. $400 million.

The running or net costs of borrowing to add to reserves is much less than those associated with the borrowing alone, since the additional reserves are held in the form of interest-earning assets. If the reserves are subsequently used for intervention purposes, this adds to the Government's holdings of Canadian dollars and reduces the need to raise funds domestically.

Senator Sinclair, while expressing satisfaction at the results of the authorities' recent initiatives regarding the dollar, expressed concern that the results would be temporary unless action were taken to deal with more fundamental economic problems. It should be noted, however, that it was precisely because the decline in the dollar did not appear to be warranted by Canada's economic fundamentals, but rather to speculative excesses and short-term capital outflows based on misreadings of our economic prospects and the thrust of the Government's economic policies, that the authorities undertook the actions that they did.

PRIVACY

REPORTED GIVING OF INFORMATION RE UNEMPLOYED

Hon. Duff Roblin (Leader of the Government): Honourable senators, my second reply is to a question raised on March 5 last by Senator Bonnell regarding unemployment and the giving out of names to Peat Marwick.

(*The answer follows:*)

It is true that the names and telephone numbers of some unemployment insurance recipients, but not addresses, were given to a private firm, Peat Marwick, for the purpose of conducting a survey.

The Minister of Employment and Immigration initiated an investigation into this complaint. When it was discovered that proper procedures were not followed, she took the following actions. She recalled all the information from Peat Marwick and she undertook and directed the department that this not happen again and directed the deputy minister to put in place procedures to ensure that it will not happen again.

[Senator Roblin.]

TRANSPORT

AIRPORT SECURITY—TESTING OF GUARDS

Hon. Duff Roblin (Leader of the Government): Honourable senators, my third reply is to a question raised by the Honourable Senator Marsden regarding airport security.

(*The answer follows:*)

On April 28, 1986, a program of testing of the pre-board security screening personnel commenced and was carried out by Transport Canada security officials.

The test was prepared and administered by Airport and Civil Aviation Security staff, Transport Canada.

The test programs were based on the five training programs produced by Transport Canada for use by Canadian air carriers and security guard companies for training or pre-board security screening personnel;

1. "The airport security officer"
2. "Searching persons and baggage by hand"
3. "Use of metal detection units"
4. "Use and operation of X-ray inspection unit (SPL 1000 Model)"
5. "Operation of X-ray inspection unit (Scanray Model)"

The tests are made up of two sections;

Section 1 was designed to test the guards' theoretical knowledge of a security officer's job and involved a total of 40 questions (combined multiple choice, true or false, and short answers);

(a) 20 questions on authority, responsibilities and response actions.

(b) 20 Questions on use of X-ray units were extracted from Parts I, II, III IV, V of the training programs.

Candidates who obtained a pass mark of 75 per cent were permitted to undergo Section 2 testing.

Candidates not achieving 75 per cent in Section 1 written test were required to undergo additional training before being re-tested on a different questionnaire. A pass mark of 75 per cent was required on the second test.

Section 2 involved practical testing designed to evaluate knowledge of detection equipment, interpretation of X-ray images and physcial search techniques. Testers evaluated candidates' ability to find concealed weapons and simulated explosives. A 100 per cent detection rate was required to pass.

The same test was given across the country regardless of the company and/or contract.

The following are the results of the combined sections 1 and 2 tests at the 10 major airports—Gander, Halifax, Mirabel, Dorval, Ottawa, Pearson, Winnipeg, Calgary, Edmonton and Vancouver—as of May 23, 1986 (total combined of section 1 and 2 tests):

Successful 89 per cent

Failure 11 per cent

A thorough analysis of the test results has not been completed. Discrepancies have arisen in airport reports as a result of a number of candidates who failed the section 1 test deciding not to continue to work as a security officer and not taking the additional training and retesting.

The pay rates for the 10 major airports, as of May 29, 1986, are as follows:

Gander $4.75	Pearson $4.00
Halifax $5.20	Winnipeg $4.30
Dorval $5.50	Calgary $4.15
Mirabel $5.50	Edmonton $4.15
Ottawa $4.00	Vancouver $6.50

Because of competitive bidding on the contracts security personnel inevitably receive the minimum wage which may be as low as $4.00 per hour.

[*Translation*]

CANADA DEPOSIT INSURANCE CORPORATION ACT

BILL TO AMEND—THIRD READING

Hon. Jacques Flynn moved third reading of Bill C-86, to amend the Canada Deposit Insurance Corporation Act.

Motion agreed to and bill read third time and passed.

[*English*]

APPROPRIATION BILL NO. 2, 1986-87

SECOND READING—DEBATE ADJOURNED

Hon. C. William Doody (Deputy Leader of the Government) moved second reading of Bill C-115, for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending 31st March, 1987.

He said: Honourable senators, the bill before you today is the Appropriation Bill No. 2, 1986-87. The bill in its standard form was dealt with yesterday by the Standing Senate Committee on National Finance. This bill provides for the release of the balance of the main estimates for 1986-87 amounting to some $27.4 billion.

The main estimates were tabled in the Senate on March 4, 1986, and were immediately referred to the Standing Senate Committee on National Finance. These estimates were discussed in committee with the President of the Treasury Board and his officials on April 23, 1986. As I said, the report has been before the Senate for some time and its adoption was moved yesterday.

Honourable senators, I also have the figures for supply to date for 1986-87 and the estimates tabled to date for 1986-87, which I will ask to be included in today's *Debates of the Senate*.

I would certainly undertake to provide any additional information that honourable senators might wish to have.

(*The tables follow:*)

SUPPLY TO DATE FOR 1986-87

One Appropriation Act has been approved in respect of estimates for 1986-87:

Supply Approved to Date	
Appropriation Act No. 1, which granted Interim Supply for *April, May and June* including 34 additional proportions, based on the *Main Estimates* for 1986-87	$10,169,354,842.40
Awaiting Approval	
Supply for the balance of *Main Estimates* for 1986-87	$27,380,819,670.60
TOTAL	$37,550,174,513.00

ESTIMATES TABLED TO DATE FOR 1986-87

Main Estimates	To be Voted	Statutory	Total
	(in thousands of dollars)		
Budgetary	$37,470,047	$69,537,801	$107,007,848
Non-Budgetary	80,124	344,933	425,057
	$37,550,171	$69,882,734	$107,432,905

• (1410)

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, there is no reason not to pass this bill, but I would like to have a look at the schedules in case there are some comments I can make about them. I assume I have the assurance of the sponsor of the bill that there are no discrepancies between the bill and the estimates that we have already approved when we adopted the report of the Standing Senate Committee on National Finance. Do I have that assurance?

Senator Doody: Yes, I have no hesitation in providing that assurance.

Senator Frith: Well, in that case, honourable senators, I will move the adjournment of the debate in order to have a chance to look at these schedules. We can deal with it next week, and I do not anticipate that there will be any difficulty in giving the bill second reading and, if necessary, third reading in time for Royal Assent next week.

On motion of Senator Frith, debate adjourned.

STANDING RULES AND ORDERS

ELEVENTH REPORT OF COMMITTEE ADOPTED

On the Order:

> Resuming the debate on the motion of the Honourable Senator Molgat, seconded by the Honourable Senator Godfrey, for the adoption of the Eleventh Report of the Standing Committee on Standing Rules and Orders (Membership of Cabinet Ministers on Senate Committees), presented in the Senate on 14th May, 1986.—(*Honourable Senator Godfrey*).

Hon. John M. Godfrey: Honourable senators, you may recall that I adjourned this debate because I disagreed with not only the report of the committee but with some of the remarks that Senator Roblin made when he spoke.

As far as the report of the committee is concerned, of course I agree with their conclusion that cabinet ministers should not be members of a committee.

[Senator Doody.]

What I take exception to is that part of the report which makes an exception for a cabinet minister who is Leader of the Government in the Senate.

Honourable senators may recall that I originally spoke on this matter when I asked Senator Molgat, the chairman of the committee, whether he would consider this question, on October 10 last—that is eight months ago. Things grind slowly around here.

At that time I quoted Senator Flynn, and I think the immortal remarks of Senator Flynn bear quoting again.

Hon. Senators: Hear, hear!

Senator Argue: The immortal Senator Flynn!

Senator Godfrey: We go back to Tuesday, November 4, 1980—and this again refers to a discussion as to whether cabinet ministers should be members of Senate committees. I objected at that time. In fact, I have been objecting for some considerable time to cabinet ministers' being members of committees. Senator Flynn said:

> I would join with Senator Godfrey's remarks regarding Senator Argue's being on the committee. He is a minister of the Crown and, as such, he is bound by cabinet solidarity. He is in no position to voice any independent opinion. I am appalled at the suggestion that he be a member of the committee.

Then I started to quote from Senator Roblin's remarks, and Senator Roblin is, of course, an enthusiastic supporter of Senator Flynn. He made statements to the same effect.

As I was quoting Senator Roblin, the Speaker *pro tempore* interrupted me. He said:

> I think your preamble has gone on much too long. You should be ready to put your question.

I mention this because I want to take this opportunity to say that I really do not think that the Speaker, or the Speaker *pro tempore*, should interfere unless he has heard an objection. We operate on consensus. We have very loose interpretation. I think that when Senator Perrault rather stretched matters, an objection was made.

Senator Flynn: The rule of relevancy always applies.

Senator Roblin: "Consensus" means what the Liberal Party wants.

Senator Argue: That is a little unfair.

Senator Godfrey: By tradition, in this house the Speaker does not make a ruling or call a person on a matter of time unless there has been an objection from a senator. I simply want to make that point.

Being timid and shy, the interruption from the Speaker did have an effect on me and I cut short my quotation from Senator Roblin's remarks.

Senator Molgat: So give it to us now!

Senator Godfrey: So, now I will give it to you eight months later. He said:

> I don't think that Senator Argue can be excused in any way from that same obligation. I don't think the leader of the house can in any way say that this rule does not apply to him—although he is not here to speak for himself—and that he can operate outside the rule of cabinet solidarity and cabinet responsibility, because I simply don't believe it.

So, back in 1980 Senator Roblin made his pronouncement, a very wise pronouncement, that the Leader of the Government is a member of the cabinet and the same criticisms would apply to him. As I think I pointed out before, my motion was not directed at Senator Roblin. I do not think there is any problem with the way in which Senator Roblin conducts himself when he attends committee meetings. What I was concerned about was the previous occasions when the Leader of the Government also represented the majority in the house. Senator Roblin can attend a committee meeting and make an objection if he wishes, but he does not command the majority. I was looking ahead two years from now when the situation will be changed and the Leader of the Government in the Senate will command the majority. In those circumstances I do not think—and I keep stressing the independence of Senate committees—that he should interfere or try to sway people. That is what I am thinking of, and that is why I object to that exception.

I have had several discussions with Senator Roblin. Senator Roblin initially said, "I don't care. It is fine by me if they change the rules." Then he said in the last discussion I had with him—and this was before the committee—"I do not think it is very fair that I should be excluded from the membership of the committee if the Leader of the Opposition is not also excluded." That is particularly true in this case, because the Leader of the Opposition commands the majority of the members of the committee. He can, perhaps, influence the independence of the committee. I thought that was very reasonable.

● (1420)

Senator Frith: What does that have to do with cabinet solidarity?

Senator Godfrey: I realize that it does not have anything to do with cabinet solidarity, but it has something to do with the independence of the committee. In the end I thought that that was not unreasonable and that if Senator Roblin was willing to make that kind of a deal, it was not a bad one.

Senator Frith: No deal!

Senator Godfrey: I put the proposition to the committee, but it did not agree. I do not believe that Senator MacEachen has turned up at any committee meeting that I have attended, so it is not a very practical thing.

An Hon. Senator: Oh, oh!

Senator Godfrey: Senator Roblin made some remarks that I do not agree with. On June 10 he said, as it is reported in *Hansard* at page 2575:

> —I stand up for his right to attend the committee.

He was speaking about cabinet ministers not being allowed to attend, not the Leader of the Government. He went on to say:

> We know that it is the right of every senator, whether he or she is a member of a committee or not, to be there, to attend the committee, to take part in the proceedings, to speak and to have full opportunity to express himself or herself, to state policy and whatever else he or she wants to say, but not to vote.

Why do I object to that statement? To begin with, one of my objections about five or six years ago was about a cabinet minister who was a member of a committee and who on one occasion turned up for a vote in the committee when he had not been at a single hearing—it was something that had been going on for a few months—merely to support the government. After the vote he disappeared and we never saw him again. Now that we have excluded cabinet ministers from voting, I do not think that they will be bothered to turn up at committee meetings, unless it is their own department that is involved. Let us face the fact that they are just too busy. Of course, if it is their own department that is involved, then they should be like every other cabinet minister, whether they are a member of the Senate or a member of the House of Commons. They should be up there giving evidence, stating their policy, subjecting themselves to questions, and when he or she is finished, he or she and his or her minions can depart. The cabinet minister should not stay behind afterwards to continue to argue his or her position. That is the reason why I do not think that Senator Roblin really gave the matter thought when he made that statement, because that is how a cabinet minister in the Senate should conduct himself or herself, and not attend the meeting and stay on afterwards to argue the matter.

Motion agreed to and report adopted.

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS

REPORT OF NATIONAL FINANCE COMMITTEE ON SUBJECT MATTER OF BILL C-96—DEBATE ADJOURNED

The Senate proceeded to consideration of the Seventeenth Report of the Standing Senate Committee on National Finance (subject-matter of the Bill C-96), intituled: "An Act to amend the Federal-Provincial Fiscal Arrangements and

Federal Post-Secondary Education and Health Contributions Act, 1977"), presented in the Senate on 10th June, 1986.—(*Honourable Senator Kelly*).

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, yesterday we had a brief discussion on this bill here in the chamber, and at the time I indicated that Senator Kelly was unavoidably absent. He had indicated to me that he would be prepared to have somebody else speak in his absence. I understand that Senator Macquarrie is prepared to speak to the matter.

Hon. Heath Macquarrie: Honourable senators, it is very much like sending out for the light artillery. I am very sorry that Senator Kelly is unable to be here today, but I shall do the best I can. To indicate how hard that might be, I shall recall an incident. I was going out the Senate door here with a great friend of mine from P.E.I., one of those bright lawyers who knows me well and who used to be my campaign chairman and my constituency president. Coming in the door was Dr. John Godfrey, a distinguished educator from Nova Scotia and the son of one of our illustrious colleagues. This polite young man thanked me, and my nosey friend from Charlottetown said, "What did he thank you for?" I said I had made remarks about him when he was a witness in the National Finance Committee a few days before. They were remarks of praise, which he deserved. So, this lawyer, like all lawyers, immediately lost that train of thought and said, "Good God, are you on the National Finance Committee of the Canadian Senate? Have we come to that?"

So, here we are—and, even worse, I am speaking for our distinguished deputy chairman. Not to compound the felony, I will make sure that I retain my usual brevity.

I have enjoyed more than I expected the time I have spent on the National Finance Committee—although I do not want the whip to keep me there for too long! The discussions on education have been most enlightening, most helpful to me. I had spent many years in that field, but there are people on the committee who are much more up to date on current trends. When Senator Stewart, from Antigonish-Guysborough, Senator Hicks and Senator Marsden get going with some of those visiting academics, we have a very high level seminar. It has been useful, and, God knows, it is a profoundly important problem, this whole question of the federal involvement in the educational spectrum of the country.

I suppose that all of us on the committee feel about Bill C-96 as Oliver Twist felt: We would like to have some more. But the reality of the situation is such that it is hard to look upon that as a practical expression or a practical call for performance.

I was very much impressed by the manner in which the Honourable Barbara McDougall presented Bill C-96 to the National Finance Committee. We all know that some ministers will do anything, apparently, to delay the passage of their legislation. I have seen them filibuster in the House of Commons; I have seen them turn an ordinary interested, inquisitive member of a committee into a hostile one. But that sort of thing does not happen with this minister, who is always very well informed, very aware of the importance of the people to whom she is speaking; and, I believe, comes across as a person with compassion for the totality of the measure and its effect upon our society. Indeed, there were times in the meeting we had on the twenty-first that some members of the committee and Mrs. McDougall were waxing biblical—and I thought that was not bad at 6 o'clock in a legislature that is not given to much sitting at night.

I commend to any odd few in the Senate who might not have read the National Finance Committee's report No. 51 that there is therein a very incisive discussion and explanation of Bill C-96. The report of the committee, which was tabled on June 10, is a very short one and I believe it makes itself clear. I was very much impressed by the third paragraph, dealing with the question of secrecy. It is a product of the times, I suppose, that in this tight and yet extensive interface between the provincial and federal levels of government things are given by the national executive to the provincial executive which they will deny to their own legislatures.

I regret that Senator Perrault is not here; I tried to get an innocent piece of information about Irish moss some years ago and that was denied me by the bureaucracy of the Dominion of Canada, as it then was. I actually had to go to all of the four provinces of the Atlantic region to find the information which I sought and which really could have been obtained from someone in one department of the federal government. This sort of thing is touched upon here and was dealt with at the meeting we had with the Honourable Mrs. McDougall. That is something which will be on our minds and on the minds of legislators for some time to come.

● (1430)

I think all honourable senators are aware that in terms of the operational performance of the government through the year, we have interposed an extra layer of government and it will cause misunderstandings. One of these was referred to in this committee.

I will not speak any longer, honourable senators, because I think that this matter has been handled very well by the minister and by the committee. The report was concise, explicit and definite. I commend this measure to all of my honourable senatorial colleagues.

The Hon. the Speaker: Honourable senators, if no other senator wishes to speak—

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, is this not the consideration of the report rather than the adoption of it?

Senator Doody: This report is on the pre-study of the subject matter of Bill C-96. Usually, as was said earlier, reports of this sort are simply tabled, but in this particular case you wanted to consider it, so I do not know where it goes from here.

Senator Frith: Honourable senators, just to be sure there is no one else, particularly on this side of the chamber, who wishes to speak to this matter, I will move the adjournment in my name until next week.

On motion of Senator Frith, debate adjourned.

The Senate adjourned until Tuesday, June 17, 1986, at 2 p.m.

APPENDIX

(*See p. 2598*)

PAROLE ACT
PENITENTIARY ACT

INTERIM REPORT OF LEGAL AND CONSTITUTIONAL AFFAIRS COMMITTEE ON SUBJECT MATTER OF BILL C-67 TABLED

THURSDAY, June 12, 1986

The Standing Senate Committee on Legal and Constitutional Affairs has the honour to table its

TWENTY-SECOND REPORT

Your Committee to which was referred the subject-matter of Bill C-67, intituled "An Act to amend the Parole Act and the Penitentiary Act", in advance of the said Bill coming before the Senate, or any matter relating thereto, has, in obedience to the Order of Reference of Tuesday, December 17, 1985, examined the said subject-matter and now submits an interim report thereon. This report is intended to supplement the Committee's interim report of May 14 1986 on the subject-matter of Bill C-67.

1. Retrospectivity of Detention Orders

The provisions regarding the detention process, as provided for in Bill C-67, would apply not only to inmates incarcerated after the legislation is proclaimed, but would also be applicable to inmates who are earning or have earned remission of sentence when the Bill comes into force. We are opposed to this retrospective application of the detention proposals.

2. Early review for day parole

In the course of visits to penitentiaries and institutions in the Prairie Region and in the Kingston area, members of the Committee had the opportunity to discuss Bill C-67 with staff members. Many engaged in resocialization made comments as to what they saw as the impracticality of the proposal to inaugurate mandatory early review for day parole at one-sixth of sentence. In their view, the National Parole Board is highly dependent on material prepared by Correctional Services Canada personnel. Such material cannot adequately be prepared in time for day parole review. This situation would not improve if such reviews should become mandatory. Thus, early review could become no more than a formal exercise. We urge further consideration to this provision of the Bill.

3. Visits to Institutions

We attach Reports of Visits to Institutions in the Prairie Region and the Kingston Region by the Honourable Senators Bonnell, Doyle, Fairbairn, Hastings, Nurgitz and Stanbury. (*see appendices A and B*)

Respectfully submitted,

P. DEREK LEWIS,
Chairman.

APPENDIX A TO THE REPORT

REPORT ON A VISIT TO PRAIRIE PENITENTIARIES BY SENATORS DOYLE, FAIRBAIRN, HASTINGS, AND NURGITZ

On behalf of the Standing Senate Committee on Legal and Constitutional Affairs, in its study of the subject-matter of Bills C-67 and C-68, we visited four penal institutions:

1. Stony Mountain Penitentiary, Stony Mountain, Manitoba;

2. Saskatchewan Penitentiary, Prince Albert, Saskatchewan;

3. The Regional Psychiatric Centre, Saskatoon, Saskatchewan; and

4. Drumheller Institution, Drumheller, Alberta.

We had the opportunity, during our visits, to discuss the proposed legislation with inmate committees, wardens, and members of the staff of the institutions.[1] We found all with whom we came in contact during these meetings to be helpful and well-informed; and we are grateful for their contribution to our understanding of some of the implications of these Bills.

This report is primarily intended to be a summary of the views expressed to us on the proposed legislation during our visits. The concerns of the inmates will be reviewed first, followed by a summary of those of the penitentiary wardens and staff. The report concludes with a brief account of some other matters which came to our attention as a result of our visits.

THE INMATE COMMITTEES

The overriding concern of the inmate committees is with that part of Bill C-67 which would introduce a system for "gating" potentially dangerous inmates—i.e., preventing their release on mandatory supervision, and detaining them in custody until warrant expiry.[2] We were told that there is, among inmates, a great deal of anxiety and tension being generated by the possible establishment of a gating process. Many inmates deeply resent any further adjustment to the remission system, which is characterized as a vital safety valve in the penitentiaries, and which serves as an incentive to nondisruptive behaviour. There is a fear that gating, because it has the potential to render earned remission ineffectual, could result in a decline of order and discipline. Even inmates not directly affected by gating, such as those serving life sentences who do not benefit from remission, submit that they would suffer adverse consequences. They contend that they would have to deal with a more restive and potentially more violent population of offenders, who would react to the imposition of restrictions on release.

It was conceded by some inmates that those aspects of gating which are potentially damaging to institutional stability might be justified if their implementation genuinely served to protect the public. But they were doubtful that holding inmates for the last third of their sentences would serve to do any more than merely delay the problem. Indeed, it could result in the release of an even angrier, more hostile, and more violent inmate than one who is released on his mandatory supervision date, and in release without the benefit of supervision. In expressing these concerns, the inmates echoed the views of many witnesses who appeared before the Legislative Committee of the House of Commons.

Another submission by some of the inmates was that the gating procedures would be over-used. They fear that institutional staff will use gating as another tool to coerce appropriate behaviour, and that inmates who are not necessarily dangerous (in the sense of being likely to "cause death or serious harm" as required by the Bill) will be threatened by the process. Even if gating is used with restraint, they fear that an inevitable "failure" (i.e. the commission of a violent offence by an inmate who was not gated) will lead to its much harsher application in the future; and that other legitimate conditional release procedures will become tainted, and will be more restrictively applied.

The inmates have little confidence that the National Parole Board will fairly and thoroughly administer gating. They feel that the Board does not give sufficient consideration to information supplied by custodial officials. Beyond this, they doubt the ability of any group or person to accurately predict dangerousness. Every inmate group expressed the preference that the question of gating should be decided by the courts. They feel that the procedures in the courts are more equitable, that judges could look into the question of the detention of the potentially dangerous with more objectivity, and that the appeal procedures in the court system should be available.

Most of the inmates with whom we met agreed that there does exist a problem with some inmates who are obviously and seriously dangerous, and who, under the existing law, must be released on mandatory supervision once they earn sufficient remission. They submit, however, that the gating procedures in Bill C-67 would do very little to deal with such inmates. Holding them in a penitentiary until sentence expiry only protects society for a brief period. Some form of indeterminate sentencing, preferably administered by the courts along the lines of the dangerous offender provisions of the *Criminal Code*, would

---

(1) The names of the wardens, and of the members of the inmate committees, are appended to this report.

(2) The National Parole Board has no jurisdiction over the release of an inmate on mandatory supervision, which occurs when an inmate has "earned" enough remission of sentence—usually at the ⅔ point of sentence for those inmates who are not serving minimum sentences. This is to be contrasted with release on parole, over which the Board has a discretion, and which is theoretically available, in most cases, after ⅓ of a sentence has been served. It is only after an actual release on mandatory supervision that the board can reassert control by suspending or revoking the release for misconduct. "Gating" would give the Board the power to refuse release on mandatory supervision to those inmates whom it considers dangerous; thus compelling them to serve the remainder of sentence in detention. The term itself derives from an unsuccesful attempt by the Board, in 1983, to employ the existing *Parole Act* to prevent the release on mandatory supervision of certain allegedly dangerous inmates "at the prison gate".

be preferable. In the case of mentally disturbed offenders, more effective treatment is needed. In addition, they submit that any process of detention should be effected at the sentencing stage, and not with a "shot gun" approach near the end of a sentence.

One further matter upon which the inmates were in agreement was their opposition to the retroactivity of the gating procedure—the fact that it will apply to inmates who will have already started serving sentences when the legislation comes into force. They view this as fundamentally unfair, as a changing of the rules in mid-stream, directed at inmates who have been led to adjust their behaviour based on a seemingly fixed set of assumptions as to remission and sentence length.

Most of the concerns of the inmate committees have to do with the gating procedure. Less comment was made about the so-called "one shot mandatory supervision" amendments in Bill C-67, which would preclude certain inmates from earning further remission after having their release on mandatory supervison revoked.[1] Where comment was made as to this aspect of the Bill, it was generally to the effect that this adjustment to the remission system would also increase the level of tension in the institutions. It was also speculated that some inmates will choose not to be released on mandatory supervision (a choice open to them under subs. 15(3) of the *Parole Act*), rather than be subject to the imposition of the strictures inherent in "one shot" release. Another matter upon which there was comment was the proposal in Bill C-67 to inaugurate mandatory review by the Board at the 1/6 point of sentence, for purposes of day parole consideration. This was generally viewed as not having much impact on the number of day parole releases already made.

THE STAFF OF THE INSTITUTIONS

A striking feature of the views expressed to us by staff at the institutions is the large degree of concurrence between those views and those of the inmates with respect to the proposed legislation. It was generally agreed that the introduction of gating and one shot mandatory supervision may serve to increase the tensions inside penitentiaries. It was speculated that it may be necessary to create special areas within the institutions for the detention of gated inmates, in an effort to avoid a disruptive effect on the rest of the inmate population. Some of the staff with whom we spoke also agreed that gating may do little more than delay violent behaviour, and that consideration should be given to longer term custody of those who are obviously dangerous or mentally ill. However, the staff at the penitentiaries indicated that they will be prepared to implement the legislation upon its proclamation.

One disturbing feature of our contact with penitentiary staff was the frank admission by some officials that they viewed the proposed gating procedure as something which could be used as an incentive to proper behaviour by inmates, and to their participation in rehabilitative and other programmes within the penitentiary. The clear implication of this reasoning is that an inmate who is non-cooperative could find himself being threatened with the gating procedure. While this may be an understandable approach by staff, and while nothing in the proposed legislation would preclude this possible use of gating, it appears to be somewhat at odds with the express purpose of the legislation. That purpose is the "protection of the public".

The proposals are, in part, intented to allow for the continued detention of inmates who are not disruptive and who may participate in programs, but who are nonetheless deemed to be dangerous. If penitentiary staff are going to hold out gating as an incentive to "proper" behaviour, some difficulty might be caused when inmates who respond to this incentive are later detained, notwithstanding their behaviour in the institution. It may not be possible to use gating as both a means of detention to protect the public, and as a tool for the encouragement of cooperative behaviour, without causing some dissention and conflict within penitentiaries. If gating is to have any positive effect, its objectives and means of operation must be clearly enunciated both to the staff at penitentiaries, and to the inmates. Otherwise, a procedure ostensibly intended to protect society could result in the disruption of life in the penitentiary.

On the issue of "one shot" mandatory supervision, the staff with whom we spoke indicated that they did not think that it would have much impact on the institutions, particularly in view of the narrowing in scope of its application by reason of amendments made in the House committee. On the question of early review for day parole, few were prepared to predict how many inmates it might benefit.

OTHER MATTERS

During our visit we were shown a range of cells at a penitentiary in which there is "double-bunking"—the incarceration, in one six by eight foot cell, of two inmates. We found this to be very disturbing, particularly in light of the fact that it has been estimated that 26% of the inmate population in the Prairie Region may have to be double bunked by 1992. (The percentage, apparently, may be even higher in other regions). We emerged convinced that a solution to this unacceptable practice must be found.

We were also shown a number of inmate programmes. At Stony Mountain, we visited the industry programmes. At Saskatchewan Penitentiary we were shown the innovative programmes that have been initiated there to assist inmates who have problems with alcohol and drug abuse, as well as the Special Program Unit. Warden O'Sullivan, and Messrs. Tuck, Peters and Hicks, members of his staff, are to be commended for their leadership and support in these areas. We were also impressed with the facilities and the work being done in the Regional Psychiatric Centre in Saskatoon, which is also an accredited hospital. Finally, at Drumheller we were fortunate

[1] Under existing law, if an inmate's mandatory supervision is revoked, he must return to the penitentiary to serve the balance of his sentence. But on his return, he is not precluded from earning further remission on that balance. Bill C-67 originally would have forbidden revoked inmates originally incarcerated for some violent offences from earning further remission after a revocation. Thus, the appellation of "one shot" mandatory supervision. It was amended in the Legislative Committee of the House of Commons to restrict its application to those inmates who are formally considered for gating but who are not, in fact, detained.

to be invited to attend a session of the Native Lifeskills programme, which appears to genuinely assist native inmates to overcome some of the particular problems they face in prison.

CONCLUSION

If our trip has accomplished nothing else, it has at least refuted the allegation made in the Legislative Committee of the House of Commons that inmates were not opposed, or were at most indifferent, to the changes proposed in Bills C-67 and C-68. At least in the Prairie institutions which we visited, there is a profound opposition to several elements of the proposed legislation. We also feel that our visit has served a useful purpose in both informing the inmates and staff about the legislation and committee proceedings, and to giving them a forum in which to express their concerns. This is particularly true with respect to inmates, who were not provided with an opportunity to make submissions directly to the Legislative Committee of the House of Commons.

Respectfully submitted,

Nathan Nurgitz, on behalf of
Senators Doyle, Fairbairn, and
Hastings

March 20, 1986

APPENDIX

Stony Mountain, Manitoba

Warden: Mr. Arthur Majkut
Inmate Committee:

Mr. Arnold Badger, Chairman
Mr. Arnold Blackbird
Mr. Don Carrière
Mr. John Lukes
Mr. Wilfrid Osborne

Individual Inmates:

Mr. Mark Johnson
Mr. Roy Trace

Prince Albert, Saskatchewan

Warden: Mr. James O'Sullivan

Inmate Committee:

Mr. George Turnbull, Chairman
Mr. Thomas Gribble
Mr. Ronald McCauley

Regional Psychiatric Centre (Prairies), Saskatoon, Saskatchewan

Executive Director: Mr. Robert Gillies

Drumheller, Alberta

Warden: Mr. Jon Klaus

Inmate Committee:

Mr. Rick Ambrose, Chairman
Mr. Tim Keating
Mr. Larry Walters

APPENDIX B TO THE REPORT

REPORT ON A VISIT TO INSTITUTIONS IN THE KINGSTON AREA BY SENATORS BONNELL, DOYLE, FAIRBAIRN, HASTINGS AND STANBURY

On behalf of the Standing Senate Committee on Legal and Constitutional Affairs, in its study of the subject-matter of Bills C-67 and C-68, we visited four institutions in the Kingston, Ontario, area on May 20 and 21, 1986:

1. The Prison for Women;
2. Joyceville Institution;
3. Collins Bay Institution; and
4. Kingston Penitentiary[1]

During our visits we had the opportunity to discuss the proposed legislation (in particular, Bill C-67) with wardens, staff members and inmate committees. We also met with representatives of the Union of Solicitor General Employees, the bargaining agent of employees at the institutions; and with both inmate and public members of the John Howard Society. Our discussions with all with whom we came into contact were informative and interesting, and we thank all those concerned for their contribution.[2]

This report is primarily intended to be a summary of the views expressed to us on the proposed legislation. Not surprisingly, we found those views to be substantially the same as those summarized in the Report of those members of the Committee who visited four penal institutions in the Prairie region in March, 1986. (The text of that Report may be found in Issue No.43 of the Committee's Minutes of Proceedings, March 20, 1986 at pp.43A1-6). On all major issues, the views of both inmates and staff were almost identical to those of their western counterparts.

The following is a brief review of the inmates' submissions.

- There is a profound resentment of the fact that detention, or "gating", the endowment of the National Parole Board with the power to detain ostensibly dangerous inmates until warrant expiry notwithstanding eligibility for release on mandatory supervision (MS), is to be introduced. It is viewed as a renunciation of a "bargain" entered into between inmates and the system, whereby good behaviour would be rewarded with remission of sentence. A further particularly contentious issue is the fact that gating will have retroactive effect—it will apply to inmates already in the system, and not only to those imprisoned after the legislation would come into effect. Some inmates contend that this is not only unfair but that it may also violate certain guarantees of legal rights in the *Charter*.

- There is apprehension as to the potential use of the detention power. The inmates are not comforted by government estimates that it may affect only about 100 to 150 inmates. They are concerned as to how penitentiary staff may use gating *in terrorem;* and are convinced that it will raise the level of tension and hostility in the institutions.[1]

- The inmates expressed very little confidence in the ability of the Board to make predictions as to dangerousness. If detention must be introduced, they would prefer to see it administered by the courts, where they have more procedural and appellate rights, and which they perceive as being more impartial.

- A common theme in all the inmate submissions was the insistence that certainty is vital to the stability of a penitentiary. To the extent that inmates' lives are made more uncertain, more subject to the discretion of correctional staff and the Board, the penitentiaries will become less controllable. At present, an MS release date is certain, or at least within the reasonable control of an inmate if he or she behaves. Removing that certainty, and replacing it with the possibility of detention, will affect all inmates, even those who are not eventually detained.

- The view was expressed by the inmates that detention offers little public protection. It merely delays the problem of releasing potentially dangerous persons, without supervision and without their having received much rehabilitative assistance.

- Finally, the inmates had little comment on the two other major elements of Bill C-67: early review for day parole, and "one-shot" mandatory supervision. Early review is considered to be only of marginal value, since they do not expect that the Board will grant day parole at any greater rate than it does today; and "one-shot" MS is viewed as being supplementary to detention and thus subject to the same criticisms.

Like those members of the Committee who toured the Prairie institutions, we found that there is a high degree of concurrence between the views of inmates and those of staff at the penitentiaries with respect to Bill C-67. Many staff members were doubtful as to the predictive ability of either the Correctional Service or the Parole Board with respect to dangerousness. Some echoed the views of inmates that any change which contributes to uncertainty about sentences and time to be served can have a quite disruptive effect on order in penitentiaries. Some also indicated that they saw detention as a "band-

(1) Senator Hastings also visited Warkworth Institution, in Peterborough, Ontario, on May 9, 1986.

(2) The names of the wardens, members of the inmate committees, and union representatives with whom we met are appended to this Report.

(1) One particular submission of an inmate group is that the gating process could be used to circumvent the procedural guarantees of disciplinary courts (i.e. tribunals within penitentiaries set up to discipline inmates for misbehaviour). Instead of proceeding to disciplinary court for an infraction, which can result in the loss of a few days remission; they contend that staff could decide to use the cumulative effect of several infractions to build a gating file, which could result in the loss of all remission before the Board, where the inmate has no distinct right to counsel, or other rocedural rights. This concern may be entirely fanciful; but the fact that it is expressed is in itself significant.

aid" solution to a particular acute problem—how to deal with inmates who are not sufficiently mentally ill to justify indeterminate incarceration, but who have extreme behavioural problems or personality disorders such that they are potentially dangerous. In their view, keeping such persons in penitentiary until warrant expiry would contribute only minimally (if at all) to public safety.

Some staff with whom we spoke also expressed concern that detention will increase an already heavy workload, without any corresponding benefit. Indeed, it could have a negative effect on institutional stability, producing a more disgruntled, hostile, and restive inmate population.

This is not to say, of course, that the legislation has no support among penitentiary staff. We received indications of strongly-held views in support of detention. The view was expressed by one staff member (who indicated that he spoke for many of his colleagues) that gating *would* serve to protect the public, providing the detained inmates with a "cooling off" period after their detention and before they are eventually released. Another staff member perceived detention as a way to deal with those inmates who misbehave shortly before their release on MS, in the knowledge that a disciplinary court could not be convened in time to affect their remission.[1] A third defence offered for detention was that it would deter future offences; that an inmate eventually released after being detained would be reluctant to re-offend because the court sentencing him would take a dim view of the fact that he or she had been detained, and would give him or her a more severe sentence[2].

One matter upon which there was virtually universal agreement among members of the staff with whom we met, was as to perceived limitations in the proposed early review for day parole. It was submitted that such early review is theoretically appealing, but that there are practical problems. The Parole Board, in its deliberations, relies heavily on information and assessments provided by CSC staff who, in turn, obtain material for such assessments from a wide variety of sources and agencies. To have such material available for the Board even at an inmate's full parole eligibility date is difficult; having it ready at 1/6 of sentence (which in some cases will be as early as 4 months after sentencing) will be, in the opinion of many CSC personnel, next to impossible. They thus conclude that the early reviews mandated by Bill C-67 would become little more than a formal and empty ceremony—since an already cautious Board will be reluctant to proceed with day parole in the absence of a complete file.

Little comment was made by staff members as to the proposed "one-shot" MS amendments, although those who did remark on it expressed approval of its limitation in amendments made in the legislative committee of the House of Commons. They were of the view that its original wide application would have caused administrative problems.

During our visits we were exposed to several aspects of life and activity in the penitentiaries not directly related to the proposed legislation. Like those members who travelled to the Prairie institutions, we were shown instances of double-bunking, particularly at Joyceville, where over 100 inmates now must share cells. Overcrowding in our penitentiaries causes many problems. Programs are curtailed or are rendered ineffective. Many inmates have no opportunity to be employed. All this contributes to the tension and pressure which already exists in such institutions. As did the Prairie Report, we would urge that measures be taken to find a solution to this problem, which appears to be getting worse.

At Kingston Penitentiary we met with a large group of men imprisoned for first degree murder, who are not eligible for parole until 25 years of their sentences have expired. They made a plea that consideration be given to providing for shorter parole eligibility periods; and that some further provision be made for programs and activities in which they could participate.

At Collins Bay Penitentiary we were fortunate to be invited to participate in part of a session of the Brentwood Program, a recently initiated program established to assist, primarily, inmates with drug and alcohol problems. From our brief contact with participating inmates and staff, we were impressed with the prospects for success of the program in assisting inmates to refrain from substance abuse. For this program, as well as the several other work and educational programs we saw at all the penitentiaries, staff and participants are to be commended.

Finally, at Kingston Penitentiary, we were given a tour of the Treatment Centre, a separate facility established for the detention and treatment of inmates with behavioural or psychological problems. We commend those employed there for their dedication and industry, and for making the best possible use of somewhat antiquated facilities.

CONCLUSION

Our trip to the Kingston area penitentiaries has established that the views and opinions of inmates and staff with respect to the proposed legislation are not substantially different from those expressed to those members of the Committee who visited the Prairie institutions. We did gain some new insights into the reasons why some staff members support the proposals, and into some potential problems associated with the

---

(1) Whether "gating" would invariably apply to such inmates is open to question. If it is intended that the detention process would be started merely to foreclose release for a time without a reasonable prospect of a detention order, this would be a matter for concern. One could question the propriety of such an action.

(2) It is open to question whether the fact that a person had been detained could be properly brought up before a court. Even if so, the supposed deterrent effect would seem quite attenuated.

proposal for early day parole review. In addition, our visit served a useful purpose in both informing the inmates and staff about the legislation and Committee proceedings, and in giving them a forum in which to express their concerns.

Respectfully submitted,

Earl Hastings, on behalf of
Senators: Lorne Bonnell,
Richard Doyle,
Joyce Fairbairn,
Richard Stanbury.

May 26, 1986

APPENDIX

The following individuals met with the Committee:

Deputy Commissioner (Ontario Region):	Mr. Arthur Trono

PRISON FOR WOMEN

Warden:	Mr. George Caron
Assistant Wardens:	Ms. Theresa Decaire (Security) Ms. Margaret Ruttan (Health Care) Ms. Dorothy Williams (Finance & Operations) Mr. Alex Burnett (Inmate Programs)
Inmate Committee:	Ms. Linda Cameron Ms. Linda Nothnagel Ms. Kim Elridge Ms. Jordan Miller Ms. Linda Sailer
Union of Solicitor General Employees	Ms. Robena Neil Mr. Mike Smith

JOYCEVILLE INSTITUTION

Warden:	Mr. Rémi Gobeil
Assistant Wardens:	Ms. Sharon Hogan (Administration) Mr. William Weaver (Technical Services) Mr. Paul Kellogg (Industries) Mr. Larry Stebbins (Socialization) Mr. Larry Hefford (Finance) Mr. Sam Brazeau (Security) Ms. Donna Dixon (Senior Health Care Officer) Mr. Jim Caird (Superintendent, Pittsburgh Institute)
Inmate Committee:	Mr. Rick Ash Mr. Tom Walsh Mr. Steve Laplante
John Howard Chapter:	Mr. Tim O'Sullivan Mr. Keith Burgoyne Mr. John David Carnie Mr. Rick Ash Mr. Tim Greenwood (Counsellor)
Union of Solicitor General Employees:	Mr. Jack Samson Mr. Joe Carmichael

COLLINS BAY INSTITUTION

Acting Warden:	Ms. Yvonne Latta
Staff:	Ms. Shirley M. Bamford (A.W./Health Care) Mr. Tony Jean (Psychologist) Ms. Donna Ménard (Case Management Supervisor) Mr. Jerry Clair (A.W./Security) Mr. Don Boone(A.W./Administration) Mr. Keith Manson (A.W./Technical Services) Mr. Jack Holder (A.W./Education and Training) Ms. Janet Ethier (Classification Officer)
Inmates' Committee:	Mr. Chris Hillick Mr. John Hypolite Mr. Fernand Robillard Mr. Claude Brière Mr. Steve Hunter
John Howard Chapter:	Mr. Steve Lewis Mr. Guy Lount Mr. Ron Lauzon Mr. Paul Sammut Ms. Barb Hill (Counsellor)
Union of Solicitor General Employees:	Mr. Francis Lollar Mr. Bernie Bélanger Mr. Bob Willis
Brentwood Program:	Rev. Al Meloche Mr. Harley Smith

KINGSTON PENITENTIARY

Acting Warden:	Mr. Fred Sisson
Assistant Wardens:	Mr. Patrick Quinn (Socialization) Mr. Don McBroom (Security) Mr. Willie Gladu (Employment, Education and Training) Mr. Jean-Guy Léger (Regional Treatment Centre) Mr. Bob Batchelor (Technical Services) Mr. Basil Gillespie (Finance)
Inmates' Committee:	Mr. Richard W. Brooks Mr. Chuck Armstrong Mr. Doug J. Barnes
Union of Solicitor General Employees:	Mr. Dennis Albertini Mr. Allan Cresswell
25ers GROUP	Mr. Fred Bleich, Chairman and others

THE SENATE

Tuesday, June 17, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

[*Translation*]

OFFICIAL LANGUAGES

REPORT OF COMMISSIONER TABLED

The Hon. the Speaker: Honourable senators, I have the honour to table the report of the Commissioner of Official Languages as required under Access to Information Act for the year ending on March 31, 1986.

[*English*]

PRIVATE BILL

PINE HILL DIVINITY HALL—BILL TO AMEND ACT OF INCORPORATION—MESSAGE FROM COMMONS

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons returning Bill S-7, to amend the Act of Incorporation of Pine Hill Divinity Hall, and acquainting the Senate that they had passed the bill without amendment.

[*Translation*]

COMPETITION TRIBUNAL BILL

REPORT OF COMMITTEE

Hon. Lowell Murray, Chairman of the Standing Committee on Banking, Trade and Commerce presented the following report:

Tuesday, June 17, 1986

The Standing Senate Committee on Banking, Trade and Commece has the honour to present its

SEVENTEENTH REPORT

Your Committee, to which was referred the Bill C-91, intituled: "An Act to establish the Competition Tribunal and to amend the Combines Investigation Act and the Bank Act and other Acts in consequence thereof" has, in obedience to the Order of Reference of Wednesday, June 11, 1986, examined the said Bill and now reports the same without amendment, but with the following observations:

In accordance with the Order of Reference, your Committee heard from the Honourable Michel Côté, P.C., M.P., Minister of Consumer and Corporate Affairs and officials from the department on June 11, 1986. We had previously been authorized by the Senate on April 17, 1986 to study the subject-matter of the above-mentioned Bill (see Appendix A for a complete list of witnesses and Appendix B for a list of submissions received).

Proceedings of the Competition Tribunal

Clause 12(2)b provides that in the event of an equally divided opinion among the members of the Tribunal, the presiding member may have a casting vote to determine the question. Certain Committee members questioned the justification for giving double weight to the views of one member of the Tribunal in these circumstances, which would have the effect of upholding applications which might otherwise fail.

Anti-competitive agreements between financial institutions

Existing law against agreements in restraint of trade treats banks differently from non-bank financial institutions. Non-banks are subject to section 32 of the *Combines Investigation Act*, which prohibits any agreement in restraint of trade that has the effect of lessening competition "unduly". Agreements between banks, on the other hand, are governed by section 309 of the *Bank Act*, which imposes an absolute prohibition against specified inter-bank agreements relating to services provided and prices charged. Bill C-91 would transfer section 309 from the *Bank Act* to the *Competition Act* (as section 33), but would otherwise retain the differential treatment of agreements between banks and agreements between other financial institutions.

In their submission to the Committee, the Canadian Bankers' Association argued that this differential treatment is not justified by the current realities in financial markets, where increasingly non-bank financial institutions provide services similar to banks and where some non-banks are larger than all but the largest banks. The distinction also makes it difficult for banks and non-bank financial institutions to participate in agreements relating to the payments system: section 309 permits banks to make agreements between themselves in relation to common systems and facilities; section 32 contains no specific exemptions that would allow non-bank financial institutions to participate in such agreements.

Extensive consultations on this issue have taken place between the Department of Consumer and Corporate Affairs and the Canadian Bankers' Association. The Minister advised your Committee that this issue is still under consideration, but he wishes to wait for pending legislation concerning the regulation of financial institutions before making a final decision on the matter.

Your Committee has reviewed Bill C-91 in accordance with the Orders of Reference and, except as noted above, has no comments to make on the Bill.

APPENDIX A

WITNESSES

On the subject-matter of Bill C-91:

Wednesday, April 30, 1986: (Issue No. 44)

Department of Consumer and Corporate Affairs:

Mr. Mark Daniels, Deputy Minister;

Mr. M.S. Cappe, Assistant Deputy Minister, Bureau of Policy Coordination and Acting Assistant Deputy Minister, Bureau of Competition Policy;

Mr. Morris Rosenberg, Director, Legal Branch.

Wednesday, May 7, 1986: (Issue No. 46)

Canadian Federation of Independent Business:

Mr. J.Bennett, Vice-President, Legislative Affairs;

Mr. Richard Graham, National Affairs Officer.

Wednesday, May 14, 1986: (Issue No. 47)

National Association of Tobacco & Confectionery Distributors:

Mr. William Marcus Jr., President; President, W. Marcus Enterprises;

Mr. Lucien Maréchal, Treasurer; Controller, Brault Clément Inc.;

Mr. Paul D. Tripp, Past President; Mark Tripp Ltd.;

Mr. Roland LeRose, President, West Kootenay Wholesale Ltd.;

Mr. Ronald G. Atkey, P.C., Q.C., Counsel; Osler, Hoskin & Harcourt;

Mr. Philippe H. Louette, Executive Vice President.

Canadian Bar Association:

Mr. John C. Clarry, Q.C., Chairman, Special Committee on the Combines Investigation Act;

Mr. Julian Chipman, Q.C.;

Mr. T.B.O. McKeag, Q.C.;

Mr. Bruce C. McDonald;

Mr. W.V. Monopoli, Legislation Director.

Wednesday, May 28, 1986: (Issue No. 48)

Canadian Bankers' Association

Mr. Robert M. MacIntosh, President;

Mr. T.G. O'Connor, Chairman, Legal Affairs Committee; Associate General Counsel, Toronto-Dominion Bank;

Mr. David Phillips, Vice-President, Legal Affairs.

Association of Canadian Franchisors:

Mr. John Gillespie, President; President, Pizza Pizza Ltd.;

Mr. Harold Knifton, President, Independent Grocers' Association;

Mr. Ken Fong, Member, Government Liaison Committee; Vice-President, McDonald's Restaurants of Canada Ltd.;

Mr. Wayne McCracken, Special Counsel.

Stelco Inc.:

Mr. R.E. Heneault, Executive Vice- President;

Mr. Warren Grover, Q.C., Counsel, Blake, Cassels & Graydon.

On Bill C-91:

Wednesday, June 11, 1986 (Issue No. 50)

Appearing:

The Honourable Michel Côté, P.C., M.P., Minister of Consumer and Corporate Affairs.

Department of Consumer and Corporate Affairs:

Mr. M.S. Cappe, Assistant Deputy Minister, Bureau of Policy Coordination;

Mr. Morris Rosenberg, Director, Legal Branch;

Mr. Julien Béliveau, Chief of Staff.

APPENDIX B

SUBMISSIONS

The Committee received submissions from the following groups and individuals:

ASSOCIATION OF CANADIAN FRANCHISORS, Toronto, Ontario

BUSINESS COUNCIL ON NATIONAL ISSUES, Ottawa, Ontario

CANADIAN BANKERS' ASSOCIATION, Toronto, Ontario

CANADIAN BAR ASSOCIATION, Ottawa, Ontario

CANADIAN BUSINESS EQUIPMENT ASSOCIATION, Willowdale, Ontario

CONSUMERS' ASSOCIATION OF CANADA, Ottawa, Ontario

GOWLING & HENDERSON, Toronto, Ontario

LANG, MICHENER, CRANSTON, FARQUHARSON & WRIGHT, Toronto, Ontario

NATIONAL ASSOCIATION OF TOBACCO & CONFECTIONERY DISTRIBUTORS, Montreal, Quebec

PETROLEUM MARKETERS ASSOCIATION OF CANADA, Toronto, Ontario

STELCO INC., Toronto, Ontario

WILSON, MR. LAWARENCE R., Ottawa, Ontario

Respectfully submitted,

LOWELL MURRAY
Chairman

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

On motion of Senator MacDonald, bill placed on the Orders of the Day for third reading later today.

[*English*]

CANADA-UNITED STATES INTER-PARLIAMENTARY GROUP

TWENTY-SEVENTH MEETING—NOTICE OF INQUIRY

Hon. R. James Balfour: Honourable senators, I give notice that on Thursday next, June 19, 1986, I will call the attention of the Senate to the Twenty-seventh Meeting of the Canada-United States Inter-Parliamentary Group, held at Tucson, Arizona, U.S.A., from February 28 to March 3, 1986, and to the report of the said meeting.

REPORT OF CANADIAN DELEGATION PRINTED AS APPENDIX

Hon. R. James Balfour: Honourable senators, I ask leave to have the report printed as an appendix to today's *Debates of the Senate* so that honourable senators will have it available when I speak on this subject.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

(*For text of report, see appendix p. 2625*).

YOUNG OFFENDERS

LEGAL AND CONSTITUTIONAL AFFAIRS COMMITTEE AUTHORIZED TO EXAMINE SUBJECT MATTER OF BILL C-106

Hon. C. William Doody (Deputy Leader of the Government), with leave of the Senate and notwithstanding rule 45(1)(*e*), moved:

> That the Standing Senate Committee on Legal and Constitutional Affairs be authorized to examine the subject matter of the Bill C-106, intituled: "An Act to amend the Young Offenders Act, the Criminal Code, the Penitentiary Act and the Prisons and Reformatories Act", in advance of the said bill coming before the Senate or any matter relating thereto.

Motion agreed to.

BUSINESS OF THE SENATE

On Question Period:

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I have to inform the Senate that Senator Roblin is unavoidably absent today.

If honourable senators have questions which they wish me to take as notice or if they wish me to try to get information for them, I will be happy to oblige as best I can.

[Senator Murray.]

Senator Argue: Give us the answer right off the bat!

Senator Bonnell: I wonder if we could ask the Deputy Leader of the Government if Senator Flynn could answer, since he usually does.

Senator Doody: I think that question could more appropriately be asked of Senator Flynn.

SECHELT INDIAN BAND SELF-GOVERNMENT BILL

THIRD READING—ORDER STANDS

On the Order:

> Third reading of the Bill C-93, intituled: "An Act relating to self-government for the Sechelt Indian Band".—(*Honourable Senator Doody*).

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I ask the permission of the Senate to stand this order, at least temporarily. There is a discussion in progress in the minister's office relating to this particular bill, in which, I believe, Senator Marchand and others are interested.

With leave of the Senate, we could defer this order until later this day and move on to the next order of the day, if that is agreeable to Senator Marchand and others.

Hon. Len Marchand: That is a good arrangement, honourable senators.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

Order stands.

APPROPRIATION BILL No. 2, 1986-87

SECOND READING

On the Order:

> Resuming the debate on the motion of the Honourable Senator Doody, seconded by the Honourable Senator Macdonald (*Cape Breton*), for the second reading of the Bill C-115, intituled: "An Act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1987".—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, as was mentioned last Thursday, I wanted an opportunity to look at the schedules that were included in the *Debates of the Senate* of that day by the sponsor of the bill, Senator Doody. I have done so. As honourable senators know if they have looked at the *Debates*, the schedules put forward by Senator Doody are quite short and simple. They set out supply to date for 1986-87.

Honourable senators will remember that under Appropriation Act No. 1, interim supply was granted for April, May and June, including 34 additional proportions, based on the main estimates for 1986-87. That left awaiting approval and subject to the bill that is before us now supply for the balance of the

main estimates for 1986-87. That balance totalled $27,380-odd million. The total of the interim supply and the amount that is before us now is $37,550,174,513. I mention those figures because if senators turn to page 2602 of the *Debates* of June 12, they will see that the main estimates tabled to date for 1986-87—which form the basis for the bill before us and the basis, in turn, for the report of the Standing Senate Committee on National Finance—are divided between those to be voted and those which are statutory. The statutory amounts, of course, are provided for by way of statute and are not subject to vote. Those to be voted are broken down into the budgetary, totalling $37,470,047,000, and the non-budgetary, totalling $80,124,000.

I do not think that we should hold up the bill over this, but Senator Doody may have noticed what might be just a typographical error, that is, that the supply for the balance of the main estimates for 1986-87, which appears under the heading of "Supply to Date for 1986-87", is $37,550,174,000, whereas the total to be voted on page 2702 under the heading "Estimates Tabled to Date for 1986-87" is exactly the same amount less approximately $3,000; it is $37,550,171,000. I am sure that this must be a typographical error and I do not mean to ask for an explanation of it before we grant supply, as we ought to, in my view. The Deputy Leader of the Government might at some point put on the record an explanation to straighten out what I admit is a minor discrepancy.

Hon. C. William Doody (Deputy Leader of the Government): I assume that if I speak now, the debate will be closed.

The Hon. the Speaker: Is this in answer to a question?

Senator Doody: I merely wanted to tell Senator Frith that I would try to find the answer for him. It is a relatively small discrepancy, but is, nevertheless, a discrepancy. I will try to get the information for him over the next few days and we can then put it on the record.

Motion agreed to and bill read second time.

THIRD READING

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

Hon. C. William Doody (Deputy Leader of the Government): With leave of the Senate and notwithstanding rule 45(1)(*b*), I move that the bill be read the third time now.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to and bill read third time and passed.

• (1410)

ROYAL ASSENT

NOTICE

The Hon. the Speaker informed the Senate that he had received the following communication:

RIDEAU HALL
OTTAWA

17 June 1986

Sir,

I have the honour to inform you that the Right Honourable Brian Dickson, Chief Justice of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 17th day of June, 1986, at 4.30 p.m., for the purpose of giving Royal Assent to certain Bills.

Yours sincerely,
Leopold H. Amyot
Secretary to the Governor General

The Honourable
The Speaker of the Senate
Ottawa

[*Translation*]

CURRENCY ACT

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-118, to amend the Currency Act.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(*f*), bill placed on Orders of the Day for second reading at the next sitting of the Senate.

[*English*]

COMPETITION TRIBUNAL BILL

THIRD READING

Hon. Finlay MacDonald moved the third reading of Bill C-91, to establish the Competition Tribunal and to amend the Combines Investigation Act and the Bank Act and other Acts in consequence thereof.

The Hon. the Speaker: It is moved by the Honourable Senator MacDonald (Halifax), seconded by the Honourable Senator Barootes, that this bill be now read the third time.

Is it your pleasure, honourable senators, to adopt the motion?

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, during the time since this bill received second reading in the Senate and its presentation for third reading debate today, the Restrictive Trade Practices Commission published its report entitled "Competition in the Canadian Petroleum Industry".

There are three volumes to the report. I particularly recommend the volume I have in my hand, entitled "Introduction,

conclusions and recommendations", and which I have had the opportunity of reading. In my view, it is a well written document. I cannot yet recommend the second and third volumes because I have not read them. I believe that honourable senators will find it quite educational with regard to the original subject matter of the inquiry concerning competition in the petroleum industry prior to 1973—it being 1973 when the director commenced his investigation. So, as I say, it is a very well written document and very educational in summarizing some of the features of the industry.

If I can make one parenthetical comment, the only stylistic criticism I have of the report is that it uses repetitively the word "address", which is now quite a fashionable word. Problems are not solved these days; they are "addressed". Questions are not answered, they, too, are "addressed".

Senator MacEachen: That applies to the Leader of the Government.

Senator Frith: I do not know whether that says something about us psychologically, but when we deal with a problem we sort of address it and say, "How do you do?", and bow to it, but we do not actually want to get ourselves "dirty", I suppose, or mixed up in actually trying to solve it.

Senator Doody: It makes it easier to interface.

Senator Frith: Apart from that, honourable senators will find this report very good reading.

While the committee was doing its work, there were a number of recent developments in this field, including Bill C-91. While Bill C-91 has no direct effect on the inquiry into competition in the Canadian petroleum industry, if the legislation that is before us now for third reading is adopted, this study will be the last report of a section 47 inquiry of the Restrictive Trade Practices Commission. Section 47 and the system will be replaced, as we found when we discussed this bill at second reading.

However, the Restrictive Trade Practices Commission very prudently took into account these recent developments and the existence of Bill C-91, partly at the request of the minister, and in response to other requests made comments in the report about Bill C-91. Before we give the bill third reading, it would be worth while noting for our record what the commission said about Bill C-91, so that it will be clear to posterity that before we passed the bill at third reading we were aware of the fact that there was an important development having direct relevance to the legislation before us. There are not that many references, perhaps four or five. I can say that most of the references to Bill C-91 are very encouraging. Some of them have reservations.

The first reference to Bill C-91 is at page 63 where the commission is dealing with the problem of predation, spelled P-R-E-D-A-T-I-O-N, a word that most of us know in reference to predators and in the zoological context.

Senator Doody: Did they deal with it or "address" it?

Senator Frith: They say earlier that they are going to address the matter, and then they deal with it. As a matter of fact, one of my objections to the commission's talking so frequently about addressing a problem is that eventually they actually deal with it. So, I do not know why they continuously say that later in the study they will be "addressing" the problem when in fact they actually deal with it. This is what the study says on "Predation" at page 63:

> It is important that there be a legal standard of "predation", which is to say a line beyond which conduct by one firm that has harmful effects on another firm's ability to stay in business or to compete, is unjustifiable and against the public interest.
>
> The Commission considers that the existing law, particularly if supplemented as proposed by Bill C-91, is adequate in this regard. In view of the generality of the existing law, however, the Commission's recommendations set out guidelines for its application to pricing in a dual distribution context.

So, as far as Mr. Stoner and his colleague are concerned, that is one mark in favour of giving Bill C-91 third reading. Then at page 64 when dealing with Petro-Canada, we find:

> Government ownership of Petro-Canada affords unique opportunities to correct certain market defects.

Then at the bottom of the page:

> Petro-Canada witnesses testified that the company endeavours to comply with the Combines Investigation Act, and if Bill C-91 is enacted it will be required by law as an agent Crown corporation to do so. The fact that it is Government-owned, however, offers a unique opportunity to go further and to use Petro-Canada's potential to promote competition in an industry where the extent of concentration in conjunction with vertical integration continually threatens the vigour of market forces.

• (1420)

That will be of interest, I think, to Senator Flynn if he is still as interested in price competition from Petro-Canada as he was when he sat over here.

Senator Flynn: I still am.

Senator Frith: I suspected so.

Senator Flynn: In fact, I am more worried than ever.

Senator Frith: Mrs. Carney, take note.

On page 66, there appears Recommendation No. 1:

> To deal with several practices in the petroleum industry and those that may from time to time arise in other industries, a section should be added to Bill C-91 that would allow the Tribunal to issue orders requiring the discontinuance or non-repetition of any conduct that would substantially lessen competition.

As I recall it, this is a power that the analogous commission in the United States has. I now continue quoting from the report:

> Under such a section an order could be issued by the Tribunal whenever it could be established to its satisfaction that the conduct in question has or would substantially lessen competition. The Commission considers that

such a provision ought not apply to conduct that was only "likely to" substantially lessen competition, and that it ought only apply to situations where the harm was more certain. At the same time, the proposed provision would not suffer many of the limitations currently contained in section 51 as proposed by Bill C-91.

The report then gives examples of what the proposed section could do in permitting the following types of conduct or practices in the petroleum industry to be remedied. They are given as follows:

(a) large volume, long-lasting exchange agreements . . .

(b) support programs or agency or other agreements where the supplier obtains complete or substantial control or influence over a customer/competitor's prices . . .

I should say that that particular passage on page 66, continuing on to page 67, is the largest section in this volume on the question of Bill C-91, and goes on further at the top of page 67:

Like much of Bill C-91, the section proposed here does not have the degree of specificity or provide the extent of advance certainty or guidance to businessmen that would be required if it were to be criminal law. But then, the great advantage of civil law review—

—and that is what we are looking at in Bill C-91—

—is that the public interest can be more effectively protected from conduct or practices that, while in most cases they may promote the public interest or at least not harm it, nevertheless in other circumstances may be found on review to harm the public interest.

The report then goes on to say:

The Director can, of course, be consulted to learn whether he would bring the conduct in question before the Tribunal. Additionally, it may be assumed that the Tribunal would consider all the circumstances when issuing an order and would seek to minimize unnecessary hardship.

The next reference to Bill C-91 is at the bottom of that same page, page 67:

Recommendation No. 3: Jurisdiction to grant interim orders, particularly with respect to matters affecting supply, should be conferred by legislation.

In making this recommendation the Commission notes with satisfaction that Bill C-91 proposes that a comprehensive power to grant interim orders exist for all matters within the proposed new Part VII jurisdiction of the Competition Tribunal.

Therefore again, that is another positive comment for Bill C-91.

Recommendation No. 4, found on page 68, states:

Any person who has been refused supply—

Honourable senators will understand the competitive problem when, for example, a gasoline retailer wants to make some adjustment in price or engage in a particular selling practice and is refused supply. According to the evidence given to the commission, as reported, that retailer is often in the position of having to obtain an alternative supply or getting none at all. That recommendation goes on to state:

—should be entitled to apply directly to the Competition Tribunal for relief.

The advantages of direct access are that the complainants could thereby avoid the delay of having to go through the director's office. Under the current practice, the only person who brings something before the commission is the director. So, if a person has a complaint, that person has to go to the director and the director then brings the complaint before the tribunal. The recommendation is that in some cases there be direct access to the tribunal.

The second paragraph under that recommendation states:

The concern that is sometimes expressed regarding direct public access to the Tribunal is that such access could be used to threaten or harass suppliers. These fears are based largely on experience in the United States with treble damage litigation and have little relevance here. The Tribunal could be relied upon to discourage any possible abuses of its procedure, like any other court.

That, then, is something that the tribunal is recommending as an improvement to Bill C-91, as I understand it.

Recommendation No. 5 states:

The Government should be empowered to exempt particular mergers from review by the proposed Competition Tribunal.

For example, the now famous, or in some quarters infamous, Ultramar and Petro-Canada acquisition of Gulf's downstream assets could have been brought before the Competition Tribunal had Bill C-91 been law. So, on that point the bill before us scores well. Honourable senators will all remember, I am sure, the concern shown with regard to those acquisitions and the eventual shutting down of the refinery in Quebec.

Recommendation No. 9 is simply an indirect reference as far as the commission is concerned—at least as far as the tribunal is concerned and as far as Bill C-91 is concerned—to Petro-Canada. That is found in paragraph (c) at the bottom of page 69 and states:

Petro-Canada and its employees should be made fully subject to the provisions of the Combines Investigation Act, except to the extent that acts are done pursuant to specific directive or approval of the Governor in Council.

Honourable senators, those are the references in this intervening and important report of the Restrictive Trade Practices Commission as they relate to the bill before us. In most cases the bill scores well, but there are some reservations, and there are strong recommendations by the commission that the bill be amended to extend the jurisdiction of the tribunal, as evidenced by the recommendations to which I have referred.

Hon. John M. Godfrey: May I ask the honourable senator a question? Is that report dated? How long was it with the minister? It is unfortunate that that report was not made

available to the Banking, Trade and Commerce Committee while it was considering the bill.

Senator Frith: Honourable senators, the report was released on Friday. The date at the end of this volume signed by the chairman and one member is May 16, 1986. So, it would seem that for some reason the report was not released during debate on Bill C-91 in the other place, nor was it released during second reading debate here in the Senate. My notes indicate that the bill was passed by the other place on June 5, 1986. So, there was approximately a month between the date written on the report and the passage of the bill by the other house. Then, of course, there was the additional delay in its release while we debated the bill on second reading. I cannot say whether that was by design or not, but it is a fact.

• (1430)

Senator Macquarrie: That was a good address!

Senator Frith: Did I address the problem?

Senator Macquarrie: Yes.

Hon. Ian Sinclair: Honourable senators, in view of the remarks of Senator Frith, and in view of the letter from Gerry Stoner to the minister in transmitting the report to which reference has been made here and which included the statement that the relevance of the appraisal of the Restrictive Trade Practices Commission in regard to Bill C-91 was noted, there are two matters, honourable senators, that I would suggest require—if it is appropriate—an undertaking on the part of the government. The first is that at or before the resumption of Parliament in September, the minister will respond to the various recommendations made in the report of the Restrictive Trade Practices Commission on competition in the Canadian petroleum industry as it affects competition and Bill C-91, which by then would have become law.

Then the report that was tabled today from the Standing Senate Committee on Banking, Trade and Commerce makes reference to a submission made by the Canadian Bankers' Association and the committee's noting of that, as well as the fact that the minister advised the committee that he still had that issue under consideration, but wished to await pending legislation concerning the regulation of financial institutions before making a final decision. I hope that an undertaking can be given that the minister will respond at or before the resumption of Parliament in September in regard to the matters referred to in this report of the Restrictive Trade Practices Commission and, also, in the report of the Standing Senate Committee on Banking, Trade and Commerce.

Senator MacDonald: Honourable senators, it is true that we have had the Stoner report, that is, the report dealing with competition in the Canadian petroleum industry, only since last Friday. It certainly is a report the preparation of which has occupied a great number of years, and is the result of hearing a number of witnesses and is an extraordinarily important document.

It is because of the courtesy of both Senators Frith and Sinclair in giving me notice of this particular question that I have been able to obtain the assurance from the Minister of Consumer and Corporate Affairs that even though many of the recommendations in the Stoner report are covered in Bill C-91—

[Senator Godfrey.]

Senator Doody: Addressed!

Senator MacDonald: —or addressed—the government will be reviewing the other recommendations and will, I am assured, be responding before the resumption of Parliament in the autumn. I understand the response will also deal with the matter to which Senator Sinclair has referred and which is referred to in the report of the Standing Senate Committee on Banking, Trade and Commerce.

Senator Sinclair: Thank you.

Motion agreed to and bill read third time and passed.

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS

REPORT OF NATIONAL FINANCE COMMITTEE ON SUBJECT MATTER OF BILL C-96—ORDER STANDS

On the Order:

Resuming the debate on the consideration of the Seventeenth Report of the Standing Senate Committee on National Finance (subject-matter of the Bill C-96, intituled: "An Act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977"), presented in the Senate on 10th June, 1986.—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I asked for the adjournment of this order because I knew that Senator Stewart had a particular interest in it—and I am sure many others do as well.

If it stands again, as I think it ought to, can it stand in Senator Stewart's name, if he agrees?

Hon. Senators: Agreed.

Order stands.

[*Translation*]

YOUTH

CONSIDERATION OF REPORT OF SPECIAL SENATE COMMITTEE—DEBATE CONTINUED

On the Order:

Resuming the debate on the motion of the Honourable Senator Fairbairn, seconded by the Honourable Senator Frith, for the adoption of the Report of the Special Committee of the Senate on Youth, entitled: "Youth: A Plan of Action", tabled in the Senate on 19th February, 1986.—(*Honourable Senator Corbin*).

Hon. Eymard G. Corbin: Honourable senators, I will be brief. What I have to say will take six or seven minutes at most.

When my Whip, Senator Petten, asked me to be part of the Special Committee on Youth, I willingly agreed, but I warned

him that I would not be able to accompany the committee in its travels throughout Canada. In spite of the fact that I was unable to attend the public hearings outside Ottawa, the oral and written testimony of the many witnesses reproduced in the minutes of the committee proceedings was and still is a mine of useful information. For months on end we tried very hard to exploit this wealth of often damning human experiences before releasing this alloy of compromises and consensus which constitutes our report on the condition of Canadian youth.

During our committee study we took the event into consideration, and more often than not the news simply confirmed our conclusions. Unfortunately, the event also occurred before our report was tabled, especially with respect to one of its major recommendations, and I quote:

> —to establish a Young Canadians' Community Service Program, open to all Canadians aged 17 to 24 either by using Katimavik as a model or by giving Katimavik, now a non-government organization funded by the Department of the Secretary of State, the means to expand.

All this is history now because we found out, before the committee had an opportunity to table its report, what the government and the Secretary of State thought of this kind of program. Let that be a lesson in the future.

As a more personal contribution, I had strongly urged my committee colleagues to devote a special chapter to native youth. I do not intend to go over the reasons why we should focus on the problems and challenges facing the young descendants of the first inhabitants of the Canadian territory. You need only read this chapter a few times to be convinced of its value. Undoubtedly there has been significant improvement in the condition of native youth in recent decades. But we are lagging so far behind and the problems are so acute and obvious that, unless once and for all we settle all the basic claims of the first citizens of Canada, in 10 or 20 years the situation might very well be described as a national scandal.

The other aspect of our study which did draw my attention was the creation of jobs and equal opportunities for young Canadians, wherever they live in this country. I suggest you read and read again our comments "Barriers to Employment" and "Youth and Regional Development", in Chapter Four on page 77 and following (page 84 in the French text).

When I was a member of the House, for sixteen years I kept pushing for a policy that would really provide equal opportunities for the so-called underdeveloped areas in this country. Often our claims met with a total lack of understanding, and our severest critics said that "all the maritimes want is another handout".

Money if necessary, but not necessarily money! What we have to change are the bureaucratic attitudes and narrow minds of those who are supposed to develop policies for decentralization and regional development. Even worse are the fossilized concepts of the majority of the decision-makers in this country's wealthy regions, vis-à-vis regions whose economy and industrial activity are stagnating.

I may say that in the seventies, despite the resistance I mentioned, we had a substantial degree of success, especially in the Atlantic region. Today, however, I sense a return to that previous reluctance to develop any, with few exceptions, but the strongest sectors of our economy in the country's economically strong regions. This deliberate policy will lead to a new brain drain that will draw the best minds and most promising talents from the poorer regions to the country's wealthiest areas, thus further weakening the economic and social potential of the weaker regions.

We still need people to defend the just cause of regional development, and I do not think the solution lies in a water tight bilateral free trade policy with the United States.

In concluding, I would like to say that my experience on the Special Committee on Youth was personally very rewarding.

For some of my colleagues and myself, it was the first major task we were given as new senators.

I must say I was very impressed with the strong personality of Senator Jacques Hébert, our chairman and the founding father of the committee. A very hard worker and a very sensitive humanist, I am sure he has further untapped resources that will continue to impress us, even if he is not always understood. On the other hand, whether he is understood sooner or later has never been a problem for him.

Senator Yuzyk, the committee's co-chairman, brought an element of balance to our proceedings.

In fact, although we did have our individual differences of opinion that were often quite marked, they never became political, and once again I must conclude that the Senate is able to render a useful service to this country, which is demonstrated by this report: "Youth—A Plan of Action".

The challenge now is to keep this report from gathering dust in the Library of Parliament's second basement.

Honourable senators, I thank you for your attention.

On motion of Senator Marshall, debate adjourned.

• (1440)

[*English*]

SECHELT INDIAN BAND SELF-GOVERNMENT BILL

THIRD READING—ORDER STANDS

Leave having been given to revert to Order No. 1:

> Third reading of the Bill C-93, intituled: "An Act relating to self-government for the Sechelt Indian Band".—(*Honourable Senator Doody*).

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, although leave has been granted to revert to Order No. 1, I would prefer that this order stand at this point since we have no further information at this time.

The Hon. the Speaker: Is it agreed, honourable senators, that we revert to Orders of the Day after Inquiries and Motions?

Hon. Senators: Agreed.

Order stands.

[*Later*]

Senator Doody: Honourable senators, I move that the Senate adjourn during pleasure to reassemble at the call of the bell at 4:15 p.m.

Hon. Len Marchand: Honourable senators, I apologize for being temporarily out of the chamber. Perhaps Senator Doody would repeat what has just transpired.

Senator Doody: At this point I am asking that the Senate adjourn to reassemble at the call of the bell at approximately 4:15 p.m. If it is agreeable, perhaps it would be appropriate to deal with third reading of this particular bill at that time.

Senator Frith: Senator Marchand may wish to deal with it now.

Senator Marchand: I am not prepared to deal with it now, but I expect that a decision regarding this matter will be made in about 10 or 15 minutes. Senator Doody's suggestion might be appropriate, to adjourn until 4:15 p.m., which will give us a little more time to conduct further negotiations.

Senator Doody: Honourable senators, it is usual that we adjourn until 4:25 p.m., but I have taken the liberty of suggesting that we resume at 4:15 p.m., which will give us an opportunity to deal with this matter.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

Order stands.

The Senate adjourned during pleasure.

• (1630)

At 4.30 p.m. the sitting of the Senate was resumed.

SECHELT INDIAN BAND SELF-GOVERNMENT BILL

THIRD READING

Hon. Brenda M. Robertson moved the third reading of Bill C-93, relating to self-government for the Sechelt Indian Band.

She said: Honourable senators, the passage of Bill C-93, relating to self-government for the Sechelt Indian band, marks the realization of the Sechelt people's dream of self-determination. Some have said that this bill is only a modest step forward. It should be noted, however, that this so-called "modest step" has behind it a decade of concerted effort. The Sechelt community and the Sechelt people have developed through consensus a vision and an approach as to how they want to govern their lives.

It is no small achievement for any community to move through its own initiative from a state of wardship under the Indian Act. As Chief Dixon has described it, it was "a prison with four walls." Now the Sechelt are moving to a system of self-government where the elected band council, not the Minister of Indian Affairs and Northern Development, is the governing authority.

[The Hon. the Speaker.]

There are those who say the bill has shortcomings. They say that only by means of a constitutional amendment on self-government can the full powers of Indian self-government be realized.

Honourable senators, I point out that clause 3 of the bill reads:

> For greater certainty, nothing in this Act shall be considered so as to abrogate or derogate from any existing aboriginal or treaty rights of the members of the Sechelt Indian Band, or any other aboriginal peoples of Canada, under section 35 of the *Constitution Act, 1982.*

As honourable senators know, the federal government has taken the position that aboriginal rights, especially the right of self-government, should have constitutional protection. Sechelt is not abrogating its constitutional rights now or in the future. Rather, it is putting into place the practical expression of self-government for its community.

Today is the historic day for the Sechelt community. The chief and members of the band council are justly proud of this occasion and of their achievement. Each of them has worked hard and long, and their efforts should be fully acknowledged. I particularly want to mention the dedication of Chief Dixon and Councillors Benedict Pierre, Lloyd Jeffries, Clarence Joe and Warren Paull.

The band's financial adviser, Gordon Anderson, and legal advisor, Graham Allen, have also played an integral part on Sechelt's team in this undertaking. They deserve praise for their work.

Honourable senators, the Minister of Indian Affairs and Northern Development also deserves full credit for his leadership and encouragement. His commitment to the Sechelt people was to make their dream a reality. His skill in steering this legislation through executive and parliamentary decision-making should be applauded.

Members of Parliament from all parties on the Standing Committee on Aboriginal Affairs and Northern Development gave their support to Sechelt. We recognize the worthiness of the Sechelt bill and we will work with the Sechelt people to see it through.

Behind the scenes many officials from a number of federal departments guided the Sechelt proposal through the legislative process. Their hard work and concerted efforts should also be acknowledged at this time. Among them were Audrey Doerr of the Department of Indian Affairs and Northern Development, and John Tait and Fred Caron from the Department of Justice. Many others had a major role to play in the design of this bill and in getting it to its present state.

Allow me to sum up by asking honourable senators for complete support for this worthy piece of legislation. It is something we should be proud to be involved with.

Hon. Len Marchand: Honourable senators, I should first like to recognize in the gallery Chief Stan Dixon, the members of his council and their wives.

Hon. Senators: Hear, hear!

Senator Marchand: With them are Graham Allen, their legal adviser, and Gordon Anderson, their financial adviser.

Honourable senators, I want to join with Senator Robertson in the sentiments that she has expressed. I will not, in my few remarks, go over the ground that she has covered. In searching for some non-partisan remarks that I should make on an occasion like this, I have found that in looking back, in my own heart—and I am sure that the same would apply if we looked back in the hearts of the Sechelt people—there is a lot of sadness over the past. There is a lot of sadness in our history. The first hundred years of the building of this country were not very good to our people. In the last 19, we have started to move. We have made some progress. I think that Bill C-93 represents real progress for the Sechelt people. They have worked long and hard in putting it together.

In Senator Robertson's remarks she mentioned that perhaps this could have been done in another way. The Sechelt people are very much aware of that, and it was their view that if it were done by way of a constitutional amendment, perhaps it would have taken them 15, 20 or more years to go that route. Bill C-93 gives the Sechelt people some real powers of self-government. I applaud them for the work they have done and for the foresight they have shown in making the kinds of hard decisions necessary to come up with this legislation.

Bill C-93 gives them the power to make future decisions for their people—decisions they have wanted to be able to make for a long time. The legislation gives the band council legal powers, which is very important to them. They need no longer be considered as children who are not capable of signing a legal document. They can sign a legal document. That band council is now a legal entity. It now has control over its lands, and this is extremely important to them, because they are developing a lot of lands. Under this bill they will take title to their lands in fee simple. Previously, it was always Great White Father here in Ottawa who made all the decisions for them. Now, Bill C-93 makes themselves "Great White Father", although I do not think Stan would want to be called that. But I think that in some of their happier moments, the Sechelts have been talking about themselves as the "fathers" of their confederation. I think we can consider them as such in many ways, because they really are carving out new ground.

I want to wish them well, and I believe that all honourable senators wish them well; and, as they make a better life for their people ahead, they can now dream dreams and have them come true in the way that they want to have them come true.

• (1500)

Hon. Senators: Hear, hear!

Motion agreed to and bill read third time and passed.

The Senate adjourned during pleasure.

ROYAL ASSENT

The Right Honourable Brian Dickson, Chief Justice of the Supreme Court of Canada, in his capacity as Deputy Governor General, having come and being seated at the foot of the Throne, and the House of Commons having been summoned, and being come with their Deputy Speaker, the Honourable the Deputy Governor General was pleased to give the Royal Assent to the following bills:

An Act to implement the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards (*Bill C-107, Chapter 21*)

An Act relating to commercial arbitration (*Bill C-108, Chapter 22*)

An Act to approve, give effect to and declare valid certain agreements between the Government of Canada, the Government of Ontario, Reed Inc., Great Lakes Forest Products Ltd., the Islington Indian Band and the Grassy Narrows Indian Band (*Bill C-110, Chapter 23*)

An Act to amend the Income Tax Act (*Bill C-109, Chapter 24*)

An Act to amend the Canada Deposit Insurance Corporation Act (*Bill C-86, Chapter 25*)

An Act to establish the Competition Tribunal and to amend the Combines Investigation Act and the Bank Act and other Acts in consequence thereof (*Bill C-91, Chapter 26*)

An Act relating to self-government for the Sechelt Indian Band (*Bill C-93, Chapter 27*)

An Act to amend the Act of incorporation of Pine Hill Divinity Hall (*Bill S-7*)

The Honourable Jean J. Charest, Deputy Speaker of the House of Commons, then addressed the Honourable the Deputy Governor General as follows:

May it please Your Honour:

The Commons of Canada have voted certain supplies required to enable the Government to defray the expenses of the public service.

In the name of the Commons, I present to Your Honour the following bill:

An Act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1987 (*Bill C-115, Chapter 28*)

To which bill I humbly request Your Honour's assent.

The Honourable the Deputy Governor General was pleased to give the Royal Assent to the said bill.

The House of Commons withdrew.

The Honourable the Deputy Governor General was pleased to retire.

The sitting of the Senate was resumed.

DUTIES RELIEF BILL

FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-98, to consolidate various enactments that provide for drawbacks, reductions, refunds and remissions of duties, other than export drawbacks for which provision is made in sections 82 to 87 of the Customs Act, to amend the Customs Tariff and to repeal or revoke the enactments so consolidated.

Bill read first time.

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

On motion of Senator Phillips, with leave of the Senate and notwithstanding rule 44(1)(*f*), bill placed on the Orders of the Day for second reading at the next sitting of the Senate.

The Senate adjourned until tomorrow at 2 p.m.

APPENDIX

(*See p. 2616*)

CANADA-UNITED STATES INTER-PARLIAMENTARY GROUP

TWENTY-SEVENTH MEETING, TUCSON, ARIZONA
FEBRUARY 28 — MARCH 3, 1986
REPORT OF THE CANADIAN DELEGATION

The 27th annual meeting of the Canada-United States Inter-Parliamentary Group was held at Tuscon, Arizona from February 28 to March 3, 1986. The Co-chairmen of the Canadian delegation were Pat Nowlan, M.P. from the House of Commons and the Hon. James Balfour from the Senate. Discussions took place in three Committees: Committee I: Trade and Economic issues; Committee II: Energy, Defence and Multilateral Issues; Committee III: Fisheries, Environment and Transboundary Issues.

On the Canadian side, the following delegates co-chaired the various Committee discussions with their U.S. counterparts: Committee I —-Pat Nowlan, M.P.; Committee II —- Barbara Sparrow, M.P.; Committee III —- Senator Nathan Nurgitz. On the U.S. side the Co-chairmen of Committees were: Committee I —- Senator Frank Murkowski; Committee II —- Senator James McClure; Committee III —- Representative Jim Oberstar.

Following the Committee discussions, the two delegations met in plenary session where the topic of discussion was an enhanced Canada-United States trade arrangement.

The United States Delegation

The Senate

Honourable Ted Stevens, Co-Chairman (Republican-Alaska)
Honourable Edward Zorinsky (Democrat-Nebraska)
Honourable James McClure (Republican-Idaho)
Honourable Dennis De Concini (Democrat-Arizona)
Honourable Mark Andrews (Republican-North Dakota
Honourable Arlen Specter (Republican-Pennsylvania)
Honourable Mack Mattingly (Republican-Georgia)
Honourable Frank Murkowski (Republican-Alaska)

The House of Representatives

Honourable Michael Barnes, Co-Chairman (Democrat-Maryland)
Honourable Dante Fascell (Democrat-Florida)
Honourable Sam Gibbons (Democrat-Florida)
Honourable Lee Hamilton (Democrat-Ind.)
Honourable Mo Udall (Democrat-Arizona)
Honourable Jim Oberstar (Democrat-Minnesota)
Honourable Bob Traxler (Democrat-Michigan)
Honourable Bill Frenzel (Republican-Minnesota)
Honourable Arlan Stangeland (Republican-Minnesota)
Honourable David Martin (Republican-New York)
Honourable Jim Kolbe (Republican-Arizona)
Honourable James Weaver (Democrat-Oregon)
Honourable Bill Richardson (Democrat-New Mexico)

The Canadian Delegation

The Senate

Honourable James Balfour, Co-Chairman (Progressive Conservative-Saskatchewan)
Honourable Henry D. Hicks (Liberal-Nova Scotia)
Honourable Lowell Murray (Progressive Conservative-Ontario)
Honourable Nathan Nurgitz (Progressive Conservative-Manitoba)
Honourable H.A. Olson, PC (Liberal-Alberta)
Honourable Richard J. Stanbury (Liberal-Ontario)
Honourable George C. van Roggen (Liberal-British Columbia)

The House of Commons

Mr. Pat Nowlan, M.P., Co-Chairman (Progressive Conservative-Nova Scotia)
Honourable Lloyd Axworthy, PC, M.P. (Liberal-Manitoba)
Mr. Ross Belsher, M.P. (Progressive Conservative-British Columbia)
Mr. Don Boudria, M.P. (Liberal-Ontario)
Mr. Jim Caldwell, M.P. (Progressive Conservative-Ontario)
Mr. Jean Charest, M.P. (Progressive Conservative-Quebec)
Mr. Jack Ellis, M.P. (Progressive Conservative-Ontario)
Mr. Sid Fraleigh, M.P. (Progressive Conservative-Ontario)
Honourable John A. Fraser, PC, M.P. (Progressive Conservative-British Columbia)
Mr. Jim Fulton, M.P. (New Democratic Party-British Columbia)

Mr. Darryl Gray, M.P. (Progressive Conservative-Quebec)
Mr. Tom Hockin, M.P. (Progressive Conservative-Ontario)
Miss Pauline Jewett, M.P. (New Democratic Party-British Columbia)
Mr. Bill Kempling, M.P. (Progressive Conservative-Ontario)
Mr. Charles-Eugène Marin, M.P. (Progressive Conservative-Quebec)
Mrs. Barbara Sparrow, M.P. (Progressive Conservative-Alberta)
Mr. Gordon Taylor, M.P. (Progressive Conservative-Alberta)

SUMMARY OF DISCUSSIONS

COMMITTEE I — TRADE AND ECONOMICS

Agenda

U.S. and Canadian economic conditions and policies

Specific trade issues:

- Softwood lumber
- Steel
- Fish products (East Coast)
- Tax on tourist literature
- Canadian pharmaceuticals
- Copyright law as related to communications
- Canadian provincial liquor boards in contexts of Government procurement
- Shoes
- Canadian investment policy for culturally sensitive sectors (book publishing; broadcasting)
- Visas for service technicians
- U.S./Canadian beef trade
- Canadian subsidized freight rates
- Impact of U.S. Farm Bill
- Expanded civil aviation relationship
- Cargo diversion

Committee I's discussions did not follow the agenda order and not all agenda items were taken up.

U.S. and Canadian Economic Conditions and Policies

A U.S. participant opened discussion in Committee I with a review of the state of the U.S. economy. 1985 had been a mixed year: moderate growth combined with the largest trade deficit in U.S. history. The prospects for 1986 were for overall growth of 3 to 4 per cent, unemployment falling to 7 per cent and inflation declining slightly to 3.5 per cent. Consumer debt stood at an all-time high and monetary policy was uncertain. The Federal Reserve was being cautious and holding up interest rates, for fear that a flight from the dollar might develop. More attention was being given to German rather than Japanese monetary policy, in the belief that if Germany lowered its interest rates, the way would be cleared for the United States to follow. The situation in the farm sector was bad, but no one knew how much impact this situation would have on the rest of the economy. The higher court would decides how Congress would respond and how much reduction in stimulation of the economy would follow. There were individual bright spots: the stock market was at a high point, all indicators had pointed steadily upward for eight months and the drop in oil prices would stimulate the economy. Most signs indicated that 1986 should be a strong year.

A Canadian spokesman indicated that Canada's GNP was forecast to grow by 4.5 per cent and unemployment might fall slightly to just under 10 per cent. The new budget, brought down only two days previously, projected a decline in the deficit to $29.5 billion, with a gradual reduction to $11 billion in 1991. New orders were up, there continued to be a surplus on merchandise trade and investment in plant and equipment continued to grow. Although it had been necessary to increase interest rates to protect the Canadian dollar, the projection was for a modest fall in rates in the longer term.

A second Canadian speaker commented on regional developments, noting that the economy of Central Canada was strong, but that both in the East and in the West, unemployment remained high. The fall in oil prices would hurt the province of Alberta, as well as Saskatchewan and the Atlantic provinces, where plans for developing hydro carbons on the continental shelf would be delayed.

In the ensuing discussion, Canadian interest and questions focused on prospects for the Gramm-Rudman procedure. The American lead spokesman said he thought the cuts prescribed for 1986 would go ahead even if the courts confirmed that automatic cuts were unconstitutional. Major cuts would not take place until 1987 and their application was uncertain, so it was hard to anticipate the impact of the legislation. In terms of future action, prospects ranged from a stalemate to a forced compromise between Congress and the President.

Other U.S. speakers showed equal uncertainty. One participant was afraid the court decision would allow Congress "to chicken out". It was true, however, that Congress would soon be faced with another requirement to raise the debt ceiling and that could recreate the conditions which had led to the Gramm-Rudman compromise in the first place.

Some U.S. participants showed concern that the prescribed cuts were limited to only one-fifth of the budget and claimed that the effect of the automatic cuts could be disastrous. To illustrate his point, one Senator noted that the cut in the appropriations for the Department of Transport would require an unacceptable reduction for air controllers.

Canadian speakers also asked questions regarding U.S. interest rates. Why did Mr. Volcker hold up rates so as to maintain the value of the U.S. dollar, when the Administration hoped for a decline in the value of the dollar? It was explained that Mr. Volcker continued to be concerned about inflation, which could be stimulated by a falling dollar. He was also worried about the $200 billion of outstanding U.S. Treasury bills, many of which were in the hands of foreigners. If U.S. interest rates were to fall without a comparable decline in German interest rates, there might be a huge shift out of U.S. treasury bills, which could knock the support out from under the U.S. dollar.

An American participant asked if the Canadian budget was "a cream puff". Canadian speakers pointed out how little latitude the government had, since it had discovered as a result of the last budget that it could not attack social programs and a high percentage of government expenditure involved statutory obligations which could not be cut. This explained why it had been necessary to raise taxes, even though the results were uncertain. Another Canadian participant pointed out that

some regions of Canada depended heavily on government expenditure.

Specific trade issues

Agricultural Issues

All the agricultural issues were dealt with in a general discussion: most of the attention was given to the U.S. Farm Bill, with a few references being made to subsidized freight rates for Canadian grain, a glancing comment on hogs and no reference to beef.

The opening U.S. speaker on this item described the state of the agricultural sector in the United States as being economically and socially disastrous. One-third of farmers were in serious trouble, with debt to asset ratios in the range of 70 per cent. The banks and federal agencies had acquired large land holdings that overhung the market. High agricultural prices in the past had driven up the price of land, which represented the main debt of farmers. Resistance on the part of the farming community to action by the banks was taking a new and worrying violent form. One of the U.S. participants illustrated the point, mentioning that a U.S. marshall who had been in high school with him had been shot by a farm vigilante group. The reduction in farm income was also cutting into local taxes, which in turn was leading to reduced services in farm communities. These were some of the reasons why Congressmen and Senators from farm states had combined to take a new approach to farm support legislation.

In the past, U.S. farm legislation had put the emphasis on taking land out of production. In practice, however, with new techniques and seeds and more fertilizer, production had continued to grow. At the same time the European Community had subsidized its agriculture, calling up higher and higher production and displacing U.S. grain exports around the world.

Congress' response has been a bill whose object was to confront U.S. competitors and outsubsidize them. $2 billion has been set aside for export enhancement, which to date the Administration had not used. Congress was considering mandating the use of part of this amount. However, by July 1986 when newly produced wheat would reach market, the U.S. loan rate for wheat was expected to fall to $2.30 a bushel, at which level the full U.S. support price would be available to U.S. farmers. They pointed to another element of the bill which could have an effect on Canada. Farmers would be permitted to grow other crops on land previously sown to wheat, such as potatoes and rapeseed, and still receive the wheat subsidy. U.S. production of such crops could as a result go up significantly.

Canadian participants questioned the U.S. speakers repeatedly as to the cost and effect of the program. They pointed out that world demand for grains was relatively inelastic and lower prices were not in fact likely to lead to much greater consumption. Competitors such as Australia and Canada —- not only the European Community —- would have to match American prices so as not to lose market share. The only beneficiaries would be major importers such as the Russians who could buy wheat for $2.30 U.S. a bushel. None of the American participants contested this scenario. One observed that the United States faced a tough two year trial period, with the outcome being uncertain. "If it doesn't kill us, it's going to cure us". But the United States was not prepared to cut back production and see other countries such as Argentina and Brazil filling the gap.

In spite of the scale of the support offered, U.S. speakers noted that American farmers wanted even higher support prices. A U.S. participant explained that he had voted for the bill because he believed that farmers' attitudes would turn around once they had received their second cheque. However, he recognized that the bill was controversial and that there was great anxiety in the U.S. farm community.

It was interesting that there was only one passing reference to Canada's freight subsidy. Several Canadians responded by pointing out that prairie farmers had no alternate route to ship their grain to market, that a transport subsidy had been an agreed condition of the entry of the prairie provinces into the Canadian federation, that the U.S. government subsidized their own inland waterways and finally that the new transport subsidy arrangements in Canada not only constituted a reduction over what had been in place previously, but also involved a declining percentage of subsidy year over year.

It seemed evident that the U.S. legislators interested in farm questions were taking a world-wide approach. From this perspective a Canadian transport subsidy for grain was a matter of minor concern.

The only reference to hogs was by the opening U.S. speaker who admitted that last year's blockage of Canadian hog exports to his state of Nebraska under the guise of a medical concern was in fact a device to embargo sales. However, imports had never been significant and he was pleased the ban had been lifted. The subject was not raised again by either side.

Canadian investment policy for culturally sensitive sectors

A Canadian participant briefly introduced this topic by referring to the broad range of new legislation that was pending, especially in the field of copyright, suggesting that many of these changes would remove existing irritants.

The opening U.S. response was similarly brief. Referring to the acquisition of Prentice-Hall by Gulf and Western, he said he could not understand the grounds for the Canadian position. He hoped they were important, because Canada's actions in this matter constituted a genuine irritant. He warned that the book manufacturing clause was coming up for renewal and there was pressure not to maintain the exemption for Canada at that time. Gulf and Western had made their acquisition in good faith before the new policy on indirect acquisitions had been announced and they were faced with a reduction in the value of the Canadian assets that they had acquired.

Two Canadian speakers commented in detail on the special problems which cultural industries faced in Canada. The first remarks referred specifically to book publishing. 80 per cent of the industry was foreign owned, and these companies tended to be more interested in profit than in promoting Canadian culture. Since the population was relatively small, book runs were short and costs relatively high. In this environment it was cheaper to revise textbooks written for the U.S. market rather than to prepare material specifically for Canadian market and as a result it was difficult for Canadian writers to find a publisher for books. The Prentice-Hall decision was especially complicated because the government's general investment policy and its policy for the publishing industry were in conflict.

The second Canadian speaker spoke in broader terms. Over the years successive governments had made several moves to support Canadian culture, such as establishing the CBC, the National Film Board, the Canada Council and a number of other institutions. Ownership appeared to be the crucial factor. For example, film distribution was in non-Canadian hands and only two per cent of films shown in Canada were produced in the country. The last government's attempt to resolve this problem by offering inducements to invest in film productions had been ineffective. And in book publishing, 80 per cent of the Canadian authors whose works were published were handled by the 20 per cent of Canadian owned publishers.

With regard to book publishing, at the time of establishing Investment Canada to replace the Foreign Investment Review Agency, the government had stated clearly that the cultural industries would be treated differently and that even indirect acquisitions would have to be sold to Canadians. The Gulf and Western acquisition would be exempted, although the government was negotiating with the firm in order to find an acceptable compromise. These negotiations had not been completed.

Copyright Law

Intimately linked to the above question has been the issue of copyright. Recently a House of Commons sub-committee had completed a report on copyright, in which it recommended the application of the user pay principle for radio and cable transmissions. If the government were to adopt these recommendations, which seemed possible, the opening Canadian speaker thought this would go a long way to satisfy U.S. concerns. Similarly proposed legislation could remove the worst irritants with regard to software and chips.

Another Canadian participant, noted that the problem of border broadcasting remained unresolved. However, technological developments have been rapidly changing the nature of this problem. In the light of these developments, he wondered whether there would be any interest on the U.S. side in trying to work out a North American accord in broadcast transmission.

None of these comments evoked any U.S. response. However, a Senator from Alaska noted that in his state there were objections to direct broadcast by Cancom satellite. Local ABC stations objected to the fact that programs transmitted through the Canadian satellite were available days before the same programs were shown on ABC and Cancom was becoming very popular. The Canadian spokesman noted that Alaskan TV stations using material transmitted by Cancom in fact paid royalties for the U.S. programs which they used. Nevertheless, the U.S. Senator reported that ABC was arguing that the satellite transmissions had not been authorized by the U.S. regulatory authorities and should be banned.

Steel

The U.S. spokesman, a Senator from a steel producing state, spoke in the most general terms about jobs lost by U.S. workers to foreign imports. He had co-sponsored with Senator Heinz a proposal to place a quota on steel imports into the United States and felt that the U.S. Administration was moving too slowly to limit these imports.

The Canadian respondent described the extent of cooperation between the steel industries of the two countries. He noted that Canada imported $1.29 of materials and equipment from the United States for every dollar of steel that it exported to the United States. Canadian companies had been able to monitor their exports to the United States and in 1985 exports had actually fallen by 9.2 per cent. Canadian customs officials were collaborating carefully to ensure that foreign shipments were not being transhipped through Canada. In fact the steel industries of the two countries were closely integrated and Canada considered that it was a scrupulously fair trader.

In the face of these facts the American Senator acknowledged that specifically in regard to the steel industry, relations between the two countries were good. In support of this observation, he reported that, while Canada was the third largest exporter of steel into the United States, it was also the largest foreign market for U.S. steel.

This grudging commendation led another U.S. participant to comment that in this field relations between the two countries "were better than good". The cooperation of Canadian customs officials was a model and the Canadian industry had moved effectively to limit exports during a period when it had been recognized that formal Voluntary Restraint Agreements (VRAs) with other countries were not working.

Tax on Tourist Literature

This item was dealt with expeditiously. A Canadian spokesman expressed the opinion that the problem was on the way to being resolved. Bill C-80 would look after government publications and would apply retroactively. However, it was proving difficult to define non-governmental organizations.

The U.S. respondent indicated some satisfaction with half measures, but reminded the committee that the American government was counting on the other half of the bargain.

A second U.S. participant used the occasion to express satisfaction with Canadian efforts —- principally those taken by the new Ontario government —- to resolve an on-going dispute

over terms of access to recreational land and water in Ontario by Minnesota residents. He attributed some of the progress to ongoing discussions at Canada-United States Inter-Parliamentary Group meetings.

Visas for Service Technicians

The U.S. spokesman, a New York State Congressman, noted that this problem had arisen as a result of legal action taken by bricklayers against Mexican labourers. However, the legal decision was being applied across the board by U.S. border authorities and there was popular support for this action, for example from telephone repair workers in his constituency who were upset in a time of high unemployment to see Canadian technicians come across the border to repair a local system located just south of the St. Lawrence River.

The Canadian respondent noted that pending an appeal to a higher court the U.S. border authorities were limiting the exclusion of technicians to bricklayers and other construction trades. This was fortunate, since the United States would suffer far more than Canada if the restrictions were to be applied reciprocally by Canada, because six U.S. technicians visited Canada for every Canadian technician entering the United States. He suggested that, to avoid a charge of discrimination against Mexico, the problem might be handled as a part of the trade negotiations.

American participants questioned the wisdom of this latter approach, which might lead to serious delay. Their preference was for a legislated resolution. As one U.S. speaker observed, "This is one we owe you."

Canadian Provincial Liquor Boards

This item was introduced by a Canadian participant who stressed that the sales of wines and spirits fell within provincial jurisdiction and the federal government could only offer advice in this area. Even as between provinces there were complaints, so that Canadians themselves were affected by this system.

The U.S. spokesman raised two objections. First, Americans objected to discriminatory mark-ups. Secondly, they objected to the practice in some provinces where distribution was discriminatory, with only local wines being available in grocery stores. He warned that this field would complicate the free trade negotiations.

Canadians participants commented briefly that a transitional period would be needed in this area and that the only way Canada could achieve rationalization in the domestic brewing industry would be through a free trade agreement.

Canadian Pharmaceuticals

An American participant led off on this item, reporting that the two governments were close to an agreement to resolve this dispute, and that the only element still to be settled concerned retroactivity.

The Canadian spokesman reminded the meeting that there were several major actors indirectly involved in the negotiations on the Canadian side — the elderly in particular and consumers in general, as well as provincial governments, doctors, pharmacists and Canadian and multi-national producers. A year ago it had seemed that the two countries were close to reaching agreement, yet differences persisted. An additional concern of the Canadian government was that the multinational companies should be good corporate citizens in Canada, an opinion which the U.S. side strongly endorsed.

Softwood Lumber

Just as in 1985, the issue of Canadian softwood lumber exports was the irritant which aroused the greatest concern on the U.S. side. The item was held over until Saturday morning, pending the arrival of a centrally-involved U.S. participant.

The two opening American spokesmen gave their presentation a new twist compared with previous years. They argued that the principal problem was over-production in North America. Since the depression of the early 1980s, U.S. consumption had picked up, but Canadian lumber had been the main beneficiary of the increased consumption. Not only had unemployment in the industry remained very high, but there was growing pressure on wood workers to accept major cuts in wages. Specifically Weyerhaeuser was pressing for a 35 per cent reduction in wages. While some attempt was made to attribute increased Canadian exports to "freight and stumpage subsidies", the speakers acknowledged that the differential in the exchange rate was decisive.

The initial Canadian response was to point to additional factors in Canada's success, specifically to productivity gains from recent automation of saw mills, which was elaborated in considerable detail, and to the Jones Act, which allows for waivers that have never been sought. In spite of its successes, however, the Canadian lumber industry had experienced reductions in employment equal to those in the United States.

When the Canadian spokesman reminded the meeting that, after the largest investigation in its history, the U.S. Department of Commerce had determined that the Canadian stumpage system did not constitute a subsidy, U.S. participants countered, first, by observing that the British Columbia system was calculated so as to assure a profit to an efficient producer. However, soon after, when pressed again by Canadians to account for the findings of U.S. regulatory authorities, one of them explained the results by describing the regulators "as a bunch of Easterners".

The theme of over-production, as advanced by representatives of lumber producing states, was repeatedly pressed. A Senator from Georgia noted that in his state, which was a major lumber producer, half the lumber sold was Canadian. Twenty per cent of the mills in his state had closed. Recently Georgia-Pacific, which has been a major importer of Canadian lumber, had reversed its position and was supporting restraints on imports. For him the choice lay between "voluntary restraint and involuntary restraint" and he said he intended "to use free trade to get satisfaction on lumber".

Other U.S. speakers repeated that, with over-production on the continent, something would have to be done. Recognizing that with over 1000 producers in Canada, voluntary restraint was difficult to achieve, they saw no alternative to control at the U.S. border. The message they wanted to convey was that "right or wrong, something is going to happen". This position was supported by a U.S. participant who is a strong supporter of free trade. He thought Canada should think about the way the United States has reacted to automobile, steel and textile imports. Specifically, with regard to Japanese cars, they were better made and cheaper than U.S. cars and there were no subsidies. But the United States had acted when foreign penetration had threatened to take more than 20 per cent of the market for cars, as it also did with regard to textiles and steel. With softwood lumber the figure was 34 per cent. If the two governments did not find some way to reduce the pressure from Canadian exports, Congress would sooner or later act unilaterally.

Another Canadian participant from a lumber producing region of British Columbia told the Americans that part of the reason for the success of Canadian exports was that Canada's lumber was preferred because it was physically superior for certain uses. With regard to the possibility that the Canadian government could act to limit exports or possibly reduce the allowable cut, he warned that Canadian saw mills that had not closed down needed the through-put to survive. A cutback would lead to further bankruptcies and to litigation. The effect of any such effort would be traumatic, because wood product exports were Canada's largest single export.

Running parallel to the main discussion, the Group also took up the question of redefining a subsidy. The Chairman of the trade sub-committee of the Ways and Means Committee reviewed his efforts to establish "a fair market price" for raw materials entering substantially into the cost of goods exported to the United States. His hope was that his bill would become law in this Congress, and he assumed that other countries would then pass mirror legislation. He thought it important that trade should be regulated by established principles and the rule of law, rather than being the subject of *ad hoc* restraints, separate deals or international cartelization. This observation prompted a member of his committee to note that, while he generally supported his chairman, he was opposed to this bill since it constituted a unilateral change in the definition of a subsidy.

The only other discussion relating to this proposed legislation was initiated by a Canadian participant who complained that with regard to lumber the draft bill was deficient in that it excluded costs other than stumpage incurred in bringing logs to market. The bill's author asserted that amendments had taken account of these concerns, and the issue was left there.

A Canadian Member of the Group, relating this specific discussion to the proposed trade negotiations, drew attention to the paradox that at a time when the two governments were about to discuss the possibility of a general freeing of trade, Congress was threatening to raise barriers to lumber imports. He wondered whether the two governments had ever considered trying to reach an agreement to manage trade in lumber between the two countries.

The main Canadian spokesman noted that the projections of the Canadian industry were for a slight reduction in Canada's share of the U.S. market in 1986. He attributed this possibility to the relative decline in the value of the Canadian and U.S. dollars in relation to the Japanese yen in particular and to Pacific Rim country currencies in general. It was hoped that Canada would be able in 1986 to move an additional billion board feet of lumber abroad, thereby relieving some pressure on the U.S. market.

This observation led a U.S. Senator from Alaska to comment that his state was currently importing logs by boom from Canada. He did not expect new export markets would bring relief sufficiently quickly. He wondered whether Canada might be prepared to ban the export of round logs, perhaps in concert with the United States. Several American participants enthusiastically joined in supporting this approach. Canadian speakers reported that this might be an easier action for Canada to undertake than for the United States. The federal government had constitutional responsibility in trade matters and British Columbia had a strong and long term commitment to limiting the export of round logs. They wondered how the United States could control the export of logs cut on private lands. A U.S. member, who has regularly sponsored a bill to ban log exports, claimed that his draft bill would prevent an exporter including any logs from federal lands in a shipment

which included any logs from private lands. He thought in practical terms this would prevent the export of round logs.

The issue was not resolved, but there was a strong feeling on both sides that the possibility of unilateral, but parallel, actions to limit the export of round logs should be explored by the two governments. Canadian participants felt that Canadian action, even if not reciprocated by the United States, could slightly reduce the volume of Canadian lumber exported to the United States and would have a salutory effect in Congress.

COMMITTEE II — ENERGY, DEFENCE, AND MULTILATERAL ISSUES

Agenda

Energy

- Canadian and U.S. deregulation of natural gas
- Implication of decline in oil prices
- U.S./Canadian trade in uranium

Defence

- Arms control
- SDI; Unified Space Command
- NORAD renewal and Canadian role in North American Defence
- Canadian defence spending and role in NATO
- Defence production sharing

Space station cooperation

Multilateral

- International debt issue
- Terrorism
- Contadora Process

Energy

Natural Gas

The main point of this discussion was that Canadian deregulation seemed to be resulting in increased exports of Canadian natural gas to the United States. A U.S. spokesman pointed out that while both Canada and the United States had made remarkable progress in deregulating their natural gas sectors, U.S. deregulation was moving more slowly. Canadian prices were moving down and Canada would have full price deregulation by late 1986 but in the United States about 40 per cent of the supplies would remain regulated next year unless there were further legislation. He also noted the strong resistance of the U.S. pipeline industry to the new rule of FERC (Federal Energy Regulatory Commission) which offered the companies quick approval on applications to sell or transport gas or build new facilities if they provided access to their transportation facilities on a non-discriminatory basis. Only four companies had complied so far.

The U.S. delegate then commented that the new Canadian policy of deregulation had resulted in a significant increase in Canadian gas imports which now constituted 6 per cent of the U.S. gas import market but was capable of rising to 10 per cent. Via new pipelines, Canadian gas was displacing imported oil in the U.S. northeast and even California consumers could benefit from it. In his own district an uproar had arisen when El Paso announced its intention to purchase Canadian gas. Clearly, the industry was in trouble. U.S. producers were asking for strong import restrictions. It was obvious there were benefits to consumers and this delegate said he himself was in favour of deregulation but, in the face of the difficulties being encountered, he urged fair trade, restraint and discussions for mutual cooperation.

In response, a Canadian spokeswoman referred to the regional reference price, explaining that Canadian exporters were not selling at prices below those charged in the adjacent Canadian market. This participant was interested in whether the United States was pursuing its policy on "block billing". In Canada the price was $2.95 tcf, but in the United States the price seemed to vary enormously.

The Chairman of the U.S. Senate Energy Committee replied that Energy Secretary Herrington was undertaking consultations on this issue but had made no decision. In the United States the prices were set by the industrial market and the residual price had a major impact. He himself welcomed the Canadian deregulation and said the main trend in the United States was to free the market to give buyers and sellers the ability to negotiate. He acknowledged however that there was a high level of concern among U.S. producers over the potential for Canadian natural gas inroads into the United States. He observed that some of the zeal for deregulation in the United States appeared to be on the wane. This Senator also thought the windfall profit tax that the United States had applied several years ago had given the Canadian energy sector a competitive advantage.

A Canadian Senator hoped that governments and the industry would reflect on the long-term outlook before projects such as the Alaska natural gas pipeline project were put on hold. Otherwise both countries would leave themselves vulnerable when increased capacity would be needed.

Oil

The observation by a U.S. Senator that the gas market could be significantly affected by the price declines in crude oil turned the Committee discussions to the recent startling price changes in this sector. Various estimates by delegates as to future of crude oil prices were: $12 a barrel for 6 months; $5 to $8 a barrel until the end of 1986; or low prices that could remain low for as long as 2 years. Delegates agreed that Saudi Arabia wanted to teach its OPEC colleagues and other producers a lesson but it was difficult to know what action to take to stop the decline. North American oil companies already were feeling the effect and activity was declining. When a Canadian delegate said the Alberta-based industry needed $18 a barrel to move ahead, U.S. participants stated that the U.S. industry needed at least that level, that exploration would dry up with only known fields being worked aside from Prudhoe Bay and, under the $15 a barrel level, many of the old U.S. fields would shut down. Moreover, under U.S. regulations such fields must be cemented in and cannot be easily turned on again. One U.S. delegate predicted that consumer demand would rise with the falling price and that the 'gas guzzler' car would return.

A Canadian Senator urged that both countries plan for future years when oil supplies would again be scarce. He

thought energy investment should be maintained and protected, heavy oil plants supported and other measures undertaken to preserve this resource and prepare for the 1990s. But the U.S. side was almost unanimous in its view that the United States would be unlikely to plan now for a future shortage despite "lots of lip service". It was unfortunate, said one delegate, but the United States would in all likelihood allow itself to become vulnerable once again. It would wait for another crisis and "then hit the panic button."

When a Canadian delegate suggested that one solution to the decline in prices would be a cut in international production to stabilize the price, it was generally agreed this was unlikely to happen. Nor would a non-OPEC cartel be likely to be effective since the example of the failed international wheat agreement pointed up how difficult cartels were to achieve or to run. Another Canadian suggested regulations should be imposed nationally to mitigate the price decline and to protect the existing investments.

Two U.S. Senators then spoke of the possibility that the U.S. Administration might impose a tax on imported oil although they admitted it was still a controversial issue. While one Congressman said he would rather see the tax on gasoline at the pump, most of the U.S. delegates thought the import tax was more likely. It would be the easiest to sell politically and it could be treated as a "revenue enhancement" to reduce the deficit rather than as a tax. In response to Canadian questions, the U.S. side said the revenue generated would not be recycled into energy exploration in the United States and that there could be opposition from the petrochemical industry to the higher feedstock prices. Moreover the U.S. Northeast, a region heavily dependent on imported oil would want to have the benefit of the low imported prices vis-à-vis other U.S. regions which had had a more advantageous position in the past. A Canadian observed that regional problems in Canada could be exacerbated by the low oil prices as well as in the United States.

When a Canadian Senator asked if there could be an exemption for Canada from the oil import tax, U.S. participants were doubtful. What would be the justification, the Americans asked. If Canada were exempted, Mexican and Venezuelan imports would also have to be exempted and the Administration would thus be deprived of 80 per cent of its anticipated revenue. A Congressman implied that if any exemption were made, it would be for Mexico where such a tax would have a devastating effect. The Chairman of the Energy Committee in the U.S. Senate thought an exemption for Canada might only be possible if "tied into" a bilateral trade agreement. One Canadian participant predicted that under such an agreement there would be completely free north-south energy flows but another Canadian said that transhipment factors could result in distortions which could be damaging. The almost idle Sarnia to Montreal pipeline was an example.

When U.S. delegates asked what the impact on Canada of a U.S. oil import tax would be, a Canadian Senator replied that, with 600,000 barrels a day involved, it would have an extremely serious impact on Western Canada.

Electricity

While this subject was not on the agenda, the U.S. Chairman of the Senate Energy Committee briefly raised the problem of Canadian exports of electricity from British Columbia. At present the U.S. Northwest had a temporary surplus supply of electricity which the spokesman judged would be depleted by 1991 or even earlier. California wanted to buy Canadian electricity but the Bonneville Power Corporation, competing for sales, was refusing to carry the Canadian power on its transmission lines. B.C. power, based on hydro, was slightly cheaper than Northwest power (14 mills compared to 22 mills). This delegate said he had proposed negotiations with Bonneville for a contract which would provide for Bonneville to supply the California market in the short term and B.C. in the long term, but little enthusiasm had been shown. A Canadian delegate remarked somewhat wryly that the idea sounded like a euphemism for "parking" B.C. electricity permanently. The U.S. Senator repeated that it was just a temporary glut and industrial demand would change that.

Uranium

A U.S. spokesman was quite specific in outlining the damage done to the uranium industry in New Mexico by Canadian uranium imports. There, employment had fallen from 18,000 to 900 workers. In part, the problem was due to a decline in demand caused by diminishing use and construction of nuclear power plants as well as to inefficiencies in the U.S. industry because of lack of modernization and poor management. It was also clearly due to Canadian imports he said. The Canadian industry benefitted from government assistance and was kept going by lucrative $60 a pound long-term contracts. The $15 a pound Canadian exports to the United States looked to him like dumping. Two-thirds of all U.S. uranium imports were from Canada and Canadian exporters were aggressive. Energy Secretary Herrington's recent ruling that the U.S. uranium industry was non-viable had brought some hope of relief through import restrictions, continued this delegate. There were currently four bills in Congress, three of which were bills he himself had introduced. Some protection was essential or the New Mexico industry would cease to exist, he stated.

In addition, this participant drew attention to the Canadian policy on 'further processing' which required upgrading in Canada before exporting. This deprived the U.S. converters of the opportunity to compete. Moreover it was contrary to the undertaking between the President and the Prime Minister at Quebec last year for "open access to each other's markets". While the U.S. Administration's policy was probably not going to take steps against this processing policy, this delegate warned that the grave situation was forcing him to try to legislate some restriction, probably with a rider on a bill.

A Canadian Senator said it was evident that Saskatchewan was the cause of most of the U.S. problems because its uranium finds were of such high grade and the costs of production were much lower. He maintained there was no dumping but that the Canadian industry had a very competitive price. However, he agreed that the Canadian conversion policy was protectionist and was bound to be an irritant. He personally thought it should be eliminated.

A U.S. Senator observed that there was great difficulty in determining what an unfair trade subsidy was since tax policies, investment regulations, local government practices, all had to be carefully examined. While obviously unfair industrial policies needed to be examined, the competitive advantage of rich deposits and low production costs ought not to be penalized. In addition, perhaps the high U.S. dollar was a contributing factor to the problem.

This remark led to a brief exchange on the financial and trade relations between the two countries during which a number of points were made. A U.S. delegate complained that the Canadian dollar seemed to track the U.S. dollar down so the United States could never improve the ratio. A Canadian countered that Canada did not have the reserves to continue to systematically support the dollar but that if a bilateral trade arrangement were concluded, the Canadian dollar would strengthen because of the assured market access. Several other Canadian participants differed with this latter opinion. When a U.S. Senator warned that there could be no free trade agreement without resolution of some major bilateral irritants, Canadian delegates pointed out how much more accessible Canada was than Japan and how few Americans knew Canada was the best market for U.S. goods. The Senator then pointed to a $25 million Canadian subsidy which had caused a U.S. waferboard plant to move to Canada, implying this was unfair competition.

Defence

Arms Control

The discussion on arms control was wide-ranging with firmly held opinions expressed by a number of participants. The Chairman of the U.S. House Committee on Foreign Affairs began by noting the significant cuts now being offered in the current proposals and counter-proposals for both strategic and intermediate-range weapons. The USSR had agreed to the complete elimination of U.S. and Soviet intermediate-range nuclear forces (INF) in Europe as well as to verification measures. While there was posturing on both sides, this spokesman was generally optimistic that some real breakthroughs could be achieved. The United States had not rejected the latest proposals out of hand. President Reagan deserved credit for moving things forward. The fact that there was as yet no precise date for the next Summit meeting should not be considered a setback. It was better to wait for a positive agenda so the two leaders could have substantive discussions.

There was still a question as to whether SDI would remain a stumbling block, continued this participant, but both the Soviet Union and the United States had backed off a little on their original positions. President Reagan had said the United States would live within the narrow interpretation of the ABM Treaty. He thought the Russians were probably worried that the SDI system would be deployed after Reagan's term was over, and they were also nervous that the Americans would move ahead quickly in research.

This spokesman expressed regret that no progress had been achieved on a comprehensive test ban (CTB). He raised the question of the Soviet offer of a moratorium on nuclear testing and said that the House had passed a resolution urging the President to resume negotiations with the USSR for a CTB. This would be useful even if only for propaganda purposes but it was clear the Administration was not prepared to push it at this time. In addition the House has asked the Senate to ratify two earlier test ban treaties, (the 1974 Threshold Test Ban Treaty and the 1976 Peaceful Nuclear Explosions Treaty). The United States was making good progress on verification procedures to monitor testing he noted.

The Canadian spokeswoman said she reacted favourably and hopefully to the points made by the previous speaker, except for the lack of progress on a CTB. In Canada there was great interest in the arms control and disarmament negotiations and almost a euphoria after the Geneva Summit. The latest Gorbachev proposals had been well received including the three-stage timetable for the elimination of nuclear weapons by the year 2000. She noted that the United States had responded with a three-year time frame in respect to INF elimination in Europe and Asia.

The principal Canadian concern was the ABM Treaty, this delegate continued. Distress in Canada over the earlier U.S. re-interpretation of the Treaty had given way to relief when the President had agreed to live within the narrower interpretation. But was such a policy only for the time being, she asked. The ABM was important since it was one of the few treaties in effect. Moreover, in Canada there was considerable worry that Canada could, through the NORAD agreement, get involved in SDI particularly when it was discovered that the original ABM clause of the agreement had been quietly removed by the government in 1981. External Affairs wanted the ABM clause reinserted in the agreement but the Defence Department did not. The delegate stated that she did not think Canada should be involved in cruise missile testing. Finally she said it was very discouraging to hear the House Chairman's remarks that the President would not look seriously at the Soviet test moratorium offer as she suspected there would be widespread support for a CTB.

A U.S. Senator who is a member of the Senate Arms Control Observer Group that has monitored the arms talks at Geneva during the past year began by commenting on the Soviet leadership. Although Mr. Gorbachev was an astute politician, he was still new and unsophisticated in policy matters; he had no competence in foreign affairs and no knowledge of detail in defence policy and arms contol issues. However he knew that when Reagan, the more experienced statesman, had

finished his term he, Gorbachev, would be the senior at the Geneva negotiating table. So he believed he could take his time. The United States, however, wanted a breakthrough in INF negotiations in a three-year period and this was why the timing was so important. As for the ABM Treaty, it was necessary to tell the Russians that the Treaty could be re-interpreted in view of the Soviet radar establishment at Krasnoyarsk which could be part of a strategic system in violation of the Treaty.

As for nuclear testing, this Senator said he thought the two earlier test treaties should be ratified by the Senate if the USSR would move on verification. However he disagreed with the emphasis put on CTB negotiations by the two previous speakers. Opening up test ban negotiations now would be "playing into Gorbachev's hands". The INF negotiations must have priority; radical reductions in the strategic area must be agreed to first this participant insisted. He predicted there would be a series of agreements achieved in Geneva but stated there should be absolutely no attempt to placate the Soviet Union.

Responding to the Senator's point about the Soviet leader's inexperience, the Canadian spokeswoman commented that when Mr. Gorbachev had visited Canada two years ago and had been questioned on agricultural and disarmament issues by a parliamentary committee he had seemed very well-versed and competent in his responses. Another Canadian Member made the point that the Canadian government supported the goal of radical reductions in strategic nuclear forces as well as the restrictive interpretation of the ABM treaty.

Several U.S. participants reiterated that timing in the negotiations was an extremely important factor and the U.S. negotiators must be fully supported. They were sincere and their role was difficult. An American Senator said he failed to understand why so many people were concerned about U.S. statements on the ABM Treaty when the USSR was flagrantly violating it. It must be remembered that the United States did not even have the one system allowed under the Treaty and SDI was only an extension of the ABM mode.

The first U.S. participant, challenged by the Senate spokesman over his original emphasis on test ban negotiations, subsequently agreed that the INF negotiations should have first priority but stated that he nevertheless hoped negotiations on a CTB would still be in play at Geneva. He also reviewed the situation in the other areas of arms control and disarmament. At the Stockholm Conference for Security and Cooperation in Europe (CSCE), he said, the West was holding out for more substantive confidence and security building measures (CSBMs). At the Vienna meetings on Mutual and Balanced Force Reductions (MBFR), there were at last some positive developments in reductions of conventional forces after the negotiations had been stalled for 10 years because of lack of data on forces in Eastern Europe. The United States and its western allies had proposed the reduction of 5,000 U.S. and 11,500 Soviet ground troops, no increase for three years for the remaining forces on both sides and a package of verification and confidence building measures. The West had dropped its prerequisite for data information on Eastern forces and had adopted the USSR's conceptual framework in an effort to revive the Vienna talks.

As for a chemical weapons ban, this spokesman said he was very concerned because the United States was building new chemical weapons which the House of Representatives had tried in vain to stop. The United States wanted a mandatory challenge inspection regime while it continued with its research program. A chemical weapons treaty was likely to be discussed with the USSR at Geneva, particularly if the United States acquired a capability with the Bigeye Bomb which could disseminate binary chemical weapons. This delegate paid tribute to Canada's supportive role in respect to U.S. policy on arms control and noted approvingly Canada's interest in the development of verification mechanisms. He concluded by saying it would be good if Canada took a lead in this field particularly with respect to chemical weapons and ASAT testings.

Strategic Defence Initiative (SDI) and Unified Space Command

During the discussions on arms control, a U.S. Senator, Chairman of the Senate Defense Appropriations Committee, had emphasized his firm support for SDI, making the point that the USSR was very concerned and was insisting that the United States reduce its SDI research. While parts of the Soviet technology were far ahead, e.g., in radio wave technology, the Russians were still behind in numerous areas. Moreover, they could not use 20th century technology without changing their closed society. How to stimulate industrial growth with no broadly based computer capability was a serious and sensitive question for them.

A Canadian spokesman outlined Canada's response to the American invitation to participate in SDI research, that is, it had declined to take part in a government-to-government effort in support of an SDI program but the private sector was free to do so. Moreover, the Prime Minister had stated that Canada considered it was "prudent" of the United States to do the research in light of the Soviet work in this field. The decision to forego government-to-government participation was because the Canadian government wanted any increased military expenditures to be used for real defence efforts as well as on components for a space laboratory. This delegate expressed doubts that in a government-to-government arrangement the United States would really be prepared to share its research and technology with other countries such as Japan, Canada or the U.K., in view of the fact it was costing the United States Treasury $25 billion. Further, this participant questioned what type of SDI research was being planned —- development for a boost-phase knock-out or for point defence. A U.S. delegate responded that it was difficult at this stage to say how SDI would develop.

A Canadian Senator was supportive of SDI and thought that Canada should be participating in SDI research on a government-to-government basis because of the spinoff of technological research. However as a former scientist, he was doubtful that the aims and objectives of SDI were actually achievable because even if only 5 per cent of the enemy's weapons penetrated it would be disastrous.

A U.S. Congressman reminded the group that SDI had been a valuable bargaining chip in the Geneva negotiations, a remark which caused a Canadian Senator to wonder if the United States was now relying on its resistance to modifying its SDI program in order to keep the USSR at the negotiating table. As for the U.S. sharing of technology in its research program, the Congressman said that the Los Alamos laboratory in his district was unable to absorb all the research funds being given it and in any case the United States was committed to share technology with its allies.

A Canadian participant said the official opposition party in Canada was strongly opposed to SDI for strategic reasons. If there were a shift from a mutual assured destruction (MAD) defence policy to an active space defensive stance, it raised the whole question of what should be done to prepare a ground-based system of defence against bombers and cruise missiles. Surely this would mean a large investment would be required to defend against such air-breathing attacks. Such a conclusion raised Canadian fears that its territory would be inevitably involved as part of the defence of continental North America. Canada was not saying 'yes' or 'no' at this stage as to whether it would want its territory to be involved in active defence but at least this question should be on the agenda for discussions.

NORAD

A Canadian Senator observed that the NORAD agreement between the two countries was due for renewal by May and the extension would probably be signed at the leaders' meeting in mid-March. A Canadian Senate Committee report in 1985 had recommended the agreement be renewed and extended to the year 2000. On the other hand, a recent report by the House Committee had recommended a 5-year renewal. One of the points of contention has been whether or not the ABM clause which would confirm both countries' commitment to and support for the integrity of the ABM treaty should be reinserted in the agreement. The Senate Committee had also presented its fourth report on Canada's defence establishment which included a costing for all the recommendations in the previous four reports, that is, for increases in manpower, in maritime defence, in territorial air defence and in military air transport equipment. The additional expense (that is, added to that already covered by the Department of Defence's allocations) over the next 15 years would amount to about 0.27 per cent of GNP. This year's expenditure would be pushed up from 2.06 per cent to 2.33 percent of GNP, and the total would constitute a 12.8 per cent annual increase in the defence budget. This delegate doubted however whether the present government would institute many of the Committee's recommendations.

NATO

A Canadian Senator stated that the majority of Canadians recognized that Canada's main defence efforts must be devoted to assisting the U.S. deterrent capability through NATO. The Canadian government and in particular the Department of Defence were currently looking at how best they could fulfill four requirements: a) to fill out Canada's forces' manpower and materiel; b) to replace and modernize equipment; c) to increase Canada's land force commitment in Northern Norway; and d) to increase force readiness for combat. In the 1985-86 fiscal years there would be an increase in military person-years to 82,700 and the Canadian capital budget for defence will rise in 1985-86 accordingly to $9.4 billion.

A U.S. Senate spokesman remarked that the Europeans were very concerned that North America would not maintain its commitment to Europe. The INF negotations and SDI were making them anxious that the United States would cease to emphasize Europe. Everything that Canada could do in the context of NATO would give them a feeling of North American support. Another U.S. Senator made the point that if the INF negotiations were successful this would leave Western Europe vulnerable to a conventional attack and much more emphasis would need to be placed on conventional defence.

A Canadian delegate wondered whether the United States would consider making a link between U.S. agricultural problems related to European agricultural subsidies and assured U.S. defence commitments in Europe.

Defence Production Sharing

Over the past 26 years, a Canadian Senator said, two-way trade in defence goods had totalled $22 billion and the balance in the U.S. favour amounted to $1.7 billion. Sixty per cent of Canadian expenditures on defence purchases was in the United States but Canada had only 0.6 per cent of the available U.S. Defense Department market. Nonetheless, Canadian exports had almost doubled in the past four years to $1.6 billion. A U.S. Senator remarked wryly that he had seen recently a vivid example of how well the arrangement worked when the U.S. Defense Department took a contract away from the Boise Company in his state (Idaho) and gave it to a Canadian firm.

However another Canadian participant observed that there were problems in the working of the arrangement. On occasion, U.S. security requirements prevented Canadian firms from bidding on contracts and frequently it seemed that only U.S. subsidiary firms got contracts in Canada. Moreover, since Canada was buying most of its defence items off the shelf, it was fast losing its capability to offer Canadian-made defence items for sale. Finally, there were problems respecting the transfer of strategic and technological information but he noted that efforts were currently under way to reach understanding on this issue.

A U.S. Senator pointed out that the U.S. policy restricting the transfer of critical technology was targeted at companies set up to acquire the technology and pass it to the USSR. He said there had been problems with Canada in allowing transfers of important computer technology to the Soviet bloc. This Senator was doubtful when a Canadian delegate enquired whether Canadian companies which were about the same size as U.S. small business could qualify to gain exemption to the U.S. small business 'set asides'.

Space Station Co-operation

A Canadian spokesman said Canada had been asked to participate along with Japan and the Europeans in the United States' plans to spend $8 billion on a space station. Canada had agreed to look into developing a particular aspect of the station and if agreement could be reached, Canada's contribution would amount to about $600 million for a servicing and test facility although he noted some doubts had been expressed in the press about the feasibility and utility of the facility. Another Canadian asked whether the Challenger tragedy would result in a major delay in the development of the space station with less emphasis on the commercial feasibility and more on the scientific aspects. A U.S. Senator replied that while some delay might result there would be no change in overall U.S. commitment to the project and he was unaware of any de-emphasis in the commercial aspect by NASA.

Multilateral Issues

International Debt

A U.S. Congressman observed that although considerable progress seemed to have been made recently in dealing with the debt problems of the less developed countries, major problems remained. High inflation was continuing, the commercial banks had drastically reduced their lending and the Multilateral Development Banks (MDBs) were not really pushing the longer-term structural reforms needed.

This participant reviewed the elements of the October 1985 Baker proposal which called for the major debtor countries to adopt wide-ranging structural adjustments to promote growth and reduce inflation in the debtor countries; envisaged a central co-ordinating role for the International Monetary Fund (IMF) to increase structural lending by the MDBs, and urged the commercial banks to increase their lending to the principal debtors by $20 million over a three-year period. There has been widespread favourable reaction to Baker's proposal from the industrial countries, international financial institutions and the commercial banks. Even the debtors welcomed it including the Cartagena Group of 11 Latin American debtors, although they called for lower interest rates, increased commercial bank lending, a ceiling on capital outflows and increased MDB resources. This spokesman noted that when the Canadian commercial banks approved the Baker proposal they made the point that creditor governments had a role to play. The dramatic decline in oil prices had had an uneven impact on debtor countries, continued this delegate. Brazil and Argentina were benefitting but it was a horrendous problem for Mexico with an extremely serious potential impact on several U.S. banks including the Bank of America and Manufacturers Hanover.

A Canadian spokesman expressed doubts as to whether the situation was really improving significantly and whether the debts would ever be repaid unless some acceptable broad adjustments were made in the rules or a new type of Marshall Plan were tried. Otherwise, it seemed that international trade could grind to a halt and banks could fail — although he judged that governments were unlikely to allow major commercial banks to fail. This situation made governments responsible in a sense for the management of the banks. But this delegate warned that governments should not be too generous; a certain discipline and balance must be maintained and the IMF should continue to press for more economic discipline. The case-by-case approach was probably the preferable method of dealing with the problem.

A U.S. participant agreed with the more pessimistic outlook of the previous speaker and, in the course of the subsequent discussion as to whether governments should 'bail out' major banks, said he was prepared to see some major U.S. banks fail, although other U.S. delegates were clearly cool to the idea. The comment was made that it was fortunate few other debtor countries were emulating Peru's decision to severely limit its debt servicing payments. The exchange on this subject concluded on the rather gloomy and inconclusive note that the Mexican case could be a 'time bomb' which could lead to major bank failures and that, in the broader setting, there seemed to be no early prospect for easing the strain on the commercial banks which would continue to be stretched through repeated rescheduling of debt repayments.

Terrorism

The assassination the previous evening of Olaf Palme, the Swedish Prime Minister, and the fact that several of the U.S. legislators had recently dealt in Congress with new measures to counter terrorism served to heighten the Committee's interest on this topic. The Chairman of the House Foreign Affairs Committee began by noting the excellent support which the Canadian government had extended to the United States on various anti-terrorist matters and commented on Canada's particular efforts in the International Civil Aviation Organization (ICAO) to upgrade standards for air security. But unilateral or even bilateral approaches were not enough. What was needed was both a concerted multilateral approach and strengthened authority to the President.

A new package of anti-terrorist legislation was currently being prepared for the House continued this delegate. It included: measures to enhance security at foreign missions; air security; maritime security; upgraded nuclear safeguards under the IAEA; funds for security training in Third World countries; encouragements to other governments to issue travel advisories; and measures to deal with false passports and travel documents. The enhancement of embassies' physical security may cost $4 to $5 billion. In regard to airport security, perhaps the airline pilots were correct when they argued that if foreign airports did not comply, then U.S. planes should cease to fly there.

As for a multilateral approach, at the United Nations an international task force on counter-terrorism was proposed to exchange ideas and information on terrorism. This delegate considered it necessary to get international agreement that terrorism was a crime although he acknowledged the difficulty in finding an agreed definition of terrorism. "One man's terrorist is another man's freedom fighter". This spokesman suggested increasing the U.S. government's reward capacity. "Try a world-wide '10 most-wanted' list". Possible counter-terrorist actions by the Secretary of State would include the cutting-off of all assistance to a country if there were grounds for concluding it was acting as a safe haven or was guilty of state-supported terrorism. Despite protests from civil rights groups, perhaps some stronger safeguards were necessary on the Export Control Act. This spokesman concluded by emphasizing the need for a strong resolve by the international community to combat terrorism.

The Canadian spokesman on this subject recounted the most recent terrorist acts or threats involving Canada which included incidents at the Toronto subway, the Turkish Embassy, the Air India disaster, the Canadian Pacific Air tragedy, and the Egyptair hijacking. As a result, the Canadian government's attention was now focussed even more strongly on the subject of terrorism with the highest priority being given to work within ICAO. Canada was also taking measures related to airports, border patrols, the upgrading of its embassies' physical security abroad and consultations with relevant groups abroad.

This delegate commented that Canada had noted a deterioration in the climate, always fragile, for international law. Perhaps more attention needed to be paid to the refugee communities where persons sometimes acted irrationally in order to gain attention. This participant enquired whether American delegates considered that airport security should include the identification of every piece of luggage by a passenger before it was loaded on the plane. But U.S. delegates were doubtful that such a system would be workable.

A U.S. Senator who has taken a lead in introducing counter-terrorist legislation in the Senate described the bills he had recently introduced, some of which had become law. The bills included a bill to make it a felony for foreign diplomats in the United States to use firearms or explosives or to claim immunity after terrorist acts; a bill to provide for the death penalty for crimes of first-degree murder in hostage-taking; a bill to stop trade with Libya because of its involvement in international terrorism; and a bill to authorize the prosecution of terrorists who attack U.S. nationals abroad. The intent of the latter bill was to get more effective prosecution of terrorists regardless of where the attack against Americans occurred and make it possible to take such terrorists into custody even extraterritorially. After the U.S. 'skyjack' incident, the U.S. authorities had wanted to take the *Achille Lauro* hijackers into custody but were foiled by the action of the Italians. A useful legal precedent had been found in a 100-year old decision (Kerr vs. Illinois) upheld by Mr. Justice Hugo Black which supported the U.S. action in bringing Kerr back from Peru for trial. The Israelis had done the same thing when they kidnapped Eichmann from Argentina for trial although Argentina never agreed with this action.

While the first U.S. spokesman agreed on the need to broaden U.S. laws extraterritorially, he pointed out that the difficulties in such a course must be recognized as well as the dangers in hitting back indiscriminately in retaliation where innocent people could be hurt. There was even some danger that indiscriminate action could escalate into war. But he thought that diplomatic immunity should not be recognized as valid in cases such as the murder of the British policewoman in the Libyan Embassy incident. As for the imposition of economic sanctions against Libya, there had been disappointment in the United States at the lack of international cooperation although this spokesman acknowledged Canada's and Italy's cooperative responses. It was clear that economic sanctions needed to be tough, very tough, and needed international cooperation to be effective, he concluded.

A short exchange between a Canadian participant and the U.S. Senator dealt with the differing methods of obtaining indictments in Canada and the United States. Asked if the U.S. law proceeded on a 'presumption of guild' the U.S. Senator replied that it was rather a 'presumption of probable cause' which allowed for a bill of indictment and custody within a couple of days or less.

The Contadora Process

A number of U.S. delegates commented vigorously on this topic, perhaps mindful of the upcoming Congressional votes on the President's request for $100 million worth of aid for the

Contras opposing the Nicaraguan Sandinista government. A U.S. delegate began by observing that this issue was currently the single most controversial topic in the Congress. The official U.S. argument for funds was that pressure by the Contras was needed on the Sandinistas so they would resume talks with the Contras for a negotiated settlement. The Administration had said it would resume a dialogue with Nicaragua only when the Sandinistas resumed such talks. This spokesman said he basically agreed with the Administration's assessment of the Sandinistas as a pro-Marxist government but, like many critics in Washington, he was asking whether funding the Contras would actually hurt or help the reconciliation process. As long as a war went on, there would be no progress in reconciliation. As for the Contadora process, everyone said they supported it but critics were right when they said the Administration had not given it adequate support. A third draft of the Contadora agreement had been on the table for three months with provisions relating to the renouncing of force, the promotion of pluralism and human rights, provisions related to military manoeuvres and for verification and supervision. But as yet the Administration had failed to present a position on this draft.

In Canada, said a Canadian delegate, this issue was not controversial. Canada supported the Contadora process and had been asked by the governments of the region to comment on the verification and control provisions of the draft agreement, an area where Canada had built up a certain technical expertise from previous peacekeeping operations. While the government maintained it had had no invitation to join a verification and control body, it said it remained open to such an invitation if extended.

Canada was opposed to military aid to the Contras. Canadian church and aid groups had historic ties with the country. When the United States imposed the trade sanctions last year, Canada continued to trade and the Nicaraguan trade mission in Miami moved to Toronto. This delegate hoped that there was not a new U.S. strategic doctrine of "low intensity conflict" being applied to this area as a U.S. commentator had suggested. Canadians had been disappointed that the meeting of Secretary Shultz in Washington two weeks before with the Contadora Group and the Support Group had not been a turning point indicating 'real' U.S. support to the Contadora Process.

A U.S. Senator disputed the claim by some critics that the Contras were ex-Samozans and maintained they were a splinter democratic group of the revolution. On the other hand, there was no doubt that the Sandinistas were Marxists. Their deployment of tanks in the streets and the construction of an 8,000 runway raised fears of a "Cuba on the mainland". The USSR was clearly giving substantial financial support to the Sandinista regime "which could not survive a week without Soviet support". Other independent countries in the area were exhorting the United States to keep up the pressure on the Nicaraguan government.

Another Canadian spokesman reiterated the Canadian government's support for the Contadora Process but said that there was concern over the Nicaraguan government's ties with the USSR. Canada wanted to see genuine elections and the inclusion of groups opposing the Sandinistas. He noted that the Nicaraguan foreign minister had promised to bring in the foreign press one week before elections.

A U.S. Congressman made the point that Nicaragua should be pressured to live up to its earlier undertakings for a free press, economic reforms and a non-aligned policy stance. His colleague from the House disagreed with the Senator's earlier remark that the Contras were disaffected democrats. The Contra decision-makers were ex-Samozans and if they won they would want to be part of the government. The Contras had serious divisions, no political programs, and, like the Sandinistas, were guilty of many human rights abuses. There should be a free vote to dislodge the Sandinistas. The Indians should be part of any settlement. The Contadora process deserved a chance and needed multilateral support. Canada should not wait to be asked but should speak out, he said.

A senior Congressman told the group that he supported the Contadora process but he also supported aid to the Contras. Reviewing events since Samoza had been thrown out, he recounted how the United States had made a genuine effort to establish good relations with the new government, giving them funds to assist an 'economic reconciliation'. But President Carter cut off funds when it became evident the government was following a Communist blueprint. The present regime clearly did not want a free press, free labour unions or a pluralistic form of government and they are using the Contadora process as a cover to solidify their position. He thought Pastore the Contra leader was the only hope.

The first U.S. spokesman then intervened again to observe that U.S. Administration policy was not to overthrow the Sandinistas militarily but rather that pressure should be maintained on them in order to bring about democratization. Nonetheless the logical sequence to that policy was that if the Sandinistas were Marxists who were not likely to modify their views, then the pressure strategy would not work and military intervention would be the only answer. Indeed some Administration officials considered that the Sandinistas should be overthrown militarily although Secretary Shultz himself had not said this. The question was what would the next step be if this $100 million ($70 million in military and $30 million in humanitarian aid) did not work. "I do not think it will", said this delegate. Several other U.S. delegates agreed with this assessment. The spokesman continued that the United States had begun with 500 persons in the field and this had ratchetted up to 20,000. In fact, U.S. policy in the area had failed. It had meant that the USSR and the Cubans were more, rather than less, influential and that the Sandinistas were more repressive. A unilateral solution was not the answer; instead there should be a regional settlement to isolate the Nicaraguans. They were

not a direct military threat to the United States, but they must be weaned away from Communism with "carrots and sticks". They would not be able to develop economically without their friends and neighbours.

The senior U.S. Congressman agreed and said he proposed that the United States conclude a series of bilateral security agreements with Nicaragua's neighbours (Costa Rica, Guatemala, Honduras and El Salvador) to protect them and to isolate the Nicaragua régime. As long as the Sandinistas kept within their own borders, their political system, even a Communist system, would be their own business. The real concern of the United States was the danger of the export of revolution and such a policy could contain that threat.

COMMITTEE III — FISHERIES, ENVIRONMENT, AND TRANSBOUNDARY ISSUES

Agenda

Fisheries

- East Coast Fishery Issues
- Yukon Salmon Fishery
- Pacific Salmon
- Minnesota-Ontario Border Fishing Issues

Environment

- The Flathead River
- Garrison Diversion
- Nuclear Waste Disposal
- Asbestos
- Toxic Wastes
- Acid Rain

Transboundary

- Great Lakes Water Quality & Water Levels
- St. Lawrence Seaway
- Alaskan Panhandle
- Arctic Sovereignty
- Maritime Boundaries

Introductory Remarks

Committee III began its deliberations with brief statements by the American and Canadian co-chairmen. The American co-chairman described Committee III issues as having the greatest significance for the two countries and referred to a comment made by President Taft of always a pleasure to have the opportunity for candid discussion with good friends and that the Canada-United States Inter-Parliamentary Group had a record of achievement.

Fisheries

East Coast Fishery Issues

The American co-chairman opened the discussion by observing that progress had been made over the hotly contested boundary dispute on Georges Bank. The issue, he said, now boils down to differences in management between Canada and the United States. The United States is less interventionist, an approach that Canada sees as loose and inadequate to protect the fishing stock. The United States fish management councils defend their record as having maintained the stocks well within conservation limits and they are strongly opposed to the Canadian approach.

A Canadian member responded by first attempting to put the issue in perspective. He remarked that both countries wish they could have settled the boundary dispute through negotiations but were unable to do so. As a result they must now live with the international court decision which may appear to take on "awesome rigidity". He remarked that he had seen headlines in Canadian and American newspapers telling opposite stories about the effects of the decision. U.S. papers claimed that American fishermen were the losers and Canadian papers said the same about their fishing industry. He went on to suggest that the "objective" Canadian view is that the World Court decision gave Canada a "very fair deal indeed".

The Canadian member went on to note that Canada had been asked by the United States to postpone implementation of the decision for one year but that Canada had refused because the court has spoken. "If we postpone implementation once we will be asked to do so again and the whole situation will be left unclear". The member then went on to argue that wherever a fishing stock crosses the border, as it does on the East Coast, it is essential the two countries get together and jointly manage the resource. He remarked that Canada feels the United States does not manage its fishing stock properly. He noted United States' complaints that Canada exports fish to the United States but reminded U.S. delegates that Canada also imports U.S. fish. He added that U.S. fishermen were unable at the present time to supply their own market.

The Canadian delegate argued strongly that the time had come to see how the two sides could cooperate in developing the fishery. He noted a major problem facing the Canadian side, namely an inability to identify who to deal with on the American side. "You know that the government of Canada can enforce agreements we reach but the U.S. system has no focal point." Nonetheless he assured the American delegates that Canadians were prepared to sit down and talk.

The member mentioned the United States countervail tariff of 6.85% as very worrying to Canada but remarked "we can live with it". The more serious problem, he suggested, were the misconceptions on both sides of the border. The United States complains of Canadian subsidies whereas in fact Canada runs its fishery on a break-even basis. He noted that while Americans saw unemployment insurance as a massive subsidy to the Canadian fishing industry, Canadian business was also taxed more heavily to provide a higher level of social services. Whatever these misconceptions, he concluded, the boundary decision is final. There are enormous mutual interests between Canada and the United States that point to the need for cooperation.

A United States Senator then entered the discussion to remark that the United States had decentralized its fishing industry and would like Canada to do the same. He remarked that "these issues do not need to be national issues". The United States had forced its states to transfer authority to local and regional councils which are sensitive to local conditions. He remarked that when dealing with Canada the American fishing industry runs into very rigid standards. The Canadian member responded that while Americans may "perceive" inflexibility in the Canadian system, there is nothing which prevents as much flexibility as we decide is desirable. The Pacific salmon treaty illustrated the point in that much of the negotiating was decentralized to the west coast. He

observed that the system of stock management in Canada was not nearly as rigid as it might appear to be on paper and that its only objective was to bring back the stock. He repeated that the fishermen and commercial people in both countries must sit down and start talking about their differences. He argued that until that was done the Canadian government could only respond to the fears of its own fishermen.

The Canadian delegate went on to say that the east coast fishing stock may have reached optimal levels, a fact which was being recognized slowly in Canada. He described what he called a "sea change" in the Canadian approach to the East Coast fishery. For a long time the fishery had been seen as the salvation of the Maritimes and a huge over-expansion of plants and equipment using government money had taken place. "It is now being recognized that the fishery cannot carry the Maritimes on its back and must learn to live within the limits of its resource." As the discussion wound down, the United States Senator observed that it was time for the two countries to cooperate because there was a "freight train coming", a huge growth in demand for fish as a result of health and dietary concerns. He warned Canadian delegates that the United States would not stand by and watch its own east coast fishing industry destroyed. He appealed to Canada to help arrange for the local people in the industry to get together and not to propose another national commission on the fishing industry. The Canadian member concluded the discussion by saying that all delegates could agree on the importance of bringing fishing interests in Canada and the United States together to discuss their differences.

Yukon Salmon Fishery

A United States Senator opened the discussion by remarking that in line with the principles of the Pacific Salmon Treaty, Canada had been asking for cutbacks on the U.S. subsidized fishery so as to promote building of the stocks. He pointed out, however, that it was very hard to cut back the U.S. subsistence fishery because it was based on traditional rights of the native peoples. Even if the U.S. government agreed to such cutbacks the courts might overrule such an approach. He illustrated the incredible efficiency of the subsistence fishery by remarking that "the native people are using fish wheels which allow them to take 20 to 100 salmon per day." He expressed understanding of Canadian concerns but said this was "a very sensitive proposition" on the U.S. side.

A Canadian Member of Parliament observed that the King salmon run on the Yukon River was the largest in the world. In 1985 the U.S. had 90 per cent of the take although 50 per cent of the river and an estimated 50 per cent of the stock originated in Canada. Accordingly, he suggested that by the provisions of the Pacific Salmon Treaty Canada was entitled to about 50 per cent of the take. The U.S. Senator responded that his country accepted the country of origin principle but that some concept of an historical fishery must be added to accommodate the native people. He also expressed U.S. fears that Canada wanted to establish a commercial fishery on the Canadian side of the Yukon River.

The Canadian member reminded U.S. delegates that Canada had a traditional fishery on its side of the river. He went on to say that subsistence rights somehow had to be "dovetailed" with the provisions of the Pacific Salmon Treaty and that U.S. and Canadian approaches had to be consistent in the management of this valuable cross-border stock. He referred to two approaches which might prove valuable as guidelines in developing rules on the Yukon River: first, the Washington State Supreme Court ruling that 50 per cent of fish were to be taken by the Indian people of that state; and second the co-management approaches which had been used in the past by the Canadian government and Indian peoples. The Canadian delegate then noted two other factors which might influence the situation: first, the development of side scan gear which would allow more precise counting of the stock and more scientific management; and second outbreaks of furunkulosis, a salmon disease which had appeared in Norwegian fish farms and had infected wild stock as well. Both developments pointed to the importance and opportunity for cross-border cooperation on mangement of the salmon stocks. The U.S. Senator agreed it was time for the two sides to get together but cautioned that "we will have to be very innovative in dealing with the subsidized fishery."

Pacific Salmon

Canadian and American delegates opened this discussion by remarking on the great success which had been achieved in negotiating the Pacific Salmon Treaty. An American Senator then remarked: "Now the real problem is the Japanese." He went on to say that the United States was convinced that the Japanese trawler fleets were hitting the very stocks that Canada and the United States wish to enhance. He reported that at the most recent meeting of the International North Pacific Fisheries Commission a Canadian scientist had said that more data was needed in order to determine the damage being done by the Japanese. "You reinforced the Japanese position". He then pointed out that the greatest environmental damage in the world today was being done by the huge monofiliamint nets used by the trawler fleets. "Some of these damn things are as big as 40 miles long. They pull up everything and when our surveillance people appear they are cut loose to drift around the Pacific". The United States had been screaming about this situation for 10 years. "There is no question that these are Japanese nets and that they are literally murdering whole species." A Canadian member agreed that this was an "appalling abuse" of the environment. He reported there was very strong language about the situation in a report being prepared by the House of Commons Fisheries Committee. He expressed grave concern that a Canadian scientist would have supported the Japanese position and promised to investigate the matter when he returned to Ottawa. A second Canadian member reported eye-witness accounts in Canada of the immense damage done by the monofilament nets to ocean species such as whales and porpoises as well as the damage done to kelp beds when these huge nets drift to shore. He remarked that there was now grave concern about depletion of

fish stocks and the disappearance of species such as the fur seal.

Following this discussion, it was agreed by Canadian and American delegates that they would jointly prepare a statement deploring the damage done by these nets and separately issue the statements following their return to Ottawa and Washington.

Minnesota-Ontario Border Fishing Issues

The brief discussion of this issue was opened by an American Congressman who reported that things had improved considerably since the last Canada-U.S. Inter-Parliamentary meeting. He noted there were still some problems but said that the new Ontario government, and particularly Premier Peterson, had been far more cooperative than the previous government. Following a recent meeting between the Governor of Minnesota and Premier Peterson the two governments had appointed officials to follow-up their on the issues. He noted that Ontario had announced a $10.00 user fee for Ontario residents with the money to go to stock enhancement activities. This development had taken much of the sting out of the earlier user fee which had been applied only to American dayfishermen in Canada. A second U.S. Congressman concurred and mentioned that much of the trouble had been caused by the Minnesota Commissioner of Natural Resources who had quite improperly and independently given approval to various measures which the Ontario government had taken. He concluded there was a good deal of confidence on the American side that they would be able to get a "fair deal" from Ontario and that there was no need under these circumstances for the Canadian government to become more involved. The Canadian co-chairman of Committee III said that he was very pleased with this report of progress and expressed the hope that the two sides could now get on with "more positive cooperation on stock enhancement".

Environment

The Flathead River

The American co-chairman opened the discussion by asking whether Canada was really likely to mine coal on this site. A Canadian member replied that "there is no chance at the present time" of anyone mining coal there. He went on to say that even if the development takes place the Canadian position is that it would not have a discernible effect on the environment. However he urged his American colleagues to remain vigilant so as to make sure that the environment was protected. A second Canadian member remarked that the British Columbia government thinks it has lived up fully to the Boundaries Water Treaty but said that if the U.S. had concerns it should let Canada know. A third Canadian member said there was reason for some concern about water quality because the coal proposed for development was soft coal. He reported that the application for the project was now at stage 2 (approval in principle) of the new B.C. coal mining guidelines. He said that he would let the U.S. side know when the project moved to the final approval stage. Another Canadian member reminded delegates that the issue was before the International Joint Commission, because of a U.S. request that "pristine quality of water" be maintained on the river. He indicated tht the IJC report was expected this spring and concluded that Canada valued the IJC very highly and would not undercut it on the Flathead issue.

Garrison Diversion

The Canadian co-chairman of Committee III opened a brief discussion of the Garrison Diversion by saying Canada was very pleased with the latest recommendations of the Garrison Commission. They would prevent any damage being done to the Hudson's Bay drainage system. An American Senator who had been a staunch supporter of the Garrison project said that he could live with the recommendations of the Commission and noted, in particular, that the report precluded any irrigation works. He remarked that future Canada-U.S. Inter-Parliamentary discussions might miss having this issue to argue over "It may well be the last time the Garrison will be on our agenda".

Nuclear Waste Disposal

An American Congressman opened the discussion by conceding there was very little enthusiasm anywhere for nuclear waste disposal facilities. Nonetheless it was a huge problem that would not go away. An enormous amount of nuclear waste has been accumulated over the past 40 years and huge additional amounts were being added each year. The United States, he pointed out, was committed to having a second facility in one of the 50 states by the year 2000 but pursuit of this objective must protect peoples rights and quarantee representation of local concerns. He noted that a key element of the legislation provides that the Governor of the State finally chosen as a site can veto the choice: the veto to be overridden only by a vote of Congress. The Congressman went on to note that although 80 per cent of nuclear waste is generated in the eastern United States, the first site will be located somewhere in the south-west. Accordingly, it was felt that fairness required the second side to be in the northeast even though there is widespread opposition. He described the sites as consisting of ceramic barrels buried some 3,000 to 4,000 feet underground. He had the impression that Canadians' were much more relaxed than Americans about the whole nuclear issue and asked what Canada did with its waste. He concluded his opening remarks by acknowledging Canadian concerns but assured delegates that the procedure being followed was a very careful one.

A Canadian Member replied pointedly that what Canada did about the problem was beside the point. "We are talking here about your problem not ours". He stated that U.S. legislation had been seriously flawed in not providing any means of taking into account Canadian concerns. The map originally published with the legislation did not even show Canada. "We did not even exist". Though the United States was now dealing with Canadian concerns seven of the potential sites were still

sufficiently close to the border as to require field work in Canada. He described the selection process as highly political and, for that reason, Canada was worried the site would be in a state like Vermont or Maine with a small population and little political clout in Washington. A U.S. Congressman responded to these comments by observing that the criteria of site selection had been established by the U.S. National Academy of Sciences and not by political authorities. A number of considerations, including geology and population, made areas near the U.S.-Canadian border attractive sites. He noted, somewhat ruefully, that his own State of Minnesota continued 12 of the 20 possible sites. A second Congressman from Minnesota joined the discussion to say that 3 of the possible sites were in his Congressional district. He had received 10,000 pieces of mail against the sites and personally welcomed Canadian efforts to raise questions about sites near the border.

American delegates again asked what Canada was doing about the problem and, again, the Canadian delegate who had spoken earlier dismissed the question as beside the point." "I will tell you what we are not doing. We are not proposing to put our stuff near the U.S. border and we do not find it acceptable that you should locate sites near our border. It is not good enough to say that we will be treated as well as Americans. This is a question of sovereignty. We are not Americans." He went on to say: "This is not our nuclear waste. The United States owes us a guarantee that it is not high risk to Canadians. Why should we have to demonstrate that the site is dangerous?" An American Congressman remarked that there were many Americans in his part of the country who sympathized with such Canadian concerns. He hoped that U.S. safety standards would satisfy Canada but suggested it would strengthen Canada's case if it were doing some research and testing to substantiate its concerns. "It helped you in the case of the Garrison project. I think it is important that all of us be on top of this issue".

Asbestos

A Canadian delegate opened the discussion by arguing that the proposal by the Environmental Protection Agency (EPA) to impose an outright ban on asbestos for health reasons was not justified by the scientific evidence. He referred to research which showed that some of the proposed substitutes for asbestos might be even more hazardous to human health and suggested that low level emissions of asbestos posed no significant health hazard. The approach being followed by the EPA, he warned, would subsequently be followed by governments elsewhere in the world. "You are deciding the fate of our industry".

The U.S. co-chairman of Committee III replied that asbestos had at one time been an issue in his own congressional district when it was discovered that the iron being mined in the region contained asbestos fibre. He acknowledged the economic impact of a ban in Quebec but said that it was only in the last 25 years that we had recognized the extreme health hazard posed by asbestos. "It causes a type of lung cancer which is highly lethal and untreatable. There can be no scientific doubt that asbestos and abdominal and chest cancer are directly linked." He argued that, contrary to the Canadian claim that some types of asbestos fibre are safe, U.S. research suggests that all types are dangerous. "The cancers will show up in 20 to 25 years". He concluded his opening statement by saying that the EPA had taken the only safe approach to asbestos.

A Canadian member responded that the difference between U.S. and Canadian research proved that there was no scientific consensus on asbestos. He made two additional points: first, that European research agreed with the Canadian approach and, second, that asbestos was already a very tightly regulated industry. The U.S. delegate pointed out that asbestos mining was less risky than were the products manufactured from asbestos. It is when the product is pulverized and made into fire-resistant materials that it becomes a very lethal substance. He acknowledged that there were problems in finding adequate substitutes for asbestos but said that private industry should come up with safe new products. He remarked that European research which found asbestos safe may have been based on a different and faulty methodology.

Toxic Wastes

The American co-chairman of Committee III opened the discussion by recalling that last year's Canada-U.S. Parliamentary Group had visited toxic waste sites on the Niagara River. At that time delegates had seen the dangers of these substances with their own eyes and Canadian concerns had been forcefully presented. A Canadian Member agreed that the visits to the Love Canal and other sites had been a unique opportunity to evaluate the problem which he described as "time bombs ticking away". He reported that the most recent development on the Canadian side had been the discovery of toxic blobs in the St. Clair River. These had been produced by the release of dry cleaner solvent which absorbed wastes in the river. He noted that Canadian authorities had been careful to keep American counterparts well informed.

A U.S. delegate acknowledged Canadian efforts to keep the United States informed. He went on to say there were continuing efforts in Congress to strengthen toxic waste management and control but that funding remained a major bone of contention. The Super Fund, he noted, was out of funds as the result of failure to resolve the funding issue. On the technical side, he reported there were major tests being conducted by the Environmental Protection Agency of two incineration techniques, one a land-based technique and the other aboard specially equipped ships. The tests were very carefully designed and monitored.

A Canadian Member described the St. Clair River incident as illustrating the importance of trans-border cooperation and rapid action by government. He reported that fines had been levied and clean-up costs assigned quite quickly. He went on to say that ordinary, municipal wastes remained a serious problem in the Great Lakes system. Cleveland remained one of the

worst offenders in putting raw sewage into the lakes. By contrast Ontario had very stringent standards and was rather frustrated that the U.S. did not. An American Congressman acknowledged that municipal wastes were still going into the lakes from the American side but argued that an enormous amount of effort and money had been expended over the past decade to solve the problem. He observed as well that the United States was moving quite fast on toxic wastes so as to avoid exposing both the U.S. and Canadian people to the hazards. A second U.S. Congressman remarked that Congress was currently debating renewal of the Great Lakes Water Quality Agreement but expressed great apprehension about the position of the U.S. administration. "This administration has had to be prodded every step of the way."

Acid Rain

A U.S. Congressman said that it was hardly necessary to prove once again that enough was known about acid rain to justify action. "We also know that the damage may be irreversible. The real question in the United States remains, who pays?" A Canadian Member agreed that it was not necessary to repeat the basics of the acid rain problem. The purpose of the discussion, he suggested, should be to focus on the current political situation. He summarized the political history of the issue by noting the breakdown of negotiations between Canada and the United States after the Reagan administration came to office. Since that time Canadians had been unanimous in their support for action but the United States was divided on the question. In negotiations the U.S. had developed the habit of asking Canada what it had done to solve the problem and so finally Canada decided to proceed unilaterally. "We were sick of being badgered by Americans and having them use Canada's own emissions as an excuse for their inaction". The federal and provincial governments had agreed to a 50 per cent reduction of emissions in eastern Canada by 1994. The Member went on to say that the Mulroney government was clearly pro-American and valued good relations with the United States. The Prime Minister and the President had searched valiantly at the Shamrock Summit for some way to address the acid rain problem and, finally, agreed to appoint Special Envoys. The Envoys' report, he suggested, had moved the debate ahead by acknowledging that acid rain *is* a serious environmental problem, that it has an important trans-boundary dimension and that control programs are required. The Member concluded his statement by warning that the forthcoming meeting in Washington of the Prime Minister and the President had to yield tangible results on acid rain. "It is causing the government real political difficulty."

A U.S. Congressman commented that it had now been discovered that the south western United States is a recipient of acid rain. On a nation-wide basis he described the main problem as one of funding and went on to describe a number of different approaches which were being explored in order to blend regional interests and achieve consensus in favour of acid rain controls. Notwithstanding these efforts, he expressed serious doubt that the Reagan administration was prepared to support the Envoys' report. He reported that Lee Thomas, the Head of the Environmental Protection Agency, had recently said before a Congressional Committee that more research was needed. "My own impression is that Drew Lewis is not getting much support from the administration". Another U.S. participant agreed strongly with that observation and suggested the administration's position was not an honest one. "On the one hand they argue that more research on acid rain is needed but, on the other, they have been cutting funding for the main research centre. "Several Canadian delegates were worried by these reports. One of them described the Envoys as having honestly tried to get the best possible agreement but it was now up to the President to take action. "We will be in very serious trouble if nothing is done". An American Congressman said he understood these concerns very well. He described Drew Lewis as having an excellent reputation in the United States but action on acid rain was opposed by very powerful forces. "We would like to strengthen his position but we are not at all sure that Lewis has the support necessary to implement an agreement."

Transboundary

Great Lakes Water Levels

The American Co-chairman of Committee III described American residents on the upper lakes as very concerned about the high water levels on the Great Lakes. "The upper lakes are a storage area for the whole system. We have been pounding on the IJC to increase flows and reduce levels". He remarked that to some extent the IJC has complied but there remains the danger of tremendous property damage. Another Congressman, from a district on the lower Great Lakes, remarked that the IJC was "getting a lot of pounding" from the lower lakes as well. "There is no easy solution. The Great Lakes are an immense bathtub with one small drain. This year the Good Lord has chosen to over-fill the tub." He noted there had been high water cycles in the past and both countries would just have to wait for this cycle to pass. He expressed appreciation for Canada's help in reducing flows from the Ogoki diversion. A Canadian Member remarked that, unfortunately, such efforts actually made very little difference. He feared that damage on Lake Erie would be "quite devastating" this year.

St. Lawrence Seaway

A Canadian delegate described the Canadian Government as feeling very strongly that Seaway costs had to be cut and additional revenues had to be generated through user pay or leisure craft charges. Canadians, he suggested, saw the Seaway as their country's fourth coast and as a vital transport route for inland industry. They are also beginning to see the Great Lakes system as having great recreational potential which would, eventually, be as economically important as industrial use. A U.S. Congressman agreed with these remarks but stressed U.S. fears that steep increases in tolls would make the seaway even less competitive economically than it was at the present time. He noted that the seaway had some inherent

problems —- small locks and seasonal operation, for example —- that were increasingly undermining its competitive position. He went on to acknowledge that some U.S. interests such as the steel industry favoured maintaining or even increasing tolls on the seaway as a way of upping the price of steel imports but warned that "if the seaway has to pay its own way overall it has a major problem".

The Canadian member who had opened the discussion acknowledged that both sides were "grasping at straws" in searching for ways to increase traffic on the Great Lakes. He was himself greatly concerned that increased tolls and user fees might jeopardize the Seaway because there were now so many alternatives. He suggested there had to be a great deal more "old-fashioned Yankee selling" of the seaway but a U.S. delegate pointed out that some 10 years earlier Congress had approved funds for seaway marketing and had taken various other steps to ease the cost of capital improvements to the system. These efforts had, unfortunately, been nullified by the inherent limitations of the Seaway and by a series of unfortunate accidents that damaged the system's reputation.

A U.S. delegate raised another issue of concern to the United States, namely piloting of the "salty lakers" (ships which sail the Great Leakes in the summer and the high seas in the winter.) He observed that Canada and the United States welcomed these vessels as one way of increasing traffic but the two countries had different piloting requirements as the ships went through the Seaway. He suggested the Great Lakes system was sufficiently complex and treacherous as to require very experienced pilots. A Canadian delegate agreed the ships required experienced pilots but said Canada felt the requirements were sometimes overdone. The discussion drew to a close with the two sides agreeing to arrange a meeting of Canadian and U.S. interests to discuss these and other issues surrounding the future of the Seaway.

Alaskan Panhandle

A Senator from Alaska inquired about the plans of British Columbia and the Yukon to develop hydro resources and industry in the region. A Canadian delegate from British Columbia said there were very good prospects for long range economic development of the region but B.C. Hydro's plans were likely to be realized only after the year 2000. He described the whole area on both sides of the Alaska-British Columbia border as one of the most highly mineralized on the continent. Over the long run, many mines would probably come on stream. Concerning possible hydro corridors, the Canadian delegate asked American delegates to "bear with us for a while". Their planning would depend on many factors such as the current over-supply of hydro, environmental and other concerns about dam construction but that, in any case development would take place slowly. The U.S. Senator asked that Canada keep the U.S. well informed as priorities change.

White Pass Yukon Railroad

A United States Senator informed delegates that the Cyprus Anvil mine was to be reopened but it had now been decided to transport the ore by road. This raised questions about the maintenance of the highway but the main concern was the future of the railroad itself. He noted this was the fourth year since the railroad had been closed and it was now in the process of being abandoned and sold. He reported that Bolivia had made an offer for the rolling stock and equipment of the railroad and warned that if action was not taken soon it would be too late to preserve the line. The Senator expressed his own conviction that the railroad should be saved as "a unique piece of nostalgia" with very considerable tourist potential. He reported that 175,000 tourists had visited Skagway last year and that more were expected next year and proposed Canada-U.S. co-development of the railroad as a "living monument". To facilitate this the U.S. government might be prepared to extend tax and other concessions to the owners of the line. Canadian delegates agreed strongly that the railroad should be preserved. One Canadian described it as "an absolutely remarkable thing" with potential benefit as a tourist attraction to both Canada and the United States. It was agreed that the Canadian and U.S. delegates would pursue this issue further in Ottawa and Washington.

Arctic Sovereignty

A U.S. Senator said that the Canadian reaction to the journey through Arctic waters of the coastguard vessel Polar Star came as a complete surprise to the United States. He noted that negotiations had preceded the voyage for two months during which time no sovereignty issues had been raised. He pointed out that Canadian vessels enter American waters at will. "Frankly it looks to us like an intemperate neighbour. We are very worried about the precedent which this action has set." A Canadian member responded by saying that Canada is not the slightest bit concerned about American vessels going through these waters unless, as in this case, voyages carry the implied claim that these are international waters. He said it must be understood by the United States this is Canadian territory and Canada intends to control transit through those waters. "There is no compromise at all on the principle. We are prepared to go to the World Court to enforce it."

The United States Senator took up the argument again by saying there was no basis in international law for the Canadian claim and, if the United States were to accept it, serious consequences would follow elsewhere in the world. He expressed dismay that the Canadian Government would react as it did considering the circumstances of the case. The Polar Star, he pointed out, was a coast guard, not a naval, vessel whose normal port is Seattle. Had it not gone through the Arctic passage it would have had to take the much longer route of the Panama Canal. A Canadian delegate again said there were few Canadians who would question the desirability of allowing the United States to use those waters but to do so without seeking Canadian permission was seen as a challenge to our

sovereignty. "If you want Canadians to get worked up talk about our sovereignty." He pointed out the U.S. had promised earlier to respect Canadian law and to take no action that would prejudice Canada's claims in international law. "While we understand your concerns it is unacceptable for the United States to create a precedent challenging Canadian sovereignty in the way that the voyage of the Polar Star has done."

An American Congressman then joined the discussion to say this was clearly a serious problem. It was his impression, however, that the Canadian government had first "been asleep at the switch" and then overreacted. The U.S. Senator repeated his contention these were not Canadian waters though they are bounded by Canadian islands. He warned it was time for Canada to look at its "hole card": "your drill ships have to go through our waters." He then asked what Canada would do if the Russians moved a vessel through the passage to which a Canadian delegate replied "we would probably call you". It was then pointed out that part of Canada's concern to assert its sovereignty was to deny access to common enemies.

Maritime Boundaries

The American Co-chairman of Committee III opened the discussion by saying that the United States had recently appointed Edward Derwinsky to negotiate the Dixon Entrance and Beaufort Sea boundary issues with Canada. He noted that the Canadian Government had not yet appointed its negotiator and hoped it would soon do so. A Canadian member informed U.S. delegates that Canada was about to make an appointment but was proceeding very carefully because there are very strong feelings in British Columbia about the Dixon Entrance boundary. "We don't want to launch a process that falls apart." A second Canadian delegate said it was his understanding that Derwinsky's mandate included the Dixon Entrance and the Strait of Juan de Fuca but that he was unaware it also included the Beaufort Sea. He went on to say these issues would not be settled easily. The Dixon Entrance settlement will affect shares of salmon to which the two countries are entitled under the Pacific Salmon Treaty as well as gas, oil, and mineral claims. "These issues are as complex as the George's Bank and enormously important economically." He went on to suggest that the Canadian claims were based on treaties and other rights which have been uncontested for 100 years and concluded it was essential for the two countries to negotiate their differences.

Plenary Session

An enhanced Canada-U.S. trade arrangement

The principal Canadian spokesman opened the plenary meeting by reminding American participants that at last year's plenary, Canadian speakers on this same item had expressed the opinion that support among Canadians for free trade with the United States was growing and that the time for action was approaching.

Subsequently, at the Quebec Summit, the two leaders had directed representatives to examine together the possibility of the two countries undertaking trade negotiations. Those exchanges had demonstrated that sectoral free trade arrangements just could not be worked out. In September, Prime Minister Mulroney had formally conveyed to President Reagan the Canadian government's decision to seek to enter into negotiations to reduce trade barriers between the two countries.

The Canadian spokesman reminded the Group that this was an historic decision and one taken in the knowledge that it involved a number of risks. For example, in 1860 the U.S. government had denounced the Reciprocity Treaty with Canada that had been negotiated in 1856. Again, in 1911, the Liberal government of Canada had campaigned on a platform of free trade with the United States and was defeated in the next general election.

These episodes and others had revealed that two different kinds of risks were involved:

a) even if negotiations are undertaken, they could fail; and

b) the Canadian people might lose their nerve and reject the option.

Canadians as well as Americans recognized the economic uncertainty and the adjustments required if the two countries moved to free trade. Negotiations would be difficult and involve compromise. For example, while both sides have support programs, Canadian programs focussed mainly on helping impoverished regions of the country, whereas U.S. programs offered support to minorities. On top of these economic uncertainties, many Canadians experience an additional fear that free trade could lead to political integration with the United States, or the loss of cultural sovereignty.

The lead-off speaker told his American colleagues that the Canadian people were not united in support of their government's request to open negotiations. Specifically, although the business community was largely supportive, the majority of the trade union movement was opposed. The opposition parties were not supportive, and in some cases even opposed the government's initiative. The majority of provincial governments favoured free trade, but the two largest —- Quebec and Ontario —- had serious reservations. Thus, support was mixed, although the polls showed a majority of the population was favourably disposed. However, the Conservative government was solidly committed to the effort to negotiate freer trade with the United States.

In order to be ready to pursue negotiations, the Canadian government was preparing itself. Mr. Simon Reisman, who had negotiated the Auto Pact in 1964, had been brought out of retirement to head the negotiating teams and he has assembled a strong group. Arrangements were being worked out to consult with the provincial governments and with business. Provincial governments were themselves building strong advisory teams and Ontario and Quebec had retained former federal officials with trade negotiation experience.

But for the moment the ball was in the United States' court. The Canadian government was waiting for the 60 days prescribed by the U.S. Foreign Trade Act procedures to come to

an end. Canada was aware that within that period Congress could raise objections to granting the President negotiating authority. Canadian delegates to the meeting had had a chance to read the U.S. Senate debates of February 26 in which almost half the Senators had expressed their concerns about lack of progress in finding an accommodation in the matter of Canadian lumber exports to the United States. They had been especially concerned by the observations of Senator Max Baucus that he would press the Finance Committee of the Senate to object to the "fast track" procedure until his objections to the level of Canadian lumber exports have been satisfied.

This prospect led Canada's spokesman to warn U.S. delegates that if such conditions were placed on the trade negotiations, there would be no negotiations. Canada understood U.S. concerns on lumber and was ready to continue trying to find an accommodation. But Canada was not ready to be blackmailed.

The spokesman went further and expressed wider concerns. Should the Congress rebuff the initiative of the Canadian government, that action would cause a powerful reaction in Canada. It could put the government under enormous pressure to rethink its current policy which involved attaching a high priority to building good co-operative relations with the United States across the board in defence matters, trade, environmental controls, and so on.

U.S. legislators were asked to consider their response carefully. After all, Canada was only asking to enter into negotiations and Congress would still have the power to decide whether to approve the package after negotiations have been completed and provided they have been successful. These negotiations would be tough enough without adding to the existing difficulties between our two countries. Both countries could gain from the process. Moreover, a successful outcome could serve as an example to others as the world begins the next round of multilateral negotiations.

Following the opening statement, an exchange of views occurred which lasted about one hour, with speakers alternating between delegations.

The lead speaker on the U.S. side was the chairman of the Trade Sub-Committee of the Ways and Means Committee. Noting that Canada currently enjoyed a surplus in trade, while the United States had a surplus on service account, and that each was the other's largest trading partner, he thought it possible and desirable for the two sides to conclude an agreement. He believed efforts were better directed toward working out acceptable principles for trade than constantly trying to resolve specific difficulties after they have arisen. In the meantime he hoped the two legislatures might avoid taking positions which could complicate the talks. It was not his intention to schedule hearings on the President's request for authority to negotiate, but he would call for statements from Members who disagreed with his procedure. In terms of issues to be resolved, he pointed to the constitutionally independent position of the Canadian provinces compared with the U.S. states. Experience in negotiating a free trade agreement with Israel showed that it was easier to start with everything on the table, with the negotiators leaving the more difficult problems to the end and agreeing to a slow phase-in in instances where the impact would be substantial. The whole process should be completed in conformity with GATT obligations. In concluding he justified proceeding to negotiate with Canada as a way to help strengthen the Canadian economy. The weakness of the Mexican economy, the United States' other neighbour, was a source of concern.

The first Canadian to respond assured U.S. participants that Canada understood that provincial governments had to be committed and that arrangements were being worked out to involve the provinces. The Canadian government was also committed to the principle that every question should be on the table, with the two principal negotiators deciding where exclusions might be mutually agreed to. However, delays in the start up of negotiations meant that the Canadian government faced continuous pressure with regard to the scope of negotiations. Almost six months had passed since Prime Minister Mulroney had proposed negotiations and progress on the United States side was slower than had been anticipated.

An influential U.S. Senator stated that he did not expect that the debate in the U.S. Senate earlier in the week, in which he had spoken, would delay the approval of the President's negotiating mandate. But he did warn that the softwood lumber issue would have to be resolved in the course of the trade negotiations. This was the message which he and most of his Senate colleagues had wished to convey. He thought the term 'blackmail' as used by the opening Canadian speaker was too strong, and could be perceived as a threat by the U.S. side. With regard to the goal of substantially freer trade, he recognized that each side had important national goals that differed, which each would wish to protect.

Another U.S. Senator who had participated in the Senate debate on lumber indicated that he had not intended to demand a resolution of that issue as a pre-condition for his agreement to negotiations. Referring to earlier discussions in Committee I, he advised the plenary that he and some of his colleagues had been much attracted by the idea that the two countries might act together to limit round log exports. A U.S. Congressman joined in supporting this proposal, noted that it should bring down stumpage costs in the U.S. North-west.

A Canadian opposition member, observing that trade with the United States had grown steadily in spite of efforts to diversify, raised three issues of concern to him. First, Canadian exporters felt harrassed by contingency actions under U.S. trade law, yet the United States had made no concession to Israel in this area when negotiating that free trade arrangement. He thought the two sides should establish some limits to harrassment. Secondly, the United States was pressing for "a level playing field", yet many measures which some viewed as non-tariff barriers had been introduced by both sides in order to promote social or regional policies. GATT did not define

these as subsidies. How much harmonization would the United States require? The same question applied to differing tax regimes. Finally, he was interested in a cost-benefit analysis, since in his view progress toward free trade with the United States might be acheived at the price of less progress in the MTN negotiations.

A prominent U.S. participant assured him that the United States was prepared to discuss all contingency legislation and to look for reasonable accommodations. The United States also recognized that Canada had geographical problems which produced structural inefficiencies, as well as cultural policy concerns, which the United States would have to address.

The opening Canadian speaker, addressing the third question, assured American participants that Canada was fully committed to the MTN talks. He also noted that a few weeks earlier, during a visit to Canada, the Japanese Prime Minister had given his endorsement to the bilateral negotiations and the European Community was hardly in a position to object.

A succession of U.S. speakers followed. A Senator who had spoken on Canadian lumber in the Senate said this would not stop him from supporting early negotiations. With regard to those negotiations, a Congressman warned that the mood of Congress was protectionist and he would not be too optimistic.

Another U.S. Senator on the Finance Committee said he expected the issue of approving negotiations would be faced and resolved in the Senate in early April. Referring to the Senate debate on softwood lumber in which he had actively participated, he described it as a way of "getting attention". Three years earlier he had himself persuaded over 70 Senators to speak in a similar debate on the problems of egg and poultry producers and he suggested this was a feature of the U.S. political system.

Three Canadian speakers followed. The first spoke of the need to get down to negotiations to find out what was feasible. The second referred to the successful free trade that existed in cattle and noted that the bottom line was to find out how any arrangement worked on both sides of the border. A third from an agricultural constituency reported that farmers in both countries had virtually identical fears of free trade, which suggested that the approach was balanced. He thought legislators from the United States and Canada had a responsibility to explain to their electors what was intended.

The last U.S. speaker opened with a comment that the Canadian government had been slow to act, having campaigned on the goal of free trade, and implied that it lacked fortitude in the face of public criticism. He felt strongly the need for an agreement on trade between the two countries, because he feared the GATT was disintegrating. In that event, a bilateral agreement could establish rules to replace the GATT rules. He also noted that the United States was turning increasingly to voluntary restraint agreements (VRA). Once such a policy was put in place, even though Japan might be the target, Canada often was forced to comply. Or Japanese companies were forced to build plants in the United States, which would then try to export to Canada. A trade agreement could help to isolate Canada from these pressures. On the question of harmonization, he thought that neither country could be expected to negotiate away certain of their tax or investment measures not covered by the GATT. Certainly not everything was going to end up on the table. He expressed satisfaction with the way the debate had proceeded, especially the indications that statements by Senators on softwood lumber in the Senate were intended to express concerns rather than to raise reservations to negotiations.

The concluding remark was made by a Canadian participant who pointed out that free trade with the United States had not been on the Conservative platform in the last election. It had taken the new government time to think through the issue, and now they were anxious to move ahead speedily.

Respectfully submitted,

Senator James Balfour
Co-Chairman

Pat Nowlan, M.P.
Co-Chairman

THE SENATE

Wednesday, June 18, 1986

The Senate met at 2 p.m., the Honourable Martial Asselin, Speaker *pro tempore,* in the Chair.

Prayers.

[*Translation*]

YOUNG OFFENDERS ACT
CRIMINAL CODE
PENITENTIARY ACT
PRISONS AND REFORMATORIES ACT

BILL TO AMEND—FIRST READING

The Hon. the Speaker *pro tempore* informed the Senate that a message had been received from the House of Commons with Bill C-106, to amend the Young Offenders Act, the Criminal Code, the Penitentiary Act and the Prisons and Reformatories Act.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(*f*), bill placed on the Orders of the Day for second reading at the next sitting of the Senate.

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

TENTH REPORT OF COMMITTEE PRESENTED AND PRINTED AS APPENDIX

Hon. Arthur Tremblay: Honourable senators, I have the honour to present the tenth report of the Committee on Social Affairs, Science and Technology. I ask that the report be printed as an appendix to the *Minutes of the Proceedings of the Senate* and the *Debates of the Senate* and form part of the permanent records of this house.

The Hon. the Speaker *pro tempore:* Is it agreed, honourable senators?

Hon. Senators: Agreed.

(*For text of report, see appendix p. 2661.*)

Hon. Royce Frith (Deputy Leader of the Opposition): Senator Tremblay, what is the subject matter of this report?

Senator Tremblay: As I understand our procedure, I thought that the clerk would read the report and that its subject matter would then be obvious.

Senator Frith: Thank you for reminding me about this aspect of our procedure. It is also part of our tradition to dispense with the reading of the report as it will be printed. This is why I asked only for the subject matter and not for the contents of the report.

Senator Tremblay: In view of this remark, I shall simply say that it is a report under the new procedure asking leave of the Senate for the sub-committee on Veterans' Affairs to travel in relation to its consideration of the report entitled "They Served, We Care".

Senator Frith: Very well.

Senator Tremblay: Having said that, we shall see exactly how the situation develops.

The Hon. the Speaker *pro tempore:* Honourable senators, when shall we consider this report?

Senator Tremblay: Honourable senators, with leave of the Senate, I propose that we adopt this report immediately since the new procedure has been followed exactly as far as budgetary requirements are concerned. The budget appears in the attached documents, which have now been tabled to be printed in the *Minutes of the Proceedings* and the Official Report of the Senate; this budget was approved by the Committee on Internal Economy, Budgets and Administration. The permission of the Senate is required specifically because of the wish of the Committee to travel and to hire the necessary personnel, but the budget has already been approved.

I repeat that the permission requested is only to travel and that, according to our new procedure, the budget has already been approved by the committee on Internal Economy, Budgets and Administration.

The Hon. the Speaker *pro tempore:* Is leave granted, honourable senators?

Senator Frith: Honourable senators, I propose that we postpone consideration of the suggestion made by the chairman of the committee until later today.

I do not mean by this that approval will automatically be granted later, but only that this will give us an opportunity to consider the proposal.

[*English*]

Hon. M. Lorne Bonnell: Honourable senators, I should like to say a few words in support of the motion before the Senate.

Senator Flynn: Senator Frith refused.

Senator Frith: We have agreed to talk about it later this day.

Senator Bonnell: I understand all that; I don't need any help.

Hon. Senators: Oh, oh!

Senator Doody: There are those who would differ.

Senator Frith: We want to deal with it later this day.

Senator Bonnell: I understand all that; I don't need any help. Honourable senators, I stand alone. I understand what I am trying to do. Please let me speak on a point of order.

Senator Steuart: Quit casting stones!

Senator Bonnell: Before we discuss this motion later this day, would it be possible to have someone make photostatic copies of it so that we can have it on our desks and know what we are discussing? I thank honourable senators very much.

Hon. Senators: Hear, hear!

The Hon. the Speaker *pro tempore:* It is moved by the Honourable Senator Tremblay, seconded by the Honourable Senator Frith, that this report be placed on the Orders of the Day for consideration later this day. Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to.

[*Translation*]

ENERGY, MINES AND RESOURCES

PROPAGANDA ARTICLES—NOTICE OF INQUIRY

Hon. Philippe Deane Gigantès: Honourable senators, I give notice that on Wednesday next, the 25th June, 1986, I will call the attention of the Senate to propaganda articles written by the Department of Energy, Mines and Resources.

[*English*]

FISHERIES

MOTION TO AUTHORIZE COMMITTEE TO PUBLISH AND DISTRIBUTE INTERIM REPORT ON MARKETING OF FISH IN CANADA—DEBATE ADJOURNED

Hon. Jack Marshall, Chairman of the Standing Senate Committee on Fisheries, with leave of the Senate and notwithstanding rule 45(1)(*e*), moved:

> That in the event of an adjournment of the Senate which exceeds a week, the Standing Senate Committee on Fisheries be authorized to publish and distribute its interim report on its examination of the marketing of fish in Canada and all implications thereof, as soon as it becomes available; and
>
> That in the event of a prorogation of Parliament, the Honourable Senators authorized to act for and on behalf of the Senate in all matters relating to the internal economy of the Senate during any period between sessions of Parliament or between Parliaments, be authorized to publish and distribute the above-mentioned interim report.

Hon. Allan J. MacEachen (Leader of the Opposition): How can you supersede a prorogation by motion of the Senate?

The Hon. the Speaker *pro tempore:* Is it your pleasure, honourable senators, to adopt the motion?

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I suggest that we should have an opportunity to look at this for a day. I believe that the motion is in the usual form. The reference to the intersessional committee is what it says it is, namely, intersessional, and would not cover prorogation. I would like to have an opportunity to look at that.

Hon. Jacques Flynn: There is some disagreement over the interpretation.

Senator Frith: In my view, an "intersessional" committee means a committee to act between sessions and not between sittings or prorogation. That is why we should have a look at it. Senator Flynn has given me excellent justification for putting off consideration for one day, because obviously there is disagreement as to how this should be interpreted. Therefore, I suggest that we adjourn this matter until the next sitting.

On motion of Senator Frith, debate adjourned.

QUESTION PERIOD

[*English*]

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

FROG LAKE INDIAN NATION—SELF-GOVERNMENT PROPOSALS

Hon. M. Lorne Bonnell: Honourable senators, could the Leader of the Government advise me if he received today from the Frog Lake Indian Nation a copy of their self-government proposals?

Hon. Duff Roblin (Leader of the Government): Honourable senators, no, I have not received that document.

Senator Bonnell: Would the Leader of the Government see that the Minister of Indian Affairs and Northern Development receives a copy of this if I send my copy over to him? The Indian Nation to which I referred cannot get an appointment with the minister. They are in Ottawa at their own expense and they have been trying to see the minister for two days. I phoned the minister's office, but he is extremely busy; and I thought that perhaps the Leader of the Government might take my copy of the self-government proposals over to him if I gave my copy to him.

Senator Roblin: I think that if it were entrusted to the ordinary postal services it might not get there for a couple of weeks. With a view to being obliging to my honourable friend, if he gives me his copy I will see that it is delivered by hand.

Senator Bonnell: I thank the Leader of the Government on behalf of the Frog Lake Indian Nation people from Alberta for accepting it on their behalf.

Senator Roblin: Let me be quite clear about what I am doing. I am undertaking to transmit the document to the minister. I am not accepting any document in any formal sense.

Senator Bonnell: I understand that. I do not expect him to act on it.

• (1410)

NATIONAL POSTAL MUSEUM

ADVISORY COMMITTEE—ORDER FOR RETURN

Hon. Henry D. Hicks: Honourable senators, on May 1 this house adopted a motion asking for a return having to do with the composition of the Advisory Committee to the National Postal Museum. On June 10 I asked the Leader of the Government in the Senate if he would try to expedite the tabling of that return. I now ask him if his efforts have met with any success or progress and if he has anything to report to this house.

Hon. Duff Roblin (Leader of the Government): Honourable senators, in light of my undertaking of June 10, I have invigorated the inquiries that we are making on behalf of my honourable friend. I regret that I do not have the answer yet, but I have not given up.

THE PRIME MINISTER

BROADCAST SPEECH ON FREE TRADE—AVAILABILITY OF TEXT IN ADVANCE

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I would like to ask the Leader of the Government if it is true that copies of the Prime Minister's speech the night before last, which were not made available to the leaders of the other parties, were made available before delivery to newspapers, particularly the *Washington Post*?

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have no information on that question, but I shall make an inquiry.

REQUEST FOR ANSWERS

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, on the subject of delayed answers, I have what I think is a complete list of questions asked by me that are still outstanding. I think I could be of some help to the Leader of the Government if I told him that some of them are obsolete now, because he did not give or was unable to get the information when the subject was timely. I asked a question on September 17, 1985, which can be found in *Hansard* at page 1223, regarding the Canadian Commercial Bank. It is a bit passé now, so we might as well strike it. I had a question about tainted tuna which I asked on September 25, 1985, just eight days later, which can be found at page 1276 of *Hansard*. I raised it again on February 6, 1986, along with the previous question to which I just referred. That one has turned to dust on the shelf also.

On March 6, 1986, I asked three other questions, one dealing with shipbuilding. They can be found at page 2111 of *Hansard*. On March 13, at page 2151, I asked a question regarding an agenda item for the meeting between the Prime Minister and the President of the United States. On March 25, 1986, at page 2216 of *Hansard*, I asked a question with regard to government policy on youth. Since I have reduced the number of questions outstanding, perhaps the Leader might put some extra effort into getting answers for the three that remain.

Hon. Duff Roblin (Leader of the Government): My honourable friend is helpful and I thank him.

CURRENCY ACT

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon Efstathios William Barootes moved the second reading of Bill C-118, to amend the Currency Act.

He said: Honourable senators, I am pleased to speak today to the second reading of Bill C-118, to amend the Currency Act. In short, these amendments will allow for the introduction of a new $1 circulating coin. Although Canada has had a silver-nickel dollar coin since 1935, it has never been fully circulated, and the government feels that the time has come for a high-value coin in this country. For those not familiar with the new dollar coin, it measures—and I have one here—

An Hon. Senator: Can I have one?

An Hon. Senator: Can I have one, too?

Senator Marshall: Are you giving them to your colleagues?

Senator Tremblay: Have it printed.

Senator Barootes: It is a facsimile.

For those who are unfamiliar with the new dollar coin, it measures 26.5 millimetres, weighs only 7 grams and is struck using a nickel blank coated in bronze. This means that it will be slightly larger and just slightly heavier than our current 25 cent piece.

Honourable senators, simply put, the amendments contained in this bill change the specifications for this coin from the old simulated silver to this new bronze nickel coin. On March 25 of this year the Honourable Stewart McInnes, Minister of Supply and Services, announced the government's intention to introduce a new circulating dollar coin. This decision followed an extensive process of consultation and review of all circulating coin introductions in other countries, including the United Kingdom, the United States and Australia.

Honourable senators will recall that the House of Commons Standing Committee on Miscellaneous Estimates last year held hearings to assess the need for a circulating coin and that the committee subsequently issued a report recommending its introduction. The following recommendations emanated from that committee, and have been accepted by the government, namely:

(1) There should be a circulating dollar coin and it should be struck by the Royal Canadian Mint;

(2) That up to $60 million collected from the issue of the new coin during the first five years be assigned to the Calgary Olympics;

(3) That the new coin be 11-sided, weigh 7 grams, have a diameter of 26.5 mm and a thickness on the struck edge of 2.0 mm;

(4) That the colour of the new coin be yellow gold, and nickel in the coin be minted and smelted in Canada; and

(5) Finally, that the composition of the new dollar be aureate bronze plated on pure nickel.

The coin will enter into circulation in January 1987, and the active withdrawal of the $1 Canadian banknotes will occur in 1989, that is, two years later, and will be completed in that year. The initial mintage will be 300 million coins, costing some $31.8 million to produce.

As to the design of the coin, it will represent the traditional voyageur motif on the reverse and the Queen's effigy on the obverse. The mint's facilities in Winnipeg will be used to strike these coins. I should point out that the bronze aureating will be done in Fort Saskatchewan, Alberta.

This decision is consistent with the government's overall cost reduction strategy, and the taxpayers will save more than $175 million in production and distribution costs. These savings result from the fact that the lifespan of these new coins will be 20 years, whereas the lifetime of the current paper dollar bill is one year. The coin is designed to respond to the needs of both ordinary Canadians and business organizations. As you are aware, the marketplace is heavily influenced by coin-operated equipment—vending machines, telephones, transit systems and so on. More than 75 per cent of consumer transactions in this country involve coins, and the new dollar coin will greatly increase the convenience of these transactions. In addition, strong support has been received for this coin from representatives of vision-impaired Canadians.

Honourable senators, in my opinion the new dollar coin is something for which the time has come. I urge you to give swift passage to this important piece of legislation so that the introduction of the coin can take place in January of 1987, as planned. For your information, I might add that Bill C-118 was approved unanimously by agreement of all three parties in the other place, with all three readings being completed in one sitting.

● (1420)

Hon. Peter Bosa: Honourable senators, before I adjourn the debate, I should like to ask the honourable gentleman whether he will do me the courtesy of allowing me to examine the coin he has displayed so that I can ascertain whether the measurements and weight correspond to the figures he has cited.

Hon. Louis-J. Robichaud: Honourable senators, I am not stating at the moment whether I am in favour of or opposed to the concept of the new dollar coin, but I should like to ask Senator Barootes if he has considered the problem that is going to be imposed upon the male population of Canada that will result in their having to carry this coin around in their trousers pockets. From experience, I can tell honourable senators that I have used up many pockets in my trousers because of the weight of the coins we use today.

[Senator Barootes.]

Hon. Heath Macquarrie: Honourable senators, I wonder if the sponsor would be kind enough to entertain a question. I have learned that in the other place, and in various places in Canada, there has been some discussion that this coin issuance would be a most splendid time to honour the name of a great Canadian statesman, the Right Honourable John Diefenbaker. I wonder if any discussion has taken place with respect to this very significant opportunity to honour our great former Prime Minister, a statue of whom will be unveiled on the lawn of Parliament Hill on September 18. It strikes me that historians and those who are nationalists, those who are humanists, those who are human rights people, those who are Saskatchewan people and those from other provinces across Canada would look upon this as a great occasion.

I am wondering if there were any discussions on this and, if so, what the result of those discussions was.

On motion of Senator Bosa, debate adjourned.

DUTIES RELIEF BILL

SECOND READING

Hon. Orville H. Phillips moved the second reading of Bill C-98, to consolidate various enactments that provide for drawbacks, reductions, refunds and remissions of duties, other than export drawbacks for which provision is made in sections 82 to 87 of the Customs Act, to amend the Customs Tariff and to repeal or revoke the enactments so consolidated.

He said: Honourable senators, in the May 1985 budget the government announced legislation would be introduced to consolidate the existing tariff relief provisions. In case honourable senators are wondering why it is necessary to consolidate the existing legislation and regulations, let me read the title of Bill C-98, which states:

> An Act to consolidate various enactments that provide for drawbacks, reductions, refunds and remissions of duties, other than export drawbacks for which provision is made in sections 82 to 87 of the Customs Act, to amend the Customs Tariff and to repeal or revoke the enactments so consolidated.

Obviously, someone has forgotten to consolidate the title of the bill, but mercifully it will be known as the Duties Relief Act.

The imposition of customs duties has been an important element of our trade policy and, indeed, a considerable source of revenue. One of the objectives of custom duty has been to promote investment, production and employment in Canada. Tariffs give Canadian manufacturers the benefit of a cost advantage thus enabling them to compete with imported goods that are similar to or substitutes for Canadian manufactured goods.

In recent years, following a number of discussions held with Canadian industries, a number of programs were established where it was found desirable to grant a remission of duty to manufacturers under certain conditions. Some provisions are contained in legislation such as the Customs Act. Others are

more difficult to find, such as the orders in council and regulations made under the Financial Administration Act.

If any of you have served with the late Senator Grosart, you will recall that this was a favorite topic and complaint of his.

The benefits resulting from customs remissions have resulted in a long series of complex provisions which require considerable time and effort for potential users to discover and utilize. This often requires extensive research by those experts in the field. Needless to say, honourable senators, this often results in a very expensive search. We all know that experts do not come cheaply.

Bill C-98 will bring together in one statute sections from other acts as well as various regulations, all of which provide for duty relief programs that benefit Canadian industry. The individual measures have been in force for several years. Bill C-98 incorporates them in one piece of legislation. Canadian firms wishing to benefit from the programs should now find it easier to find the provisions and determine if they are eligible for the benefits flowing from those provisions.

The provinces, and in particular British Columbia, have requested that these customs procedures be adopted in order to attract new investment.

It is my understanding that the Province of British Columbia has created certain economic zones within the province and is especially anxious to have this legislation become law.

I would like now to turn for a few moments to the clauses of the bill which take into account the differing circumstances.

Clause 4, the customs duties reduction provision, allows for the Governor in Council, on the recommendation of the Minister of Finance, to reduce or remove duties on materials, at the time of their importation, to be used in Canadian manufacturing. This authority has been used on many occasions to allow manufacturers to import materials not available from Canadian sources at reduced rates of duty in order to better meet competition. The customs duty reduction usually applies for a limited or stated period of time.

Clauses 5 to 8 are known as the "home consumption" section of the act and allow for duty to be refunded only after the imported goods have been used for the purposes specified.

Clauses 9 to 15 deal with the machinery program and provide for the inclusion of the machinery program in the bill without any change in the scope of the program. However, there will be a streamlining of procedures which implement a recommendation of the ministerial task force on program review, tabled with the May 1985 budget, to reduce the paper burden and resulting delays.

The machinery program, which has been in effect since January 1968, serves the needs of users and manufacturers of machinery. It provides for the remission of duty on machinery which falls under the program and which is not available from Canadian production. It also ensures that the Canadian manufacturers receive the protection provided by the statutory rates in the customs tariff as soon as they can demonstrate a capability to produce the relevant machinery.

Senator Frith: What clause are we at at the moment?

Senator Phillips: We are dealing with clauses 9 to 15.

Senator Frith: Part III?

Senator Phillips: Yes, Part III. The criteria for determining the availability are set out in the bill.

• (1430)

Under the current procedure, the duties are remitted by orders in council on a weekly basis. Under the procedure proposed in Bill C-98, the Minister of National Revenue would publish a list of machinery being "available" and "not available" in Canada. Such a list will significantly reduce the requirement for the processing of thousands of applications under the program. Relief will be granted immediately on goods at the time of their importation simply by reference to the fact that they are listed on the "not available" list. Consequently, it will not be necessary, other than in exceptional circumstances, to submit and process specific applications. As a result, there will be fewer cases of companies paying duty and then having to go through the procedure of seeking a refund.

Part IV of the bill, which is known as the "relief without payment" section, includes clauses 16 to 19 of the bill, which allow the processors to obtain relief from duties on goods which are brought into Canada for processing and then exported. If certain conditions are complied with, it will mean that Canadian firms will no longer have to tie up large sums of money in duty for long periods of time which, of course, adds to their costs and makes their products less competitive abroad.

Clauses 20 to 23 provide for the remission of all or part of the duties payable on certain goods which are imported for a temporary period and then exported. The goods affected will be listed in schedules established by order in council. Many of the goods are for use by Canadian companies, and others are for personal use. These clauses are related to the Articles for Special Use Regulations and the Temporary Entry Remission Order.

Clauses 24 to 28 permit Canadian firms to send goods outside Canada for repair or to have equipment added or to be further processed and to pay duty only on the value of the work done abroad. One of the conditions to be met is that this work could not have been carried out in Canada.

Clauses 29 to 31 provide for the refund or cancellation of security put up by an applicant, and also authorizes the Governor in Council to make regulations relating to certain clauses of the bill.

Clauses 32 to 35 allow for the refund of duties on imported goods found to be obsolete or surplus to the requirements by the owner or importer. The refund can also be claimed for imported materials used to make goods that are subsequently found to be obsolete or surplus. These clauses replace the Obsolete or Surplus Goods Remission Order.

Clauses 36 and 37 provide authority for the Governor in Council to remit duties on imported goods. This is similar to

the authority under section 17 of the Financial Administration Act which is used for the remission of any tax, fee or penalty. This authority has been used to help such industries as manufacturers of construction equipment and of semi-conductors. It is proposed that there be a separate authority—clause 37—to deal specifically with the remission of duties and excise taxes. They also provide for up to five years to claim a refund of duties with regard to provisions in earlier clauses of the bill.

Clauses 38 to 51 relate to earlier clauses of the bill. They deal with such matters as debts owing to the Crown, the penalties for failing to comply with relevant conditions or making false statements, and the treatment accorded by-products and merchantable waste. They also provide for the payment or collection of interest by the government, and the publication in public accounts of the amount of duty relief granted.

Clauses 52 to 55 provide for amendments to the Customs Tariff and the revocation of certain orders in council. They also state that the act is to come into force on proclamation.

Honourable senators, again I emphasize that there has been no change in regulations or to any other statute, but merely a consolidation of these items into one bill. Thereby, the government hopes it will be easier for firms to take advantage of the legislation.

I am not recommending that this bill go to committee. It did not go to committee in the other place, and due to the fact that there are no changes, I should like to suggest to honourable senators that we deal with the bill in this chamber. I am willing to answer any questions honourable senators may have. About an hour ago I received from the department a briefing book which I can best describe as an attempt to explain the unexplainable, but I will be willing to provide any answers to questions from that book.

Hon. Henry D. Hicks: Honourable senators, before I make a few remarks about this bill, I should like to ask a general question of the mover, if he will entertain such a question.

He did give us general assurance that this bill does not contain any new legislation relating to customs tariffs, duties and so forth. It does, however, provide for certain procedural changes under Part III, which on the face of it would seem to make the lot of the importer of such goods having to do with machinery, for example, simpler and easier. There are also some procedural changes, I would think, in Part IV.

Before I go on to make my remarks, I ask the mover to assure me that there are no substantive changes brought about by this bill other than the procedural changes, to which I have made reference, in Parts III and IV.

Senator Phillips: Honourable senators, in answer to the question raised by Senator Hicks, the explanation I have received from the department would indicate that there are no substantive changes other than the procedural changes which are made in an effort to speed up applications.

Senator Hicks: Honourable senators, acting on that assurance, I do not think it will be necessary for me to speak at any length at all concerning this bill. I have read the bill and I also was of the impression that there were no substantive changes effected by this proposed legislation, and I hope that the changes which have been made having to do with procedure will simplify the lot of the importer or the person or persons in Canada who will be affected by the provisions of the bill. As I say, on reading the bill I came to that same conclusion, but I thank the mover for his assurance.

Acting on the assumption that there are no substantive changes brought about by this bill, I think I can concede that it is a simplification of the existing law; that it does make it more convenient for persons who are affected by the provisions of this bill to operate under its aegis; and, therefore, it should be an improvement.

I must say, however, having read through the bill—though I did not attempt to make checks on all the cross-references to other legislation which the bill displaces and so on—that it is far from being a simple and straightforward bill. Perhaps it is impossible for it to be such when dealing with such complex matters as this. It is impossible for the layman or any person who is not concerned with detailed importation of goods and so on to know exactly what the various numbered items in column 1 of schedule 1 actually refer to. I can only assume that for the persons whose day-to-day or week-to-week business requires them to make use of the provisions of this legislation, previously scattered among several acts of the Parliament of Canada and now brought together under the provisions of Bill C-98, it will be somewhat easier to carry out their tasks.

Holding this view, as I have come to do on reading the bill, and relying on the assurance of Senator Phillips in relation to the bill, I do not think, honourable senators, it is necessary for me to say anything in addition to what Senator Phillips has already said about it. I do not wish, nor do I request or require that the bill be studied by a committee of the Senate, although I suppose that if any honourable senator wanted further assurance that the provisions to which I have made reference and to which I have been speaking are actually correct, it could be sought by questioning a witness from the department concerned in one of our committees. I am not making that request, however, and I propose to support the bill. Indeed, I suspect that my colleagues on this side of the house will do the same.

• (1440)

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 Phillips, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

[*Translation*]

YOUTH

CONSIDERATION OF REPORT OF SPECIAL SENATE COMMITTEE—ORDER STANDS

On the order:

Resuming the debate on the motion of the Honourable Senator Fairbairn, seconded by the Honourable Senator Frith, for the adoption of the Report of the Special Committee of the Senate on Youth, entitled: "Youth: A Plan of Action", tabled in the Senate on 19th February, 1986.—(*Honourable Senator Marshall*).

Hon. Jacques Hébert: Just before the opening of today's sitting, honourable senators, I met with Senators Marshall and Doody and pointed out to them that, like everybody else, I am looking forward to hearing the remarks of Senator Marshall on the Report of the Special Committee of the Senate on Youth.

On the other hand, I explained to them that we have had three months to talk about it. Should other senators besides Senator Marshall wish to speak to this issue, they should do so at the earliest opportunity. We all realize that if we do not proceed to the motion of Senator Fairbairn and adopt or reject this report before the end of the session, it will vanish in the dust of time.

I would therefore be grateful to Senator Marshall if he could tell us whether he will be in a position to make his speech Wednesday next week. This means that, immediately after, Senator Fairbairn will want to proceed with the main motion before it is too late.

[*English*]

Hon. Jack Marshall: Honourable senators, yesterday I adjourned the debate on this motion. I would be prepared to speak to it on Wednesday. If we return on Tuesday, I will speak to it then, but I need some time for preparation. There are also others who would like to speak to this matter.

Hon. C. William Doody (Deputy Leader of the Government): It is also my impression that one or two other people on this side of the house would like to speak to the motion, but that certainly does not preclude the conclusion of the matter before we adjourn for the summer. I would hesitate to cut it off at this point when others have shown an interest in the debate and want to participate, but certainly we are not going to try to preclude the motion.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, we do not want to cut off the debate on this motion at such short notice. However, if I understand Senator Hébert correctly, he hopes that if others do wish to speak to it, they will be ready to do so soon enough to have a vote on the motion for its adoption before the summer adjournment.

Senator Doody: Yes, I looked around the chamber, took a careful count, and I agree with my colleague.

Order stands.

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS

REPORT OF NATIONAL FINANCE COMMITTEE ON SUBJECT MATTER OF BILL C-96—DEBATE CONCLUDED

On the Order:

Resuming the debate on the consideration of the Seventeenth Report of the Standing Senate Committee on National Finance (subject-matter of the Bill C-96, intituled: "An Act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977"), presented in the Senate on 10th June, 1986.—(*Honourable Senator Stewart* (*Antigonish-Guysborough*)).

Hon. John B. Stewart: Honourable senators, I believe that Bill C-96 will be coming to us before the summer adjournment. Since there was a pre-study of the bill in the National Finance Committee, it may be advantageous to look now at the report that emanated from that pre-study.

Bill C-96 relates to the transfers made by the Government of Canada to the provincial governments to help finance post-secondary education and certain health services. It will reduce the entitlement of each provincial government as of April 1, 1986, so that the annual per capita growth rate will be two percentage points less than it would have been under the formula in the present law. I ought to mention that the wording in the bill indicates that it is to become effective as of April 1, 1986. In committee the Honourable Mrs. McDougall was asked when the payments are made. The answer was that the payments are made monthly, that the Government of Canada has anticipated favourable consideration of this legislation by the House of Commons and by the Senate, that it has anticipated Royal Assent and actually already has reduced the transfers to the provincial governments as if this proposed law were already on the statute books. This afternoon I am anticipating the bill coming to us—the government already has anticipated Royal Assent.

Honourable senators, under this bill the Government of Canada will reduce—or has reduced—considerably and progressively its contribution towards health services and post-secondary education. Let me take the province which I represent as an example. For the fiscal year 1986-87, under the present law Nova Scotia's entitlement is $591 million. Under Bill C-96 it will be $580 million; in other words, there will be a reduction in entitlement of $11 million. By the year 1990-91, under the present law the entitlement is $786 million, but under Bill C-96 the entitlement will be $715 million; in other words, there will be a reduction of $71 million for that one year. For Canada as a whole in 1990-91, looking ahead to the last year for which figures have been projected, the entitlement of all the provinces will be reduced by over $2 billion for that year.

In committee the minister was asked what message the government intended to transmit to the provincial governments through this bill. Is the government saying that the present formula is too rich? Is it saying that too much money is being expended on post-secondary education and on health services? Is it saying, perhaps, that the amount of money expended is just about right, but that the provincial governments should find a larger part of the financing elsewhere, from their own resources, from increases in tuition fees charged to students or perhaps through the levying of some form of user fee? The

minister replied that one should not look for a message to the provincial governments in this bill, that it is a bill which is strictly "policy neutral." "It is essentially a budget bill," said the minister. "It is a financial bill. It is policy neutral."

● (1450)

Honourable senators, I find it very difficult to believe that the minister had thought through the implications of that statement. For the year 1990-91 over $2 billion less will be transferred to the provincial governments for these services; and while the Minister of Finance may think of the measure strictly in financial or budgetary terms, people interested in health services and those interested in post-secondary education cannot be oblivious to the implications of that kind of reduction. In other words, the minister is not looking beyond her account books when she says that this is a "policy neutral" measure.

That is one of the points which is raised for the consideration of the Senate in the seventeenth report now before us.

There is another matter to which reference is made in the committee report. That is the reduction of the federal presence or visibility. This is a complicated matter, but it is one of great importance and political sensitivity.

If we look at provincial expenditures for 1984-85, we find that the provinces expended $6,449,571,000 for post-secondary education. The federal government says that its contribution to that total was made up of two parts: first, the proceeds from certain federal tax points, $2,049,663,000, and then a cash transfer of $2,169,539,000.

In other words, according to the federal figures, the federal government had provided about 65 per cent of the money expended for post-secondary education in all the provinces taken together.

In the case of the health services, the expenditure in that same year, 1984-85, was $21.753 billion. The federal government says that its contribution toward that expenditure by the provincial governments was $10.480 billion, or about 48 per cent of the total expenditure. Of the total transfer about $4,330,816,000 was the yield of tax points.

The important point to notice here is that in the present bill, Bill C-96, the tax points yield transfer is not being changed. The provincial entitlements are being reduced, but the tax transfer formula is not being changed. Consequently, what is being reduced—and that is the bottom line of the calculation—is the cash transfer.

We all know that there are provincial governments—indeed, that there are senators—who insist that the tax point money is really provincial money to start with, and that only the cash can be claimed to be a genuine federal contribution toward either post-secondary education or health service costs.

It is the cash transfer which is going to be reduced by this measure. In other words, it is that part of the transfer which is visibly federal. It is that part of the transfer which is clearly attributable to the Government of Canada, to the taxpayers of Canada, which is being reduced by this bill. As the years go by, the federal presence, the federal visibility, will decline.

[Senator Stewart.]

It may be that to some people this is desirable. However, I am sure that those honourable senators who believe that it is desirable that the Government of Canada should have a visible presence in these fields will be made uneasy by the fact that the cash portion is declining.

If the tax point yields were to increase dramatically, the cash transfers might become virtually invisible—in which case health care services would be seen to be financed entirely by the provincial governments, post-secondary education would be seen to be financed entirely by provincial governments, and the federal financial involvement would have disappeared. That is a possibility which would be more likely in the case of Quebec than of the other provinces, because Quebec takes a larger portion of its entitlement in the form of the yield from tax points. This then is the second consideration which honourable senators might bear in mind when they study Bill C-96.

There is a third point that I believe we should notice. It relates to the kind of information given to members of the House of Commons and senators in support of bills of this kind. On the one hand, here the provincial governments' entitlements are being reduced. On the other hand, as a result of measures set forth in the two most recent budgets, there have been changes in taxation. Some of them have flowed through to provincial revenues in the form of a reduction in provincial revenues. Others have produced new money for provincial governments. The obvious change causing a reduction relates to the taxation of capital gains. On the other hand, the change in the indexation of the personal deduction produces new revenue for provincial governments.

So, although this measure brings about a reduction in provincial income, it may well be that in some provinces, taking the changes in taxation into account, the provincial governments are just about as well off, in terms of money, as they would be if Bill C-96 were not enacted.

That, of course, may please provincial treasurers, but it probably will not please provincial ministers of education, because the money the provincial governments get as a result of changes in taxation is free money, in the sense that it is not earmarked. The provincial treasurer cannot be confronted by his colleague, the Minister of Education, demanding that the money from Ottawa be used for the purpose for which it was intended.

All in all the result of the changes that we have seen in the past two years leads me to believe that some provincial governments are not entirely unhappy to lose money through Bill C-96, and to recover some of it as a result of certain tax changes made here in Ottawa.

But I speak speculatively. When we asked for information about the incidence of tax changes, we were told that it was not the practice of the government to give out that information because it was regarded as provincial information. That is why the report calls attention to the need for greater candour in dealing with Parliament when measures relating to federal-provincial transfers are brought before Parliament.

• (1500)

My conclusion is that this bill is of considerable importance. It reduces provincial entitlements and, perhaps more importantly, it reduces the cash transfers, which is of great significance insofar as a federal presence in the financing of these programs is concerned. The government presented this bill simply as a means of reducing its deficit. It insists that it did not look beyond that point to the implications for the provincial governments or for the people eligible for the services provided under the programs. I call the concern of the committee on these specific points to the attention of honourable senators in anticipation that we will receive the bill next week.

Hon. M. Lorne Bonnell: Honourable senators, I would like to say a few words about this report. I anticipate that we will get the bill next week. I anticipate that Parliament will recess next week. I anticipate that somebody may even suggest that since we have pre-studied this bill, it should not go to committee at all. I anticipate that many other bills will come before the Senate next week, and I anticipate that I may not have too much of an opportunity next week to tell you that I believe that Atlantic Canada is getting it in the neck again. Therefore, I am taking this opportunity, during the debate on the report of the committee, to tell you that I believe that this is another way to widen the division between those who have and those who have not.

We are not only dividing the people of this country, but we are starting to divide it by region. This bill will begin the destruction of Atlantic Canada as far as education and health care are concerned. We will end up second class citizens. As long as we are Canadians, I think we should be given the opportunity to have as good a health care system, as good an education and as much opportunity as those in other parts of Canada. I hope that before this bill reaches third reading in the other place, the minister will realize that not only has the government jumped in one year too early—because the legislation enacted in 1977 does not come to an end until next year—but it is taking $20 million from Prince Edward Islanders over the next five years through its cuts in contributions to education programs. The government is taking about $30 million away from the programs for health benefits to our people. That is a total of $50 million for health care and education. It might not mean too much to some of the provinces, because they have extra tax points and because they have industry, but in my province we only have six inches of soil and the sea around us from which to make a living. We do not have any mines, big corporations or businesses with 100 employees. Therefore, we do not get big tax dollars and big incomes.

To give us two more tax points on the income tax and to take away $40 million or $50 million from our economy and expect us to provide equal rights in the fields of education and health care with those in the more prosperous provinces is to expect the impossible. This bill is a bad bill, and it will have the effect of dividing our country.

The medical societies of Nova Scotia and New Brunswick appeared before the Atlantic caucus in Ottawa to protest against this type of legislation. The Medical Society of Prince Edward Island sent me a brief, which I have before me, indicating that they oppose this type of legislation. The Canadian Medical Association itself presented a brief to the House of Commons Legislative Committee on Bill C-96. Even they—that great organization that is represented from coast to coast, from Newfoundland to Vancouver Island—suggest that Prince Edward Island and Atlantic Canada are different from the rest of Canada. They say in the second recommendation in their brief that the financially disadvantaged Atlantic provinces should be excluded from the provisions of this legislation, and suggest that they continue to receive increasing financial support for health care programs on the basis of the existing established program funding formula. That point is supported by every medical man from Vancouver Island to St. John's, Newfoundland. They realize that we have a different economy in Atlantic Canada. Why cannot our politicians realize it? The association is concerned that the availability, accessibility and quality of health care for Canadians in that part of the country will deteriorate and that we will be unable to keep up our hospital standards or to provide proper medical care, because we are being destroyed by this legislation, and it is turning the people of Atlantic Canada into second-class citizens. Not only is Prince Edward Island affected but New Brunswick, Nova Scotia and Newfoundland are in the same boat. The Canadian Medical Association recognizes that fact.

When it comes to education, we in P.E.I. do not have the high incomes to afford the added cost of higher tuition fees. We do not have in Atlantic Canada the job opportunities to earn big money during summer vacation to pay those fees. Worse than that, our unemployment rate is so high that there are no jobs that pay even a small wage. So, raising the fees of university students is just not the answer for our people, who are just as bright as other Canadians, but who will be held back because of the economy in which they live and because they do not have enough dollars in their pocket. All Canadians, whether rich or poor, should have equal opportunity in this country, if they have the brains and ability to go forward. No Canadian should be held back simply because he or she cannot afford an education.

Where is our good liberal principle of equality for mankind so that we can provide a fair and equal education to all Canadians? I can remember John George Diefenbaker talking about his great vision for the Canadian people. Now we are going to destroy even John George's vision.

Honourable senators, I did not intend to speak today, but I thought I should take this opportunity to say what I wanted to say. University professors, students, student councils and others have come to me pleading that I speak out in Parliament and say that Atlantic Canada should not be allowed to be destroyed by cutbacks in equalization payments to our education facilities and our health facilities. We in the Atlantic provinces do not have the opportunities to tax our people any higher. If we cannot make an exception for these provinces in this legislation, then let us do something with the equalization payments to give them the opportunity to attain their rightful place in this great country of ours. Those in the

outports of Newfoundland, on the farms of P.E.I., in the forests of New Brunswick and in the fishing boats of Nova Scotia and their children are just as important as those who come from central Canada.

• (1510)

Hon. L. Norbert Thériault: Honourable senators, I will have a more detailed statement to make on this bill when it comes to the Senate for passage. However, I want to join with my colleagues from Prince Edward Island and Nova Scotia in expressing not only my own feelings but the feelings of all the people of New Brunswick regarding this measure. I intend to do this in a very humble way, and in doing so I make an appeal to my colleagues on the government side of the house in the Senate from New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland, because I know that at least three of my colleagues from New Brunswick on the government side of this house are fully aware of what this measure will do to us in New Brunswick. I am sure that they have been supplied, as I have, with the facts and figures from the Conservative Minister of Finance for the Province of New Brunswick, appealing to all of us to see what we can do to prevent this measure. I know that my colleagues, Senator Robertson, Senator Simard and Senator Sherwood, were all involved at one time or another in the provincial government of New Brunswick, and they are especially cognizant of what this bill will mean to us in New Brunswick.

Very briefly, therefore, I appeal to my colleagues on the government side of the house in the Senate, to the Leader of the Government in the Senate and especially to the Deputy Leader of the Government in the Senate who understands the situation, having been at one time, as I understand it, the Minister of Finance in his province. I appeal to these colleagues to ask the Government of Canada to make an exception in this bill.

I remember, two or three years ago, the former government was looking to this kind of measure and I remember pleading with the senior ministers in the government not to proceed. Honourable senators, there is no rush to pass this legislation now. As was pointed out by Senator Stewart, the government has already taken the measures; they have already cut down on the payments. Because of that, therefore, I plead again with my colleagues to see if there is not some way to make an exception for the Atlantic provinces, as was so eloquently pleaded by my colleague from Prince Edward Island.

At one time, when I had the responsibility for Health and Social Services in New Brunswick, the formula, at least for Health Services, was that the federal government paid 50 per cent of the average national cost of health services, which was of great benefit to us in New Brunswick and in the other Atlantic provinces. I remember when the Liberal government, of which I was a supporter, changed that formula, and I opposed the change. I and my colleagues from the other provincial governments in the Atlantic provinces joined together and we tried to prevent it, but Ontario and Quebec had their way.

The situation is indeed serious. In New Brunswick we have not yet reached the level of higher education that we need so desperately. Also, in New Brunswick, as in most other provinces, the cost of health services will increase tremendously within the next 10 to 15 years because of the aging factor of our population. No one knows this better than Senator Robertson. Because of our limited tax base and because of our high unemployment figures, we will not be able to increase the provincial revenue to provide those services that are so desperately needed.

Having said that, honourable senators, I close my remarks by pleading again with my colleagues from the government side of the house to try and have this bill stayed for a while, so that the government can take a look at the possibility of doing something special for us in the Atlantic provinces.

The Hon. the Acting Speaker: Honourable senators, if no other senator wishes to speak to this order, it is considered debated.

[*Translation*]

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

TENTH REPORT OF STANDING SENATE COMMITTEE ADOPTED

The House proceeded to consideration of the tenth report of the Standing Senate Committee on Social Affairs, Science and Technology.

Hon. Royce Frith (Deputy Leader of the Opposition): Unless I am mistaken, honourable senators, this is the order item we stood earlier today. I have had an opportunity to study the report. The procedure is quite correct, in the sense that we have followed section 2:07 of the regulations governing the financing of Senate committees. Therefore I would suggest that we adopt this report.

Hon. Duff Roblin (Leader of the Government): Good speech!

[*English*]

Hon. C. William Doody (Deputy Leader of the Government): I agree, honourable senators, the report seems quite in order.

Therefore on behalf of Senator Tremblay, I move the adoption of this report.

Motion agreed to and report adopted.

The Senate adjourned until tomorrow at 2 p.m.

APPENDIX

(*See p. 2651*)

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

TENTH REPORT OF STANDING SENATE COMMITTEE

WEDNESDAY, June 18, 1986

The Standing Senate Committee on Social Affairs, Science and Technology has the honour to present its

TENTH REPORT

Your Committee, which was authorized by the Senate on December 12, 1984, to review and update the recommendations contained in the Report of the Standing Senate Committee on Health, Welfare and Science, entitled: "They Served—We Care", tabled in the Senate on 20th October, 1981, and to enquire into any matter related thereto, respectfully requests that it , or any subcommittee so authorized by the Committee, be empowered (i) to adjourn from place to place within Canada for the purpose of such study; and (ii) that it be authorized to engage the services of such counsel and technical, clerical and other personnel as may be necessary for the purpose of such study.

Pursuant to Section 2:07 of the "Procedural Guidelines for the Financial Operation of Senate Committees", the budget submitted to the Standing Committee on Internal Economy, Budgets and Administration and the report thereon of that Committee are appended to this report.

Respectfully submitted,

ARTHUR TREMBLAY,
Chairman.

APPENDIX A
TO THE REPORT

THE STANDING SENATE COMMITTEE ON SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

SUB-COMMITTEE ON VETERANS AFFAIRS

APPLICATION FOR BUDGET AUTHORIZATION FOR THE PERIOD 1st APRIL 1986 TO 31st MARCH, 1987

ORDERS OF REFERENCE

Extract from the *Minutes of Proceedings of the Senate*, Wednesday, December 12, 1984:

"Pursuant to the Order of the Day, the Senate resumed the debate on the motion of the Honourable Senator Marshall, seconded by the Honourable Senator Bielish:

That the *Standing Senate Committee on Social Affairs, Science and Technology* be authorized to review and update the recommendations contained in the *Report of the Standing Senate Committee on Health, Welfare and Science*, entitled: "*They Served—We Care*", tabled in the Senate on 20th October, 1981, and to enquire into any matter related thereto; and

That the papers and evidence taken on the subject and the work accomplished during the First Session of the Thirty-second Parliament be referred to the Committee.

After debate, and—
The question being put on the motion, it was—
Resolved in the affirmative."

CHARLES A. LUSSIER,
Clerk of the Senate.

Extract from the *Minutes of Proceedings of the Standing Senate Committee on Social Affairs, Science and Technology*, Tuesday, February 5, 1985.

"That a Sub-Committee be formed to consider the recommendations contained in the report of the *Standing Senate Committee on Health, Welfare and Science*, entitled: "*They Served—We Care*", tabled in the Senate on October 20, 1981 as well as all other related questions; and

That the documents and testimonies gathered regarding this matter and the work accomplished during the first session of the 32nd Legislature be referred to the Sub-Committee."

After debate, and—
The question being put on the motion, it was—
Resolved in the affirmative."

ANDRÉ RENY,
Clerk of the Committee.

SUMMARY

Professional and Special Services	**$ 15,000.**
Transportation and Communications	**13,935.**
Other Expenditures	**1,400.**
TOTAL	**$ 30,335.**

The foregoing budget was approved by the Steering Committee on May 1, 1986

The undersigned or an alternate will be in attendance on the date that this budget is being considered.

Jack Marshall

Chairman of the Subcommittee
on Veterans Affairs

Date: May 13, 1986

Remarks:

M. Lorne Bonnell

Deputy Chairman, Standing Senate Committee
on Social Affairs, Science and Technology

Date: May 28, 1986

Remarks:

Approved by:

Guy Charbonneau

Chairman, Standing Committee on Internal
Economy, Budgets and Administration

Date: June 5, 1986

For Information Purposes only

Budget authorized for the period 1st April, 1985 to 31st March 1986	$15,000.
Budget requested for the period 1st April, 1986 to 31st March 1987	$30,335.
Budget to be requested for the period 1st April, 1987 to 31st March 1988	$35,000.

EXPLANATION OF COST ELEMENTS

Professional and Special Services

Research and Administrative Assistance
(to be hired)

A contract will be signed for the period
1st May 1986 to 31st March 1987
(30 weeks at $ 500. per week)

Transportation and Communications

1. Travel Expenses

a)- Trip to Charlottetown

i) Air Transportation
Ottawa-Charlottetown-Ottawa

Air fare, to one city at $ 370. each for:
— 5 senators
— 1 Clerk
— 1 Secretary
— 1 Researcher
— 1 Messenger — $ 3,330.
9

ii) Hotel Accommodation
9 persons, 3 days
at $ 75. each — 2,025.

iii) Per diem allowance
9 persons, 3 days
at $ 40. each. — 1,080.

iv) Ground Transportation
By limousine, bus and taxi
for 9 persons — 600.

v) Contingency: — 300. — $ 7,335.

b) Anticipated expenses of Senators responding to invitations to speak on the work of the Subcommittee — $ 6,000.

2. Telegrams and Telephones — 300.

3. Postage and Freight — 300.

6,600.

TOTAL — 13,935.

Other Expenses

1. Purchase of publications, books, reference materials, periodicals and the like — $ 400.

2. Contingency: to cover unforeseen expenses arising out of Committee business — 1,000.

TOTAL — **$ 1,400.**

APPENDIX B
TO THE REPORT

THURSDAY, June 5, 1986

The Standing Committee on Internal Economy, Budgets and Administration has examined and approved the supplementary budget presented to it by the Chairman of the Standing Senate Committee on Social Affairs, Science and Technology for the proposed expenditures of the said Committee with respect to its review and update of the recommendations contained in the Report of the Standing Senate Committee on Health, Welfare and Science entitled: "They Served—We Care", as authorized by the Senate on December 12, 1984. The said supplementary budget is as follows:

Professional and Other Services	$ 15,000.
Transportation and Communications	13,935.
All Other Expenditures	1,400.
	$ 30,335.

ATTEST:

GUY CHARBONNEAU,
Chairman

THE SENATE

Thursday, June 19, 1986

The Senate met at 2 p.m., the Honourable Martial Asselin, Speaker *pro tempore,* in the Chair.

Prayers.

THE HONOURABLE RICHARD B. HATFIELD, P.C.

TRIBUTE ON TWENTY-FIFTH ANNIVERSARY OF ELECTION TO NEW BRUNSWICK LEGISLATURE

Hon. Cyril B. Sherwood: Honourable senators, June 19, 1959, was a significant day in the political life of New Brunswick, and today marks the twenty-fifth anniversary of that day and of the election of the Honourable Richard Bennett Hatfield to the New Brunswick Legislature representing Carleton County. Mr. Hatfield's election 25 years ago was to fill the Carleton County seat made vacant by the resignation of the late Honourable Hugh John Flemming, former Premier of New Brunswick, with whom I had the privilege to serve and who became Canada's first Minister of Forestry in the Right Honourable John Diefenbaker's cabinet on October 11, 1960.

June 19, 1961, also marks the formal beginning of a remarkable political career for Mr. Hatfield, one unique in the annals of Canada as well as for New Brunswick. After being re-elected in the general elections of 1963, 1967 and 1970, he was sworn in as Premier of New Brunswick on November 12, 1970, a position he has held ever since, winning elections in 1974, 1978 and 1982. He was sworn of the Privy Council on April 17, 1982. Mr. Hatfield's contribution to the political, economic, social and cultural life of New Brunswick cannot be matched and covers a wide range of diverse issues and areas.

Honourable senators, Premier Hatfield, with continued effort and exceptional vision during this past quarter of a century, has created broad new goals and horizons for New Brunswick and its people. I know honourable senators will join with me in extending to him sincere congratulations and personal good wishes on this important anniversary.

Hon. Senators: Hear, hear!

YOUNG OFFENDERS

REPORT OF LEGAL AND CONSTITUTIONAL AFFAIRS COMMITTEE ON SUBJECT MATTER OF BILL C-106 TABLED

Hon. P. Derek Lewis: Honourable senators, I have the honour to table the twenty-third report of the Standing Senate Committee on Legal and Constitutional Affairs. It deals with the subject matter of Bill C-106, intituled: "An Act to Amend the Young Offenders Act, the Criminal Code, the Penitentiary Act and the Prisons and Reformatories Act".

INTER-PARLIAMENTARY UNION

SIXTH CONFERENCE ON EUROPEAN COOPERATION AND SECURITY, HELD AT BONN, WEST GERMANY—NOTICE OF INQUIRY

Hon. Peter Bosa: Honourable senators, I give notice that on Thursday, June 26, 1986, I will call the attention of the Senate to the Sixth Inter-Parliamentary Conference on European Cooperation and Security, of the Inter-Parliamentary Union, held at Bonn, Federal Republic of Germany, from 26 to 31 May, 1986.

ADJOURNMENT

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*g*), I move:

> That when the Senate adjourns today, it do stand adjourned until Wednesday next, 25th June, 1986, at two o'clock in the afternoon.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

QUESTION PERIOD

[*English*]

CANADA-UNITED STATES RELATIONS

BILATERAL TRADE—ITEMS FOR NEGOTIATION

Hon. Ian Sinclair: Honourable senators, my question is for the Leader of the Government in the Senate. For some considerable time now we have been told that negotiations with regard to a comprehensive trade agreement will be a "clean launch"—without restriction. Yesterday it became apparent that that was not going to be the case, that the Americans had withdrawn one of the most important elements of modern business, namely, all financial institutions from the negotiations.

In light of that statement—which has been confirmed by a representative of the United States Embassy in Ottawa—could the Leader of the Government tell us what items Canada will take off the table, and when it will be done?

Hon. Duff Roblin (Leader of the Government): I am not sure that my honourable friend has interpreted correctly what has happened in the United States, because my view of the matter does not coincide with his. My view of the matter is that the Americans have stated that the negotiator for matters concerning the Treasury shall be somebody from the Treasury rather than Ambassador Murphy. So, it is not that these matters are not on the table, but that a different authority will do the negotiating.

That is their privilege, of course, but, as far as we are concerned, we think the item is on the table and will be negotiated by our sole negotiator, Ambassador Reisman.

Senator Sinclair: Honourable senators, if that is so it means that issues such as provisions for foreign interests in Canadian banks will be subject to discussions between the Treasury Department of the United States and our Department of Finance, and does not indicate in any way that they will be part of the comprehensive trade agreement. That is made abundantly clear from the statements that were made, so I can hardly understand the point the leader makes when he tells us that these matters will involve different negotiators, but still be in the same agreement.

Senator Roblin: I think I will stick to my original statement, because insofar as negotiations on this topic are concerned they will be between Ambassador Reisman and whomever the American authorities decide will do the negotiating for them. As far as we are concerned, they are on the table and will remain part of Ambassador Reisman's mandate.

Senator Sinclair: And they will be part of the comprehensive trade agreement, if one is reached? Is that what you are saying?

Senator Roblin: All I know is that the subject will be negotiated by Ambassador Reisman, as far as we are concerned.

Senator Sinclair: That is not the question. The question is: Irrespective of who the negotiators are, will the question of financial services be part of the comprehensive trade agreement, if one is reached?

Senator Roblin: As far as we are concerned, the answer is yes.

Hon. Allan J. MacEachen (Leader of the Opposition): On the trade question may I ask whether the Leader of the Government would clarify for me comments made by the Prime Minister in his speech made earlier in the week? He referred to the benefits which Canada had derived from the auto pact and said that it would be his wish to recreate—I think that was the word used—these benefits in other sectors.

Because of the comments made in that speech and earlier by the Prime Minister when he seemed to refer to the possibility of dealing with sectors, I ask whether the government has ruled out the series of such agreements as a result of the trade negotiations.

Senator Roblin: Our policy has not changed, honourable senators. We are seeking a comprehensive trade agreement; we are not seeking sectoral agreements.

[Senator Sinclair.]

Senator MacEachen: May I ask then, in view of the high praise which the Prime Minister bestowed upon the auto pact—and rightly so—would the auto pact be regarded by the government as a suitable model for various sectors which might be included in the comprehensive trade agreement?

Senator Roblin: I think we would prefer to deal with each particular problem as it arises and see what arrangements can be made with respect to it. That is what the negotiations are all about.

Senator MacEachen: I understand that. I conclude that the model which the Prime Minister praised so highly could be put forward by the government in the negotiations with respect to certain sectors.

It seems to me that if the Prime Minister finds that model so attractive—and I would agree with him—surely it would be reasonable to put it forward as a possibly suitable model to deal with a particular industry which might be included in an overall agreement, taking into account the fact that the Leader of the Government has stated that the government is not looking at a series of sectoral agreements. I accept that as a statement of government policy, but the fact is that even though whatever is agreed will be included in one agreement, nevertheless that agreement must deal with a series of industries and sectors. My purpose in saying this is to point out or to ask if the auto pact would not be a desirable model to try to follow in whatever sector it might fit.

Senator Roblin: The reference to the auto pact was to illustrate the advantages of enhanced trade arrangements with the United States; it is not necessarily to say that that was the only way of doing it. I do not think I could make any comment as to the possibilities as we emerge from these trade negotiations, because obviously there are several.

Senator MacEachen: Would the minister make inquiries to find out whether the government has ruled out, for example, the model of the auto pact as it might be applicable to a particular industry included in the negotiations? I don't, for example, see why it would not be in Canada's interests to pursue enhanced trade and greater access, which is provided for both countries in the auto pact, while at the same time pursuing production safeguards in Canada. If it is in Canada's interest, why not go for it? Why not suggest it to the Americans?

I, therefore, ask if the government is saying, "No, we will not even think of putting that up." All I am inquiring about is whether a judgment has already been made, or whether the government is still open to doing something of that kind which might accelerate the acceptance of their initiative among the Canadian public.

Senator Roblin: My friend is asking me to speculate on the outcome of the negotiations which, of course, I think would not be appropriate for me to do.

We will look at whatever proposals Ambassador Reisman is able to arrive at with his American counterparts, and on the basis of those decide whether or not they are acceptable to the nation.

Senator MacEachen: Perhaps the minister has misunderstood. I am not trying to speculate on the outcome nor am I asking him to speculate on the outcome. What I am really asking about is the approach that Canada will take. Will the approach taken by the negotiators be broad enough to include the model of the auto pact for a particular industry as being of benefit to Canada? Would it be possible in the mind of the government for the negotiator to pursue that model, if appropriate, within the negotiations?

Senator Roblin: I can only say that we will seek the negotiations which best protect the interests of the country, whatever they are.

Senator MacEachen: I am not saying that such an approach would work; it may not work, because it might be rejected by the United States. But from the Canadian point of view, I really want to know whether the government would have an open mind in pursuing the model, which the Prime Minister quite rightly praised and put forward as embodying the type of benefit that Canada might derive in the future. I do not see anything wrong with that. I am saying to the government, "Don't close your mind to that possibility," or have you, in fact, closed your minds to it?

Senator Roblin: We are closing our minds to no possibilities. We expect there will be many variations that we will have to consider.

Senator MacEachen: So, the auto pact model is a possibility to which the government has not closed its mind. I am thankful for that.

• (1410)

Senator Roblin: I am not making any commitment in that respect.

Senator Doody: Under cross-examination.

AGRICULTURE

WHEAT—DOMESTIC PRICE

Hon. Hazen Argue: Honourable senators, I have a question for the Leader of the Government. A committee report presented to the House of Commons recommends an increase in the domestic price of wheat to the level of $10 per bushel on August 1. I believe it was a unanimous report to the House of Commons and to the government. My question is: Can Canadian grain producers—those in western Canada as well as others—look forward to the establishment on August 1 of a domestic price for wheat of $10 per bushel?

Hon. Duff Roblin (Leader of the Government): Honourable senators, the government is giving careful consideration to that report from the other place and expects to make an announcement on it very soon.

Senator Argue: I have a couple of comments. Is it possible, or is it in the realm of consideration, that since the Prime Minister, in outlining the policy some time ago, said that the domestic price might go up as high as $11 per bushel, is that figure of $11 being considered, or is it only the $10 figure; and when the Leader of the Government says that there will be an announcement "very soon", does he have in mind an announcement by the end of the month or by the time that Parliament adjourns for the summer?

Senator Roblin: As soon as the matter has received consideration by the cabinet, an announcement will be made. It has not yet been considered.

Senator Argue: All I can say is that this is a very important question for grain producers. The domestic price today is $7 per bushel for wheat, as the Leader of the Government well knows. The suggestion is that the price should go to $10 per bushel, which is an increase of $3. To the producer it represents 30 cents per bushel in round figures. That is not a lot of money, but, in view of the state of the agricultural economy, it is an important amount of money; and I hope that the Leader of the Government will give it his best push forward, because an increase in the price of wheat is very important. There may be other ways to do this in a more improved fashion, but that is the recommendation.

Senator Roblin: Honourable senators, I am very much aware of the strain being placed on the cash flow position of western farmers. The question is to decide how best to help them, and that will receive our prompt consideration.

WHEAT—EFFECT OF TWO-PRICE SYSTEM ON BAKING INDUSTRY

Hon. Ian Sinclair: Honourable senators, when the Leader of the Government is considering that matter, perhaps he will see whether he can give some assurance to the 2,000 people in the baking industry in British Columbia and Alberta whose jobs will be in great jeopardy if that two-tier price is put into effect. What action will be taken to preserve their employment and to allow those bakeries to remain competitive with $5 wheat from the United States bakeries?

Hon. Duff Roblin (Leader of the Government): My honourable friend has raised one of the real problems in connection with the policy, and the point he makes has not escaped our attention.

REQUESTS FOR ANSWERS

Hon. Len Marchand: Honourable senators, we are drawing close to the end of this session. Last week I asked the Leader of the Government whether he could report to me on the incident at Goose Bay, Labrador. He has not yet done so, and I wonder if he would be good enough to bring me up to date on the question I asked.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have not yet received a definitive reply on that matter. As soon as I have, I shall bring it to the Senate.

Senator Marchand: Honourable senators, it has now been several days since the incident occurred and several days since I first asked my question. Since we only have a few more days left of this session, I wonder if the Leader of the Government

in the Senate could be a little more precise as to when he could bring a report on that incident.

Next week I will be in British Columbia on business, a trip that I have planned for some time now, and therefore I will not be here in this chamber. I wonder if the Leader of the Government would report to the Senate next week on that matter.

Senator Roblin: I always give my friend the latest information I have, and that is all I can tell him.

Hon. Lorna Marsden: I, too, would like to ask the Leader of the Government in the Senate about questions that have been put to him and that remain unanswered, going back as far as March 12, 1985. Some of these questions have been overtaken by events, but others have not. I wonder if the Leader of the Government in the Senate could give some indication as to when he plans to respond to the questions that I have asked.

Furthermore—but perhaps I should let the leader respond to that question first.

Senator Roblin: Let's have the "furthermore"; I can take it.

Senator Marsden: I would like to ask whether the Leader of the Government in the Senate also plans to report on questions which have been overtaken by events.

Senator Roblin: I intend to report on all questions that have been put to me, except those that the questioner specifically allows me to regard as answered, such as was done the other day by my honourable friend, the Deputy Leader of the Opposition—

Hon. Royce Frith (Deputy Leader of the Opposition): Hardly—I did not say that you need not answer them; I said there was no longer any point in answering them.

Senator Roblin: If there are questions—

Senator Doody: —addressed.

Senator Roblin: Was the word "addressed"? I am sorry. The point is that if there are questions that have been overtaken by events, that does happen, and if members want to let me know which they are, it will save the odd dollar if we do not have to table replies formally. However, that is not an important point and I certainly intend to table a reply to each question that has been asked. I have one today for my honourable friend on one of her topics which I hope will be of some use to her.

We simply have to pursue these things as vigorously as we can through the labyrinth of the bureaucractic system that exists and has grown up over the last 115 years, because that is the means by which these questions are answered. They do not get answered as quickly as I would like, so my honourable friend can rely on me to keep on pushing.

Senator Marsden: I might just say to the Leader of the Government in the Senate that the question going back to March 12, 1985, asks when the order in council for the 1986 census would be tabled. Of course, everyone here will know that the census collection is now over, but I wonder if that accounts for the fact that neither I nor any other member of my household has received a census questionnaire.

Senator Roblin: I will report that fact to those in authority, because we would not like my friend not to be among those counted and enumerated.

Hon. Gildas L. Molgat: Honourable senators, I would like to address a question to the Leader of the Government in the Senate on the same subject of questions that are in abeyance, I would presume. On February 12 of this year I asked him a question with respect to the booklet: "How Canadians Govern Themselves" and my honourable friend replied at that time with alacrity and, in fact, enthusiasm, because he said that I had come to the right place because—and I am quoting him:

> I will certainly get an answer for him if he cannot get it anywhere else.

In fairness, the Leader of the Government in the Senate did give a reply a few weeks later, indicating that the booklet was in the course of being reprinted because of some editorial changes in order to bring it up to date and that he would let us know when it might be available. There was a caveat that there might be a charge—a topic that I will be prepared to debate when the matter comes up. However, perhaps the Leader of the Government could tell us at least when we can obtain the booklet.

Senator Roblin: I well remember answering my friend's question in the first instance. I must confess that I, personally, have lost track of the fact that there was more information promised. It may be in my book, I will have to see. However, I will take the question as a new one and see whether I can obtain the answer.

CANADA-UNITED STATES RELATIONS

BILATERAL TRADE NEGOTIATIONS—INDIVIDUAL NEGOTIATORS FOR SPECIALIZED AREAS

Hon. Gildas L. Molgat: My question follows upon that of Senator Sinclair regarding the decision of the American government, apparently, to have another negotiator involved in the trade negotiations. I would like to know whether the Canadian government is giving any thought to having another negotiator when we reach specialized problems such as, for example, agriculture, or does it intend to stay with only the one negotiator, in view of the American change?

Hon. Duff Roblin (Leader of the Government): Honourable senators, every question before this body represents a specialized problem. How did my honourable friend think otherwise? The problems are very specialized, very difficult and require a lot of background information. That is why we have set up an elaborate system—which my friend is aware of—to provide the negotiator with the opinions and views of all of the people who have a right to be heard on this matter, which takes in a

lot of territory. Just the same, we think it advisable that we should work through the one negotiator, and that is our policy.

CORRECTIONS

REQUEST FOR TABLING OF DOCUMENTS

● (1420)

Hon. Earl A. Hastings: Honourable senators, I have a question for the Leader of the Government in the Senate. Before putting it, however, I should like to commend him for the prompt way in which he responded to my request for the tabling of the report of the corrections investigator. I made that request on Thursday; the document was tabled on Friday. I thank him very much. Perhaps that is an indication of what he will continue to do with respect to my request of two months ago that the government lay on the table certain documents and papers.

Honourable senators, the government has been on notice three months for those documents. I appeal to the Leader of the Government to tell me whether the Xerox machines are not working or whether there is some particular reason why the government does not wish to table these documents.

Hon. Duff Roblin (Leader of the Government): Honourable senators, the documents will be tabled.

Senator Hastings: They will be?

Senator Argue: They will be; he did not say when.

DELAYED ANSWERS TO QUESTIONS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have two delayed answers to questions.

CANADIAN WHEAT BOARD

MISSION TO CHINA—COMPOSITION OF DELEGATION

Hon. Duff Roblin (Leader of the Government): Honourable senators, Senator Molgat will be delighted to know that I have a delayed answer in response to a question he asked in the Senate on June 11 last regarding the Canadian Wheat Board.

(*The answer follows:*)

MINISTERIAL VISIT TO CHINA, JUNE 8 (ARR)—16 (DEP) 1986
PARTICIPANT LIST

The Honourable Charles Mayer, Minister of State (Canadian Wheat Board)

Mrs. Elaine Mayer

Murray Cardiff, M.P. Huron-Bruce

Mr. Pierre Blais, M.P. Bellechasse, Parliamentary Secretary to Minister of Agriculture

Cam Brown, Vice-President, Marketing, Feed-Rite Ltd., Winnipeg

Rick Dobranski, Vice-President, Allstate Grain Co., Ltd., Surrey, B.C.

Henry Poehlmann, Manager, Process Engineering, Carling O'Keefe Breweries of Canada Limited, Toronto

Ted Bilyea, General Manager, International Trade Division, Canada Packers Inc., Toronto

S. Monte Daniel, President and General Manager, Cambrian Engineering Group Ltd., Mississauga

David Clarke, Manager, International Business Development, John Labatt Limited, Toronto, Ontario

Graham Hinton, Vice-President, Marketing, Food Machinery Engineering Ltd., Toronto

Ms. Maggie Liu, Director, Price and Foreign Competition Analysis, Canadian Wheat Board, Winnipeg

Henri-Paul Trudel, President, Conseil Canadien de la Coopération, Lévis, Québec

Mrs. Jean MacGillivray, Second Vice-President, Cooperative Union of Canada, Ottawa (Also President Co-op Atlantic, Moncton)

Allan Macpherson, President, Alberta Wheat Pool, Calgary

Lorne Hehn, President, United Grain Growers Limited, Winnipeg

Roger Lemp, Vice-President, Loblaw Companies Limited, Toronto/Vancouver (Also Vice-President of Intersave Buying and Merchandising Service and of Western Commodities, both of which are wholly owned Vancouver based subsidiaries of Loblaw Companies and responsible for all of Loblaws domestic and import buying including imports of foodstuffs from China.)

Mrs. Dee Derby, Private Secretary to Minister.

Ms. Jody Aylard, Special Assistant, Minister's office

Dennis Gibson, Deputy Director General, Grain Marketing Bureau, Department of External Affairs

Yu-Lin Ho, Translator

EMPLOYMENT

SUMMER YOUTH EMPLOYMENT PROGRAM

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on May 27 last by the Honourable Senator Marsden regarding summer youth employment.

(*The answer follows:*)

The evaluation report on Challenge '85, is only one of several sources used for developing policy on future summer employment programs for students. The report is currently being examined with respect to the interpretations of some of the findings.

Similarly, the report by the Community Coalition to Save our Summer (CC-SOS) must be seen in the appro-

priate light. Naturally, this group is interested in ensuring maximum activity in the social service sector to facilitate the programming that its member organizations have planned for the summer. While sympathetic to this objective, the Government has sought to achieve a balanced summer program allowing both the public sector and the private sector opportunity for a fair share of the funding and jobs.

It is important to realize that in the past, the private sector has been more or less deprived of this opportunity with the result that non-profit or public agencies received most or all of the funding available. The present government recognized, that many thousands of potentially excellent summer jobs were being missed because the private sector was not participating. The private sector therefore was given an opportunity to participate. However, 64.9 per cent of funds are still going to the non-private sector.

An important consideration which is often overlooked by criticism directed at Challenge '85/'86 is that the purpose of these programs is the provision of quality work opportunities with a view to the student's later school to work transition. Community benefit, while welcome, is not the purpose of summer student employment progamming. The private sector provides a wide range of occupations for students of all ages and educational levels and, it would seem, jobs which more reflect the demands of the real world of work, in which students will work after completing their education.

CANADA'S INTERNATIONAL RELATIONS

SPECIAL JOINT COMMITTEE—MESSAGE FROM COMMONS

The Hon. the Speaker *pro tempore:* Honourable senators, I have the honour to inform the Senate that a message has been received from the House of Commons as follows:

> Ordered—That, notwithstanding the Order of the Senate adopted on Tuesday, May 27, 1986, the Special Joint Committee on Canada's International Relations be empowered to present its report not later than Thursday, June 26, 1986; and
>
> That a Message be sent to the Senate to request that the Senate unite with this House for the above purpose.

Honourable senators, when shall this message be taken into consideration?

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*e*), I move:

> That notwithstanding the Order of the Senate adopted on Tuesday, May 27, 1986, the Special Joint Committee on Canada's International Relations be empowered to present its report not later than Thursday, June 26, 1986; and
>
> That a Message be sent to the House of Commons to acquaint that House that the Senate do unite with that House for the above purpose.

The Hon. the Speaker *pro tempore:* Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

FINANCIAL INSTITUTIONS

BANKING, TRADE AND COMMERCE COMMITTEE AUTHORIZED TO STUDY SUBJECT MATTER OF BILL C-103

Hon. Lowell Murrray, with leave of the Senate and notwithstanding rule 45(1)(*e*), moved:

> That the Standing Senate Committee on Banking, Trade and Commerce be authorized to examine the subject-matter of the Bill C-103, intituled: "An Act to amend the Loan Companies Act, the Trust Companies Act, the Bank Act and the Quebec Savings Banks Act in respect of certain regulatory matters," in advance of the said Bill coming before the Senate or any matter relating thereto.

He said: I believe, honourable senators, that this motion was canvassed by the leadership on both sides.

Honourable senators will be aware that this bill is now in the other place. At the rate they are going, it would be highly unlikely that even if the bill cleared that place the Senate could dispose of it by June 27. The purpose of moving the pre-study now is to enable the committee next Wednesday afternoon to hear the Minister of State for Finance, Mrs. McDougall. What she has to say should give us some food for thought over the summer months. We will resume our consideration of the subject matter of this bill in September.

Senator Frith: We will think of little else.

Motion agreed to.

DUTIES RELIEF BILL

THIRD READING

Hon. Orville H. Phillips moved the third reading of Bill C-98, to consolidate various enactments that provide for drawbacks, reductions, refunds and remissions of duties, other than export drawbacks for which provision is made in sections 82 to 87 of the Customs Act, to amend the Customs Tariff and to repeal or revoke the enactments so consolidated.

Motion agreed to and bill read third time and passed.

CURRENCY ACT

BILL TO AMEND—SECOND READING

On the Order

> Resuming the debate on the motion of the Honourable Senator Barootes, seconded by the Honourable Senator

Robertson, for the second reading of the Bill C-118, intituled: "An Act to amend the Currency Act".—(*Honourable Senator Bosa*).

Hon. Peter Bosa: Honourable senators, Bill C-118 does not require a lengthy intervention on my part, because yesterday Senator Barootes gave a detailed explanation which necessitates no elaboration.

The rationale for the new $1 coin is well known to all honourable senators. This understanding was reflected in the broad all-party consensus this bill received in the other place.

However, this is not to deny that some inconvenience and adjustment costs will be associated with the introduction of the new $1 coin. It will require an adjustment on the part of consumers, banks and, most acutely, those presently involved in the production of the $1 bill. Those adjustment costs are regrettable but inevitable. We hope that the gradual phasing out of the $1 bill will mitigate at least some of those adjustment costs.

Although the Canadian people will rapidly become used to the $1 coin, I am a little concerned about the $2 bill. I am not convinced that in the long run there will be maximum use of the $1 coin as long as we retain the $2 bill. In my opinion, we may want to withdraw that bill at some time in the future. However, this is a trial-and-error proposition, and we will have to wait to see what effect the use of the $1 coin will have on the $2 bill, particularly in eastern Canada.

On the positive side, the advantages of the new $1 coin are overwhelming. The Government of Canada will realize significant savings in production costs. Transit authorities will save on operating expenses. The new coin will be more convenient for consumers and for vending machine operators. Furthermore, the coin will be produced using metal mined and smelted in Canada, thereby increasing demand and income in those industries. We are delighted with the proposed design and size of the new $1 coin. I believe that it is in keeping with the high standard of aesthetics and beauty associated, both in Canada and abroad, with Canadian money and Canadian postage stamps. I am confident that Canadians will be proud of their new $1 coin.

● (1430)

I hope that those who are responsible for choosing the subject to be portrayed on this coin will use it as an opportunity to honour Canadian pioneers and former prime ministers by embossing it with their images. In that way, Canadians will become aware of the valuable contribution that those persons have made to Canadian society and to Canadian history.

On behalf of my party I would like to go on record as saying that we support the government in the initiative contained in Bill C-118. We all look forward to seeing the new coin in circulation. I hope that the new coin will not perforate the pockets of Senator Robichaud's trousers, a fear that he expressed yesterday. Should he decide to carry a lot of $1 coins in his pockets, I suggest that he have his linings reinforced.

Hon. Efstathios William Barootes: Honourable senators—

The Hon. the Speaker *pro tempore:* Honourable senators, I wish to inform the Senate that if the Honourable Senator Barootes speaks now, his speech will have the effect of closing the debate on the motion for second reading of this bill.

Senator Barootes: Honourable senators, I wish to thank those honourable senators who have remarked so cogently and helpfully on this currency bill. I wish to address, if I may use that term, some of the problems that have been brought to our attention. Both Senator Bosa and Senator Macquarrie were kind enough to speak of using the embossment to portray some of our leading personalities, prime ministers and so on on the new coin. I must point out that we have reserved our paper money for adulating and honouring past prime ministers of Canada. It has become a tradition in Canada to honour them in that way. For example, Sir Wilfrid Laurier's likeness appears on our $5 bill, Sir John A. Macdonald on our $10 bill, Sir Robert Borden is on our $100 bill and William Lyon Mackenzie King is on the $50 bill. I am also informed that there is a likeness of one of our prime ministers on the $1,000 bill, but, coming from where I do and never having handled or seen a $1,000 bill, I shall have to ask others in this room to verify that it exists.

On the other hand and in a more serious vein, those countries of the British Commonwealth which hold the Crown and the Queen as their head of state have all depicted a likeness of the King or Queen on their coins. I am informed by Senator Heath Macquarrie that at least three of them do. Those countries, of course, that do not have the Queen as their head of state portray some other figure. But it has been our tradition to portray the King or Queen.

I would also like to address the problem that Senator Robichaud raised yesterday about whether we should consider the weight of the coin and its wear and tear possibilities on pockets. I would point out that four quarters weigh more than one of the new coins. As a matter of fact, the new coin weighs only slightly more than the 25-cent piece now issued by the mint. Therefore, I suggest to those who might be in the habit of carrying around a lot of dollar coins as well as other coins in their pockets—and who have expensive tailors—that they reinforce their pockets with slightly sturdier cloth.

Senator Steuart: Rich Tories!

Senator Bosa: Or carry a purse.

Senator Barootes: Those who come from my part of the country shop at Eatons and the Army and Navy, and they do not make special pockets.

I think that this coin will gain great respect and use in Canada, because so much of our industry today depends on coin-operated machines. It is very difficult to carry around enough change using existing coinage to be able to obtain an article which is desired. In fact, according to those who are allowed to smoke—and I understand that there are fewer and fewer of them in our society—

Senator Macquarrie: Hear, hear!

Senator Barootes: —it is almost impossible to find enough 25-cent pieces to obtain a packet of cigarettes.

Senator Tremblay: That is a good point.

Senator Barootes: Honourable senators, I am pleased to have had the opportunity to introduce this bill. I thank my friends in the chamber for their wholesome and worthwhile support.

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 Barootes, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

YOUNG OFFENDERS ACT
CRIMINAL CODE
PENITENTIARY ACT
PRISONS AND REFORMATORIES ACT

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon. Brenda M. Robertson moved the second reading of Bill C-106, to amend the Young Offenders Act, the Criminal Code, the Penitentiary Act and the Prisons and Reformatories Act.

She said: Honourable senators, it is my privilege to speak to Bill C-106, to amend the Young Offenders Act. This bill was given third reading by the Commons on June 17, 1986, a matter of weeks after its introduction by the Solicitor General of Canada. This, perhaps more than any other fact, highlights the importance and sense of urgency that characterizes this legislation.

The Young Offenders Act was the product of a lengthy examination of the Canadian juvenile justice system that began in the early sixties. When proclaimed some two years ago it repealed the Juvenile Delinquents Act of 1908 and introduced wide-ranging reforms. The principles upon which this new legislation is founded reflect contemporary Canadian social values and aspirations rather than those of society one hundred years ago. At the turn of the century it was recognized that children and adults who committed crimes should not be handled in the same manner, that the young required special treatment separate from adults. Accordingly, Parliament adopted legislation in the form of the Juvenile Delinquents Act that required the courts to deal with juvenile delinquents as children in need of society's protection, not as criminals requiring punishment.

● (1440)

The Young Offenders Act, on the other hand, is founded on very different principles. First, it holds that young people are responsible for their acts and should be held accountable before the law and, like all Canadian citizens, that they enjoy the rights that are protected by the Charter of Rights and Freedoms.

Second, it recognizes and affirms that society has a right to be protected from crime.

[Senator Macquarrie.]

Finally, it recognizes and attempts to deal with the fact that young people have "special needs" because they are at various stages of development and maturity.

Today our society recognizes that young people, although they may not be fully mature, are responsible for their deeds, and Parliament in passing the Young Offenders Act declared as a matter of principle that they should be held accountable for their criminal acts in a manner appropriate to their age, maturity and independence.

In accordance with that principle, the Young Offenders Act introduced several major reforms:

Adolescents age 12 through 17 inclusive are subject to criminal prosecution in youth court for violations of the Criminal Code and other federal laws;

The police now apply the same investigative rules, arrest and detention powers to youths as to adults, except that the young person must be detained separately from adults;

The rights of young persons are afforded protection in the juvenile process;

The juvenile justice system has a safety valve: Young persons may be transferred to adult court if the charges against them are serious enough that the youth system cannot deal with them appropriately;

In the past, juvenile courts were, for all practical purposes, closed to the public and the media. The Young Offenders Act has opened the courts to the public and the media and the only limitation imposed on the media is that the name or identity of young offenders must not be published;

The youth court has the power to impose dispositions ranging from fines to secure custody, and, in so doing, consider not only the responsibility and accountability, but the principles of needs of young persons, protection of society and rights of victims;

Where young offenders are subject to custodial dispositions, those dispositions can only be shortened by the courts.

As can be expected of any such reform, the implementation of the Young Offenders Act was difficult, even stormy, simply because it had introduced very significant changes. Regrettably, the expected difficulties were aggravated by the discovery of serious problems in some provisions of the act itself. These problems were of such magnitude that some commentators, including provincial attorneys general, voiced concern that public confidence in Canada's juvenile justice system could be seriously jeopardized if action were not taken.

The Young Offenders Act, despite the problems that have been encountered, is positive legislation. Its fundamental principles are broadly supported. The problems encountered do, nevertheless, undermine the potential of the legislation to achieve the positive effects for which it was designed.

While it appeared some months ago that there was an urgent need to act to resolve these difficulties, it was equally

important that any solutions accurately reflect the problems that were being experienced in practice. To examine these problems in detail, consultations with a cross section of Canadians across the country who face the challenge of dealing with young people in conflict with the law, as well as with representatives of the communities that are affected by both crime and the criminal justice system took place. These consultations, and others that were held with provincial governments, confirmed that the principles upon which the Young Offenders Act had been founded are widely supported.

In short, the proposals for amendments contained in Bill C-106 were developed through a process of consultation involving a broad cross section of juvenile justice officials and concerned citizens.

It is apparent that police, correctional authorities, citizens groups, youth service agencies and many others are not opposed to the act; rather, they are anxious to ensure that it functions in the way that Parliament intended. The amendments that are now before us respond to the problems that have been identified. They will serve to enhance the ability of the juvenile justice system to meet demands for public safety and reinforce the values that are fundamental to the high standards we strive for, including the full recognition of the special needs and circumstances of youth in contemporary communities.

More recently these amendments have been examined by members of Parliament in a legislative committee. Interested groups and organizations such as the Canadian Council on Children and Youth and the Canadian Association of Chiefs of Police have appeared before the legislative committee to express their views on the proposed amendments. In addition, written submissions were made by media interests and others. This process has reinforced that these amendments enjoy the support of a wide range of concerned groups and individuals and will respond to urgent needs for public protection and for the restoration of confidence in our justice system.

The amendments need not be reviewed in great detail at this particular time; however, with your indulgence, I will highlight some of the more important ones:

The act currently relies on a "review" process to deal with young offenders who violate probation orders or other non-custodial dispositions. This innovative process has been found to be inadequate. Correctional authorities and law enforcement officers have been handicapped in their ability to respond quickly and effectively to these situations. The amendments will streamline the process and allow quick interventions by way of arrest and detention where there has been a breach of a non-custodial disposition. The modifications will mean that the juvenile justice system and the adult system will deal with probation breached in much the same way. When young people are involved in street crimes, drug abuse, prostitution and the like, the ability of police to arrest may be a crucial factor in preventing crime and in ultimately helping a young person to achieve a different lifestyle. It might be noted that the ultimate consequences for the young person have not really changed, but means to that end have been simplified.

An additional amendment deals with the evidence given by a child. Under the current law the evidence of a child must be corroborated by some other material evidence. By deleting the requirement for this corroboration, the proposed amendment will ensure that children who are victims—for example, victims of sexual abuse by a young offender—do not find that their age alone denies them the full benefits of criminal law.

There has been a fear that so-called "Fagins" will be able to commit crimes and avoid prosecution by using children. An amendment to the Criminal Code will ensure that individuals who counsel or aid children under the age of 12 to commit crimes will themselves be liable to vigorous criminal prosecution. While there is no evidence that there has been any increase in the incidence of crimes in which children are abused in this way by adults, these amendments ensure that it will not happen.

A number of other amendments will deal with shortcomings of the Young Offenders Act. For example, the changes that have been introduced will help resolve technical difficulties in the custody provisions and emphasize that custody is a disposition of last resort intended to enhance the protection of society. Other changes will improve the application of the laws governing the pre-trial detention of youth, and ensure that the limitations on publication do not compromise the protection of society when offenders are at large.

Honourable senators, I am pleased to say that I believe that the government has brought forward proposals for juvenile justice reform that will ensure that the need to protect society and the other principles of the act can be achieved. Importantly, these changes have been achieved without diminishing the rights of young people or exposing young people to punishments out of proportion to their behaviour.

I understand that there is interest and commitment on the part of the government to continuing the process of consultation and discussion that has culminated in the amendments presented today. It is important that the process of criticism, study and change continue to be the goal of the federal and provincial governments as well as of concerned citizens across Canada.

In conclusion, honourable senators, let me urge the speedy passage of these changes so that the benefits of the Young Offenders Act can be quickly and more fully enjoyed by Canadian communities.

On motion of Senator Lewis, debate adjourned.

• (1450)

FISHERIES

COMMITTEE AUTHORIZED TO PUBLISH AND DISTRIBUTE INTERIM REPORT ON MARKETING OF FISH IN CANADA

On the Order:

Resuming the debate on the motion of the Honourable Senator Marshall, seconded by the Honourable Senator Bielish:

That in the event of an adjournment of the Senate which exceeds a week, the Standing Senate Committee on Fisheries be authorized to publish and distribute its interim report on its examination of the marketing of fish in Canada and all implications thereof, as soon as it becomes available; and

That in the event of a prorogation of Parliament, the Honourable Senators authorized to act for and on behalf of the Senate in all matters relating to the internal economy of the Senate during any period between sessions of Parliament or between Parliaments, be authorized to publish and distribute the above-mentioned interim report.—(*Honourable Senator Frith*).

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, Senator Marshall's motion appears to have some very legitimate ancestors. We had some concern yesterday about the reference to the intersessional committee, and particularly the question of prorogation, so Madame Tomka in the Journals Branch has looked into the precedents.

One that I found was contained in the June 27, 1984, *Debates of the Senate*. That would have been just before what turned out to be a dissolution. I moved that:

In the event of an adjournment of the Senate which exceeds a week, the following Senate Committees be authorized to publish and distribute their reports with respect to their orders of reference as soon as the reports become available, namely—

Then there was quite a string of committees. The second paragraph of that motion read:

In the event of a prorogation or a dissolution of Parliament, the Honourable Senators authorized to act for and on behalf of the Senate in all matters relating to the internal economy of the Senate during any period between sessions or between Parliaments

—that is the so-called intersessional committee—

be empowered to authorize the publication and distribution of any Report of the above-mentioned committees requiring no further activity by the committee.

In the debate on that motion on June 27, 1984, I explained its purpose. Then Senator Flynn, who at the time was Leader of the Opposition, raised some questions about the appropriateness of providing for the event of prorogation. His concern was not as to whether that was technically or constitutionally possible, but, rather, that since the practice had become almost invariable recently not to have lengthy prorogations but to have a prorogation of one day, he felt that there was not much significance in a paragraph dealing with prorogation.

Dissolution, he points out at page 821, would raise a problem because:

. . . the intersessional committee would have the power to authorize committees to publish their reports, but it is doubtful that they would in the event of a dissolution.

Which, incidentally, turned out to be the event. Then he said:

[Senator Robertson]

However, with those remarks, I will not mind the motion's being adopted, but the next time that we are sitting on the government benches maybe we will draft it in a better way.

Some Hon. Senators: Hear, hear!

Senator Frith: What I then said was:

Honourable senators, I agree with the "maybe."

Then Senator Roblin joined in and shared Senator Flynn's reservations about the motion. He had two problems, namely, the problems of distribution and another problem, and he said that he hoped that the intersessional committee would take factors into account. Eventually it was passed.

Back on March 29, 1972, in the *Senate Journals* at page 98, I found the grandfather of the whole procedure. It states:

Pursuant to Order, the Senate resumed the debate on the motion of the Honourable Senator Smith, seconded by the Honourable Senator Carter:

That, during any period between sessions of Parliament or between Parliaments, the Leader of the Government in the Senate and a Senator to be named by him from time to time and the Leader of the Opposition in the Senate, or a Senator to be named by him from time to time, be authorized to act for and on behalf of the Senate in all matters relating to the internal economy of the Senate; and

That within fifteen days of the commencement of the next ensuing session there shall be laid on the Table, by or on behalf of the Leader of the Government in the Senate, a report covering in reasonable detail all matters relating to the internal economy of the Senate arising during any such period.

And that was adopted. Now that which I believe is the "grandfather" does not mention prorogation. But it is not the first time, as I have pointed out, that prorogation was mentioned in such a motion.

I think the authority for using the word "prorogation" would arise from the fact that the original order setting up the intersessional committee used the terms:

. . . any period between sessions of Parliament or between Parliaments.

So that if the committee should have the authority between Parliaments, one would think that it ought to have it on prorogation. We have no way of knowing whether the government in this case intends to break with the previous practice and have a longer prorogation, but whether it does or—

An Hon. Senator: Perhaps there will be dissolution.

Senator Frith: Yes, please make us an offer. On the question of whether it does or does not, it seems that it is appropriate to have the word "prorogation" there, and therefore having established, I hope, to the satisfaction of honourable senators the legitimacy of Senator Marshall's motion, we should pass it.

Hon. Allan J. MacEachen (Leader of the Opposition): Not to my satisfaction.

Honourable senators, it is abundantly clear that this practice has developed in the past. Senator Frith has cited the precedents, and undoubtedly it has occurred, but what bothered me is whether any motion which is passed can have any legal and constitutional effect once the body which passed that motion has been dissolved. That is my question.

Senator Doody: Is the Senate dissolved?

Senator MacEachen: Or whether a motion passed has any legal or constitutional effect once the body which passed it is dismissed.

I don't know the answer to that question. I know that in order to have continuing effect, edicts must be passed in the form of statute law; but on motions I do not know. I am not objecting to this procedure—it has obviously happened in the past—but there still lurks in my mind a question as to the constitutional and legal validity of the continuing effect of a motion passed by a body which has either been dissolved or dismissed by Her Majesty.

Senator Frith: Well, honourable senators, in a court I suppose it would be reported thus: "Senator MacEachen *dubitante*."

Hon. Henry D. Hicks: Honourable senators, I think there is an interesting point at issue here. I have in my office a legal opinion on it which I have not looked at for several years, I am sorry to say, and I cannot recall the details of it now.

The question, of course, is whether when Parliament is dissolved the Senate ceases to exist or function. I would make the argument, and have made the argument in the past, that certainly between sessions of the same Parliament the Senate is a continuing body, and there is nothing wrong with a motion such as the one before us now to enable Senate committees to continue to function during this interval and, indeed, to publish their reports. I agree that this is not universally acceded to and that the reservations which Senator MacEachen has just placed before us may have some validity. Personally, I would like to contend and see the precedent established that so far as the Senate is concerned even a dissolution of the House of Commons does not prevent the Senate or the committees of the Senate from still functioning. I am sorry that I have not refreshed my recollections by a reading of this legal opinion within the last three or four years, but I will certainly keep it close by my desk so that if another motion of a like nature is placed before us I hope that I may be able to speak to it with somewhat more authority. In the meantime, I propose to support the motion now before us.

• (1500)

Senator Frith: Honourable senators, in passing the motion we might invite Senator Hicks, when he has dusted off that opinion, to bring it to us on a point of order.

[*Translation*]

Hon. Maurice Riel: Honourable senators, I have listened very carefully, but I am not much better informed than before about the legality, constitutionality and practicality of this motion. This is a question I have been asking myself for a long time. If Senator Hicks would like to air his views, it might enlighten us. I have been requesting this information for a long time.

I found the comments of Senator MacEachen very impressive coming from such an experienced parliamentarian, especially as I share them myself. The views which we share always impress us more than others. There is no disagreement on that point.

If we pass such a resolution and Parliament adjourns, I wonder whether the question which was so well-defined by Senator Hicks would be settled by this resolution. It will no longer be constitutional if Parliament adjourns. Whether before or after expressing this opinion, the problem will remain in suspense.

In this regard, since I have some doubts, I support Senator MacEachen, without disapproving Senator Frith, however, as I would not wish to do so.

[*English*]

Senator Frith: Well played, sir.

The Hon. the Speaker *pro tempore:* Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to.

[*Translation*]

THE SENATE

OFFICE OF SPEAKER—ORDER STANDS

On the order:

> Resuming the debate on the inquiry of the Honourable Senator Riel, P.C., calling the attention of the Senate to his tenure as Speaker of the Senate, his experiences and his recommendations to the Senate.—(*Honourable Senator Riel, P.C.*).

Hon. Maurice Riel: Honourable senators, I would like to say that, if today is not the last sitting day of the Senate, it might be the penultimate. I imagine that Senator Tremblay agrees with the use of the word penultimate.

Hon. Arthur Tremblay: It is the antepenultimate.

Senator Riel: You are right, it is the antepenultimate sitting. I see that Senator Le Moyne also approves. I therefore have the support of the two grammarians of this assembly.

I have been absent from this Chamber often this year as I have been under the weather.

I want to give you a last chapter on my tenure as Speaker of the Senate before we adjourn for the summer. I plan to conclude this inquiry, not because I have extraordinary things to tell, since they are ordinary and common, but because I think it is my duty to tell you about them so that they may be printed in *Debates of the Senate* for posterity.

About the motion introduced by Senator Frith, I would like to ask him whether all senators can sit on this intersessional committee as on all other committees of the Senate.

Order stands.

[*English*]

CANADA-UNITED STATES INTER-PARLIAMENTARY GROUP

TWENTY-SEVENTH MEETING HELD AT TUCSON, ARIZONA, U.S.A.—DEBATE ADJOURNED

Hon. R. James Balfour rose, pursuant to notice of Tuesday, June 17, 1986:

> That he will call the attention of the Senate to the Twenty-seventh Meeting of the Canada-United States Inter-Parliamentary Group, held at Tucson, Arizona, from February 28 to March 3, 1986, and to the Report of the said Meeting.

He said: Honourable senators, on Tuesday last I tabled the final report of the official parliamentary delegation of the Canadian section of the Canada-United States Inter-Parliamentary Group. This year, the Twenty-seventh Annual Meeting of the Group was held in Tucson, Arizona, from February 27 to March 3.

The Canadian delegation consisted of seven senators and 17 members of Parliament. The United States delegation numbered 21 in total, eight from the Senate and 13 from the House of Representatives.

The meeting was broken down to three committees, one dealing with trade and economic issues, the second with energy, defence and multilateral issues, and the third with fisheries, environment and trans-boundary matters.

At the conclusion of the committee meetings a plenary session was held on the topic of an enhanced Canada-U.S. trade agreement.

During my time both in the other place and in the Senate I have had occasion to participate in numerous parliamentary delegations, including the Inter-parliamentary Union, the NATO Parliamentary Association and others. However, this was my first opportunity to serve as a delegate to a meeting of the Canada-United States Inter-Parliamentary Group. Speaking for myself, as well as, I believe, for my colleagues in the Senate who attended the meeting, I found the whole experience to be stimulating and very worth while.

Discussion with our American counterparts was frank, friendly and informative, and I think that both we and they emerged from the meetings with an enhanced understanding of our mutual problems and concerns.

Full details of the discussions are contained in the report and I will not take up the time of honourable senators in reciting them. I urge all honourable senators to include the report in their summer reading program, in particular that part dealing with the topic of an enhanced Canada-U.S. trade agreement. Whatever one's personal view may be on this topical subject—and I recognize that a wide range of opinion exists—I believe that it is important to understand the attitude and opinions held by our counterparts in the United States, who also carry a heavy burden of responsibility in representing their constituents in this matter.

[Senator Riel.]

In conclusion, honourable senators, I considered it a great privilege to take part in those meetings as a member of the Senate of Canada.

On motion of Senator MacEachen, debate adjourned.

• (1510)

EMPLOYMENT EQUITY BILL

REPORT OF COMMITTEE

Leave having been given to revert to Reports of Committees:

Hon. P. Derek Lewis, Chairman of the Standing Senate Committee on Legal and Constitutional Affairs, presented the following report:

Thursday, June 19, 1986

The Standing Senate Committee on Legal and Constitutional Affairs has the honour to present its

TWENTY-FOURTH REPORT

Your Committee, to which was referred Bill C-62, intituled: "An Act respecting employment equity", has, in obedience to the Order of Reference of Wednesday, May 7, 1986, examined the said Bill and now reports the same without amendment but with the following observations and recommendations.

The Committee is of the view that the legislation does not achieve its declared purpose. The Committee shares the view of the Native people, visible minorities, and women who appeared before us and the people with disabilities who briefed us in writing, that this Bill will not improve their situation, cannot be properly enforced, and is not an employment equity bill.

The Committee wishes to inform the Senate that it took every available step to persuade the Minister to make the Bill an employment equity bill through amendment. The Minister refused substantive amendments and amendments re-titling the Bill as the Employment Equity [Information] Act and clarifying the section defining the purpose. Without such amendments, the effect and substance are not accurately represented by the title and purpose of the Bill.

The Committee calls on the government to bring in legislation or amendments to this legislation in September 1986. Such legislation should provide proper coverage of workers in the federal domain, should be clear in its terms and definitions, should enforce the legislation reasonably and clearly, and should contain the capacity to produce results. Such legislation should replace Bill C-62 and be in place by December 1986.

Respectfully submitted,

P. DEREK LEWIS
Chairman

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I rise on a point of order. There is a word missing from the form of the report that was settled upon by all members of the committee. It is interesting that the word that is missing was underlined—"Information". In any event, since I am sure we are in agreement that that word was there, the simplest way to deal with the matter would be to insert the word.

Hon. C. William Doody (Deputy Leader of the Government): The chairman certainly agrees with you that that should be done.

The Hon. the Speaker *pro tempore:* Honourable senators, is it agreed that the report be amended by inserting the word "Information" in the fourth paragraph so that the sentence now reads:

> The Minister refused substantive amendments and amendments re-titling the Bill as the Employment Equity Information Act and clarifying the section defining the purpose.

Hon. Senators: Agreed.

[*Editor's Note: The report as printed above includes the word* Information, *the insertion of which was agreed to.*]

Hon. Duff Roblin (Leader of the Government): My honourable friend used the expression that the wording had been settled by all members of the committee. That may be the case, but I would not like him to infer from that that it was agreed to by all members of the committee.

Senator Frith: That would not be a correct inference, and any such implication was not intended.

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

On motion of Senator Doody, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

The Senate adjourned until Wednesday, June 25, 1986, at 2 p.m.

THE SENATE

Wednesday, June 25, 1986

The Senate met at 2 p.m., the Honourable Martial Asselin, Speaker *pro tempore*, in the Chair.

Prayers.

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS AND FEDERAL POST-SECONDARY EDUCATION AND HEALTH CONTRIBUTIONS ACT, 1977

BILL TO AMEND—FIRST READING

The Hon. the Speaker *pro tempore* informed the Senate that a message had been received from the House of Commons with Bill C-96, to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(*f*), bill placed on the Orders of the Day for second reading later this day.

MARINE ATLANTIC INC. ACQUISITION AUTHORIZATION BILL

FIRST READING

The Hon. the Speaker *pro tempore* informed the Senate that a message had been received from the House of Commons with Bill C-88, to authorize the acquisition of Marine Atlantic Inc. and to provide for other matters in relation thereto.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(*f*), bill placed on the Orders of the Day for second reading later this day.

ENERGY AND NATURAL RESOURCES

REPORT OF COMMITTEE ENTITLED "OIL MARKETING: 1986" TABLED

Hon. Earl A. Hastings: Honourable senators, I have the honour to table the fifth report of the Standing Senate Committee on Energy and Natural Resources entitled "Oil Marketing: 1986".

On motion of Senator Hastings, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

[*Translation*]

PENSION BENEFITS STANDARDS

REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON SUBJECT MATTER OF BILL C-90 TABLED

Hon. Arthur Tremblay: Honourable senators, I have the honour to table the eleventh report of the Standing Senate Committee on Social Affairs, Science and Technology regarding the subject matter of Bill C-90, intituled "An Act respecting pension plans organized and administered for the benefit of persons employed in connection with certain federal works, undertakings and businesses."

[*English*]

CUSTOMS TARIFF

REPORT OF BANKING, TRADE AND COMMERCE COMMITTEE ON SUBJECT MATTER OF BILL C-111 TABLED AND PRINTED AS APPENDIX

Hon. Ian Sinclair: Honourable senators, I have the honour to table the eighteenth report of the Standing Senate Committee on Banking, Trade and Commerce respecting the subject matter of Bill C-111, intituled "An Act to amend the Customs Tariff and to amend An Act to amend the Customs Tariff".

I ask that the report be printed as an appendix to the *Debates of the Senate* and the *Minutes of the Proceedings of the Senate* of this day and form part of the permanent records of this house.

The Hon. the Speaker *pro tempore:* Is it agreed, honourable senators?

Hon. Senators: Agreed.

(*For text of report, see appendix, p. 2695*)

[*Translation*]

CANADA PENSION PLAN FEDERAL COURT ACT

REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON SUBJECT MATTER OF BILL C-116 TABLED

Hon. Arthur Tremblay: Honourable senators, I have the honour to table the twelfth report of the Standing Senate Committee on Social Affairs, Science and Technology regarding the subject matter of Bill C-116, intituled "An Act to amend the Canada Pension Plan and the Federal Court Act".

[*English*]

BELL CANADA REORGANIZATION

TRANSPORT AND COMMUNICATIONS COMMITTEE AUTHORIZED TO STUDY SUBJECT MATTER OF BILL C-19

Hon. C. William Doody (Deputy Leader of the Government), with leave of the Senate and notwithstanding rule 45(1)(*e*), moved:

That the Standing Senate Committee on Transport and Communications be authorized to examine the subject-matter of Bill C-19, intituled: "An Act respecting the reorganization of Bell Canada", in advance of the said Bill coming before the Senate or any matter relating thereto.

Motion agreed to.

QUESTION PERIOD

[*English*]

WORLD CUP SOCCER

CONGRATULATIONS TO TELEVISION SPONSOR AND NETWORKS

Hon. Peter Bosa: Is it the intention of the Leader of the Government in the Senate to congratulate and thank the Labatt Co. Ltd. for sponsoring the televising of the World Cup Soccer games now being played in Mexico, and to express the same thoughts to the CBC, MTV, Channel 47 of Toronto and TSN for carrying those games, thus making it possible for millions of Canadians to enjoy this world event in the comfort of their homes?

May I add, however, knowing of the many demands made upon the Leader of Government in the Senate, that if it is not possible for him to convey this message to the presidents of the companies I have mentioned, I will be pleased to do so myself and to express the appreciation and gratitude of the multitude of Canadians who, along with their confrères in the rest of the world, have been given the opportunity to watch what has been defined as a "Soccer Spectacular".

Hon. Duff Roblin (Leader of the Government): I am not likely to be asked a nicer question than that for some time. I tell my friend that I might assume the authority to mandate him to convey our wishes in the manner in which he has suggested.

Hon. Senators: Hear, hear!

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Duff Roblin (Leader of the Government): I have three delayed answers, honourable senators.

INDUSTRY

SHIPBUILDING—GOVERNMENT POLICY

Hon. Duff Roblin (Leader of the Government): The first answer is in reply to a question by the Deputy Leader of the Opposition of March 6, 1986, regarding shipbuilding.

Hon. Royce Frith (Deputy Leader of the Opposition): May I hear that, please?

Senator Roblin: It is a long answer. Do you really want to hear it?

Senator Frith: How many pages is it?

Senator Roblin: It is one page.

Senator Frith: I would like to hear it.

Senator Roblin: Very well. This answer is in response to a question raised in the Senate on March 6, 1986.

The Shipbuilding Industry Assistance Program consisted of two components:

—Production Subsidies to shipbuilders in Canada at a rate of 9 per cent of production value a year; and

—Performance Improvement Grants, under which Canadian shipbuilders earned credits equivalent to 3 per cent of annual production which could be used by the industry to fund up to 50 per cent of investment in shipbuilding plant and equipment.

It was the decision of the previous administration to have shipbuilding production subsidies end as of June 30, 1985.

The present government, following the recommendations of the Ministerial Task Force on Program Review, announced in the May 1985 Budget the termination of the second component of the program—the Productivity Improvement Grant—also as of June 30, 1985.

The termination of the Productivity Improvement Grant component was undertaken from the perspective of program rationalization and simplification. It was not intended, nor does it represent a federal government decision to no longer extend investment support to Canadian shipbuilders.

Indeed, Productivity Improvement Grant credits already banked and available to the industry amount to some $100M or, as noted in the May 1985 Budget documentation, an amount sufficient to support productivity improvements for another seven years, at current rates of investment.

In addition, as also noted in the May 1985 Budget documentation, the shipbuilding industry will still have recourse to other grant programs such as the Industrial and Regional Development Program (IRDP).

Senator Frith: Having heard the answer, I can imagine that my question is more learned than I thought it was.

Senator Roblin: The answer is fully equal to the question. So, it is a stand-off.

Senator Frith: And the same to you, sir.

AGRICULTURE

WHEAT EXPORTS TO REPUBLIC OF CHINA

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on March 19 last by the Honourable Senator Austin regarding the wheat exports to the Republic of China.

(*The answer follows:*)

After four good crops in a row, China is now the largest wheat producer in the world. Nevertheless, with their population at about a billion people and the growing demand for bread and wheat products, there remains great market potential.

China had another good 1985 crop and wheat imports from all sources are expected to be about 7.0 million tonnes. Canada's Long Term Agreement with China, which provided for between 3.5 and 4.2 million tonnes of wheat annually through 1984/85 has expired as have a number of Chinese agreements with other suppliers. Contracts have been concluded since that time, and ongoing sales are anticipated.

For the two past years, Canada has been China's largest supplier of wheat. China's total wheat imports have dropped from 13.8 million tonnes in 1980/81 to 7.6 million tonnes in 1984/85. Canada's share, however, has increased from 20 per cent to 35 per cent over that same period.

Since 1982/83, Canada has sold more wheat to China than the U.S. has and we have maintained our position as China's major wheat supplier.

Canada has had six grain agreements with China over the past 24 years, and yet not all sales have taken place under agreements. The records show that sales have been strong even in years when there were not agreements. In fact, our second largest wheat sale to China occurred in 1972/73 in a year when there was no formal sales arrangement between our two countries.

Over the past quarter century, Canada has sold over 60 million tonnes of grain to China. More than a third of that grain was sold without the benefit of long-term agreements.

AVAILABILITY OF FINANCIAL ASSISTANCE TO AGRICULTURAL PRODUCTS PROCESSORS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on February 4 last by the Honourable Senator Argue regarding the availability of financial assistance to agricultural products processors.

(*The answer follows:*)

Historically, provincial government priorities and the circumstances surrounding financial assistance programming for agricultural processing development have displayed differences in the provinces of Saskatchewan and Alberta. Furthermore, many economic, demographic and other factors which influence processing development and location are different in the two provinces. Consequently, the establishment of programs over the years has occurred quite differently.

Since 1975, when the first Canada/Alberta Nutritive Processing Agreement was established, various other federal/provincial and unilateral programs have existed which provided for assistance to processing development agreements. Also during that period the Regional Development Industrial Assistance program, which funded various aspects of processing, was available in all of Saskatchewan but only selected parts of Alberta.

In 1983, the Industrial and Regional Development Program (IRDP) was established by DRIE to succeed the Regional Development Industrial Assistance Program. Initially this program provided financial assistance for agricultural processing throughout the province; recently, because of the tier system the major centres and developed areas of the province have been excluded.

In 1984, the Western Transportation Industrial Development Program (WTIDP) was established. In Saskatchewan this program has been used to assist several agricultural and food processing initiatives.

In the recent past agriculture related requests for assistance under the IRDP and WTIDP have been modest relative to available funding, suggesting that there may not be an urgent need for new programming of this type for agriculture processing. This may change with the development of a more diversified primary agriculture, potential irrigation development, potential changes to freight rates for primary versus processed products and the like.

The Canada/Saskatchewan Agricultural Development Subsidiary Agreement was negotiated ($60 million, 50:50 cost shared) in 1984 under the Economic and Regional Development Agreement (ERDA). During the negotiations several circumstances mitigated against the inclusion of a major program for agricultural processing and marketing although the agreement makes modest provisions to assist market development activities. At the time the provincial government placed a very high priority on irrigation development and soil conservation. Those program components were strongly supported by the government of the day, particularly the regional minister. In terms of future federal-provincial initiatives under the ERDA, the province has continued to place priority on further irrigation development and other initiatives such as rural transportation, potash, et cetera.

However, the province has had several programs, such as the Agricultural Market Development Fund, which have assisted agricultural processing. The recent pork industry initiative has been a unilateral venture via the Saskatchewan Economic Development Corporation.

Finally, in Saskatchewan, a number of federal-provincial initiatives under the ERDA have the capability to provide limited assistance to promote agricultural processing. The Community Water Infrastructure Development agreement ($32M) provides financial assistance for necessary water and sewage. The Subsidiary Agreement on Advanced Technology ($33.2M) can assist related technology development and the Northern Economic Develop-

ment Sub-Agreement has provided assistance to wild rice processing.

CURRENCY ACT

BILL TO AMEND—THIRD READING

Hon. C. William Doody (Deputy Leader of the Government), for Senator Barootes, moved third reading of Bill C-118, to amend the Currency Act.

Motion agreed to and bill read third time and passed.

• (1410)

EMPLOYMENT EQUITY BILL

THIRD READING

Hon. C. William Doody (Deputy Leader of the Government), for Senator Robertson, moved third reading of Bill C-62, respecting employment equity.

Motion agreed to and bill read third time and passed, on division.

MOTION RE MESSAGE TO HOUSE OF COMMONS—DEBATE ADJOURNED

Hon. Richard J. Stanbury: Honourable senators, I move, seconded by Senator Hastings:

> That the message which is to be sent to the House of Commons on Bill C-62, intituled: "An Act respecting employment equity", contain the following observations and recommendation appearing in the report of the Standing Senate Committee on Legal and Constitutional Affairs, as follows:
>
> > The Committee is of the view that the legislation does not achieve its declared purpose. The Committee shares the view of the Native people, visible minorities, and women who appeared before us and the people with disabilities who briefed us in writing, that this Bill will not improve their situation, cannot be properly enforced, and is not an employment equity bill.
> >
> > The Committee wishes to inform the Senate that it took every available step to persuade the Minister to make the Bill an employment equity bill through amendment. The Minister refused substantive amendments and amendments re-titling the Bill as the Employment Equity Information Act and clarifying the section defining the purpose. Without such amendments, the effect and substance are not accurately represented by the title and purpose of the Bill.
> >
> > The Committee calls on the government to bring in legislation or amendments to this legislation in September 1986. Such legislation should provide proper coverage of workers in the federal domain, should be clear in its terms and definitions, should enforce the legislation reasonably and clearly, and should contain the capacity to produce results. Such legislation should replace Bill C-62 and be in place by December 1986.

Some Hon. Senators: Hear, hear!

The Hon. the Speaker *pro tempore:* Is it your pleasure, honourable senators, to adopt the motion?

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I have one question of a technical nature. Obviously, we are not going to try to stop the Senate from sending a message to the House of Commons. It has that right. My concern is about whether this motion is a substantive one or a procedural one. It seems to me that it might be a substantive motion and that, as such, it would require two days' notice. I would also point out that since leave was not requested, we may not be in a position to deal with it at this point.

Hon. Royce Frith (Deputy Leader of the Opposition): He did not ask for leave.

Senator Doody: No, the honourable senator did not ask for leave.

So, honourable senators, I rise on a procedural question rather than a substantive one, and I would ask for some direction in this matter.

Senator Frith: Honourable senators, I take it that the point raised by the Deputy Leader of the Government is whether or not notice is required under the rules.

Senator Doody: Two days' notice.

Senator Frith: The honourable senator referred to the motion as a substantive motion. I do not think that it falls under that heading. However, if it does, it only requires one day's notice as opposed to two days' notice, according to rule 45(1)(*h*), which reads:

> One day's notice shall be given of any of the following motions: . . .
>
> (h) for the making of a substantive motion;

It is hard to find exactly the right "pew" for this motion under the headings that we find in rule 44, which deals with two days' notice for motions, rule 45, which deals with one day's notice, and rule 46, which provides for no notice. It could be argued that it is a substantive motion but, as I say, it does not fall comfortably into that category.

Therefore, honourable senators, it seems to me that the best answer is to turn to the precedents, and there are precedents for such a motion. When the situation involved a bill originating in the House of Commons as distinguished from a bill that originated in the Senate, no notice appears to have been given in accordance with those precedents. Therefore, it seems to me, honourable senators, since we cannot find a comfortable home for this motion under rules 44, 45 or 46, the precedents govern. In fact, in these previous cases rulings were made by the Chair to indicate that it was a proper motion. There is no indication that notice was given, and it was held to be, in all cases, a regular motion, except where it involved a Senate bill as distinct from a House of Commons bill. If someone wishes

to hear specifically about those precedents, I believe that Senator Stanbury has them in hand.

For those reasons, honourable senators, I think the motion is in order without notice.

Hon. Duff Roblin (Leader of the Government): This is a point which I think could stand a little discussion. I have read the precedents that might be referred to, one of which was, I think, some time in 1979—

Senator Frith: As well as some previous ones.

Senator Roblin: Yes—in which a motion of a similar character was moved. According to *Debates of the Senate*, there does not appear to have been any request for leave, nor does there appear to have been any complaint that notice was not given. At any rate, if there was, I have not been able to find it. I wondered why that should be. Perhaps the answer is that notice of the intention was discussed in the committee prior to the committee's reporting and third reading being given so that, to that extent, it was not a new matter in the Senate.

My impression is that the subject matter of the present motion was not reviewed in the committee in the sense that we find contained in the proposed motion of Senator Stanbury, so there may be that difference. Whether the difference is important or not is the question. I myself would not be unhappy if anyone were to ask the Speaker to rule on this matter, because it will probably come up again. However, I would say this, that if it is decided that it is in order, I think it would be incumbent upon the government side to adjourn the debate at least today so that we would have an opportunity to study the motion, which we have not yet seen.

The reason we must give notice in this chamber is so that people will know what we are talking about. It seems to me to be elementary, regardless of what has taken place in the past, that when a motion of this kind is presented, the Senate should have the opportunity to look at it, if there is any disposition to question it. In this case I suppose there might be, and I would be happier if Senator Stanbury were to ask the Speaker to advise him on this point. If the Speaker decides that it is in order, then I for one would think that we on this side ought to adjourn the matter, at least until tomorrow, so that we might have a chance to read what is in this motion and decide how far we can go in supporting it.

Senator Stanbury: Honourable senators, my own feeling is that the custom has already been developed. There have been three occasions in the past, so far as we have been able to find, on which this point was raised, and on none of those occasions was there any question of notice raised—

Senator Frith: Nor was the debate adjourned.

Senator Stanbury: As my friend points out, nor was the debate adjourned.

I appreciate that the Honourable Leader of the Government in the Senate may be correct that there might have been some expression of intention in committee to do something of this kind, but from what I have seen of the proceedings of those committees, there is no evidence that it was raised as an intention of the parties.

[Senator Frith.]

• (1420)

When Senator Langlois moved his motion in 1979, Senator Roblin said:

> —is my honourable colleague going to explain what he is up to here?

In other words, it was certainly a surprise to Senator Roblin at that stage of the game, yet nothing was done about delaying the consideration of the motion, nor was there any suggestion that notice should have been given.

I think we can move to a point of logic here, honourable senators, and that is that even though the motion is supplementary to the motion for third reading, the motion for third reading would not be complete without the addition of this motion, because there is a desire indicated by the moving of this motion that the message to the House of Commons be completed by the addition of the content of this motion.

So, I do not think it requires additional notice. The report of the committee is and has been on the Table for several days now. There is no doubt in anyone's mind about what it contains. As a matter of fact, Senator Roblin said in 1979, in speaking of a similar motion—and I am sure he will not mind if I quote him—that:

> I think it is timely and well taken. I think it should lead to good results.

Senator Langlois indicated at that time that it was a good idea and that it should probably be followed more frequently by the Senate.

I do not think anybody has been taken by surprise. As a matter of fact, I noticed that the idea was mooted in the *Globe and Mail*. So, this is not exactly a surprise. I do not think it calls for either a delay or any notice.

Senator Frith: Honourable senators, can I suggest a compromise? The difficulty I have with Senator Roblin's suggestion to adjourn the debate for another day is that that has the effect of putting the motion under rule 45, which requires one day's notice. However, I think there is something to his point that we should not call for a vote on this motion immediately. If he wants to give it a little more thought, especially in view of the comments that he made in 1979 on the suitability of such a procedure, why not adjourn this motion to later this day?

Senator Doody: In view of the fact that notice has not been given—

Senator Frith: Because it does not need to be given.

Senator Doody: —has the senator prepared copies of the motion so that they can be distributed to all honourable senators? We may be very enthusiastic about the content, or it may be identical to the report of the committee. I do not know that—

Senator Frith: It is.

Senator Doody: If it is, the problem may disappear. It would be better if all honourable senators had copies of the motion so that they could read it and perhaps deal with it later today.

Senator Stanbury: The motion simply moves that the wording of the comments and recommendations in the report be added to the message to the House of Commons. There is nothing complex about it. All honourable senators are quite welcome to have a copy of the motion, but it is that simple.

Senator Doody: I do not disbelieve you; I simply do not have a copy of the motion.

Senator Frith: I thought we had circulated the report last evening.

Senator Stanbury: Yes, we had. Everyone is aware of this.

Senator Roblin: It is not as simple a matter as my honourable friend suggests. The motion is very critical of the government.

Senator Frith: As it was in the previous case.

Senator Roblin: That is right, and that is probably why I was so pleased with it on the previous occasion.

Senator Frith: It was in December 1979!

Senator Roblin: I want to make one thing clear. It is not our intent to stall. This is not a device to prevent this matter from coming to a conclusion. Anyone who thinks what we are doing on this side is designed to delay the matter to such an extent that the Senate could not express its opinion on the point is mistaken. We are quite content that it should come to a resolution before we rise. I think that is an important point.

I suggest that if we proceed with it now, or later this day, we would still want to adjourn it until tomorrow. But we would be prepared to propose no further adjournments after that. After we have had a chance to look at the matter more carefully, we can decide what to do. We can resolve the matter tomorrow.

So, if honourable senators do not want to appeal the matter to the Speaker, I would be happier if that were done, because in reading the record, and in spite of the wise advice I chose to give in 1979, I am not entirely sure that I was right then. I have frequently been in error, and that may have been the case on that occasion. If you do not want to refer to the Speaker—and I think we should—then in view of the nature of the wording, which is pretty tough, I think we on this side should be given the opportunity to consider the matter and we can return to it tomorrow.

Senator Frith: Well, honourable senators, as long as it is clear that we are not changing the previous precedents in any way, and that this is not developing a new precedent.

I agree that the report is very critical of the government, and if the government wants to have another day to digest that—because it has already been on the menu, on the plate, on a previous occasion—and as long as it is not considered a precedent, in effect placing it under rule 45, then I think that we should proceed on the understanding that it should be placed on the Orders of the Day tomorrow. Perhaps we can agree that it be the first order.

Senator Roblin: I do not like to parse my friend's arguments too closely, but he must recognize that although I am told the wording—which I have not seen—is the same as the wording of the committee, we did not know at that time that it would be subject to this kind of treatment. So, that makes it a substantially different case.

With respect to whether—

Senator Frith: Nor did they in the previous cases.

Senator Roblin: Well, in the previous cases we were given notice, at least in one of them, that the committee intended to do it when it was in committee; that is the difference.

Senator Doody: In the Transport Committee, yes.

Senator Frith: I don't know of any evidence of that.

Senator Roblin: In the Transport Committee Senator Smith gave the full story—he was chairman of the committee—as to what happened in the committee. It was clear from that record that the committee was put on notice that they intended to do that at the time. So, there is this difference; this is something that we did not expect.

Senator Frith: I don't think that is so.

Senator Roblin: I have read it carefully and I may be mistaken, but I think I am correct.

However, my point is simply this: The fact that we adjourn it does not create a precedent one way or another, because we always have the right to adjourn propositions in this house regardless of the previous proceedings. So, I think we have the right to adjourn it, and that does not create any precedent. That is merely what we usually do.

Senator Frith: Well, subject to the fact that it is not that we always have the right to adjourn, but we always have the right to ask that it be adjourned and that courtesy is almost always given.

Senator Roblin: Well, I am glad to hear that.

The Hon. the Speaker *pro tempore:* Senator Roblin, are you moving the motion to adjourn?

Senator Roblin: No. Has the motion been presented?

Senator Frith: Yes.

Senator Roblin: If the mover does not wish to speak to it, then one of us on this side will adjourn it.

Senator Frith: No, he has spoken to it.

Senator Roblin: He spoke on it. All right.

On motion of Senator Nurgitz, debate adjourned.

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS AND FEDERAL POST-SECONDARY EDUCATION AND HEALTH CONTRIBUTIONS ACT, 1977

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon. Heath Macquarrie moved the second reading of Bill C-96, to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977.

He said: Honourable senators, I may say that for once in my long and antique career I will be using more substantial notes than it is my custom to use when addressing legislatures. I thought that a finance bill should not provide an occasion for me to take flights of fancy with my unorthodox views on finance, both public and private.

Specifically, honourable senators, this bill amends Part VI of the act, which determines federal financial contributions to provinces under the terms of the established programs financing or EPF arrangements. Under these arrangements the federal government provides financial support to provinces in the important areas of health and post-secondary education. Clauses 17 through 28 prescribe how EPF entitlements are now calculated.

• (1430)

The EPF arrangements were first introduced in 1977-78. A base year, 1976-77, was established and the federal per capita contribution for specified provincial programs was identified for that year. This per capita contribution is adjusted from year to year by an escalator.

The escalator links per capita contributions to change in the nominal gross national product, known to us aficionados as the GNP. The resulting per capita amount is then multiplied by provincial population to arrive at each province's entitlement for that year. Growth in EPF transfers, reflecting both economic and population increases, has been substantial, rising from $6.7 billion in 1977-78 to $15.7 billion last year.

EPF entitlements are calculated by the Department of Finance, and, quite appropriately, this bill stands in the name of the Minister of Finance. Because transfers to provinces represent such a large proportion of federal expenditure, they are necessarily an integral element of the government's fiscal plan to restore stability to federal finances. The purpose of this bill is to moderate the rate of growth in EPF to yield annual savings of $2 billion by 1990-91. The relevant clause is clause 2 of Bill C-96, which sets the escalator, beginning in 1986-87 and for future years, at two percentage points less than the existing escalator.

Clauses 1 and 3 may be described as consequential amendments. Clause 4 introduces a special adjustment payment provision. In the event that the rate of growth in EPF is exceeded by the annual inflation rate, these provisions provide for special equal per capita payments to all provinces. However, the EPF transfer plus special payments would not be greater than the amount which would have been transferred had the old formula remained in effect.

I would like to emphasize, honourable senators, the magnitude of EPF transfers and the substantial growth foreseen for the coming years. On the basis of Bill C-96 it is estimated that EPF transfers will grow by about $1 billion each year, or from about $16.7 billion in 1986-87 to close to $20.7 billion in 1990-91. These transfers will total more than $90 billion over the course of the next five years, or $25 billion more than over the past five-year period. If I may say so, as a poor guy from the impecunious province of Prince Edward Island, these strike me as substantial and massive—albeit much needed—sums.

Provincial health care and post-secondary education will be receiving more federal support than almost any other area. This is in keeping with the high priority the federal government attaches to health care and post-secondary education.

Transfers to the provinces are not the only support the federal government provides for health care and post-secondary education. Because provinces have the primary responsibility for providing these services, the bulk of federal assistance is, naturally, provided through EPF transfers. However, there are also other federal transfers and direct federal contributions in these areas.

In the health area an additional $1.5 billion is provided in the various health service programs carried out by the Department of National Health and Welfare and other departments. On the post-secondary education side there is a further $1.1 billion in funding of provincial bilingualism in education programs, support for university research through the granting councils, the Canada student loan program and other forms of support.

The tax system also provides support in the form of various tax deductions and exemptions for medical and education expenses and for certain goods used in the health and education fields.

In addition to these contributions the federal government provides further assistance to the lower income provinces in the form of equalization payments. This now amounts to over $5 billion annually, which can be used to support important public services like health care and post-secondary education.

Honourable senators, there is another measure of the federal government's commitment to these vital services, and that is through comparison of the rate of growth in EPF with other categories of federal expenditure. It can be demonstrated that the rate of growth of EPF transfers will continue to compare very favourably with other categories of federal expenditure. EPF transfers are expected to increase at an average annual rate of about 5 per cent. I will set forth a few comparisons: First, total federal program spending last year experienced the first absolute decline in over 20 years. Second, over the next five years overall federal program spending is expected to rise at an average annual rate of just over 3 per cent. Third, there is expected to be virtually no growth in federal non-statutory program spending this year and next. Finally, total federal expenditures— including debt charges—are projected to grow at an average annual rate of about 4 per cent for the remainder of the decade.

We all know that the federal deficit represents a serious obstacle to continued economic growth. Reducing this obstacle to growth is of benefit to both levels of government. Provinces now enjoy the benefits of Canada's strong economic performance. Provinces will continue to benefit from lower interest rates, increased employment, rising housing starts and a growing economy, to which statistics attest every day.

As I indicated, the federal government first reduced spending on other federal programs. Surely, it is now reasonable that provinces be asked to participate, however modestly, in the broad national effort to restore stability to federal finances. Even after the passage of this bill, EPF transfers will continue to exceed the growth in total federal program spending.

Honourable senators, this measure has been carefully considered over a prolonged period. The possibility of moderating the rate of gowth in transfers to provinces was first proposed in November 1984. The decision to moderate the rate of growth in EPF was subsequently announced in May 1985. EPF was discussed with finance ministers on at least six separate occasions, and by first ministers in November 1985.

Following the conclusion of these federal-provincial consultations, the bill was drafted and given first reading in the other place in February of this year. A House legislative committee studied the bill extensively and received submissions from a variety of groups representing labour, medical practitioners, consumers, educators, students and other interests. The bill was reported without amendment and received third reading last week.

Last month the Standing Senate Committee on National Finance began a pre-study of the legislation and in the course of its hearings received testimony from the Minister of State (Finance) and expert officials of the Department of Finance. Earlier this same committee had heard from the Secretary of State on the related question of federal support for post-secondary education.

• (1440)

I therefore urge all honourable senators to approve this measure expeditiously. As we all know, the federal financial situation remains serious, and this measure is as important today as it was when it was first proposed. Nothing would be served by delay or indecision.

The EPF transfer has grown substantially in value since 1977 and 1978, and that will continue under the bill before us, Bill C-96.

In summation, I believe we can say fairly and confidently, honourable senators, that the bill is equitable in that all provinces can expect to receive about the same per capita rate of increase in EPF. The bill is fair to less wealthy provinces, which traditionally receive equalization and combine part of this large additional federal contribution with EPF for their health and post-secondary education programs.

Finally, honourable senators, given the serious federal fiscal situation, the bill is reasonable, because it will result in a rate of increase in EPF which exceeds the growth in overall federal program spending.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, by way of a short comment, may I say that politics makes strange bedfellows in terms of people and issues, because when I was sitting on the other side I well remember during the debate on the six-and-five program hearing Senator Macquarrie talk in quite a different tone about the effect that that program had on the very subject with which this bill deals. However, I admire his flexibility and his ability to cross the floor and cross positions on the issues accordingly.

Hon. Duff Roblin (Leader of the Government): Is not my honourable friend now going to display the same degree of flexibility? I expect he will. He was in favour of it before and he is going to be against it now.

Senator Frith: Honourable senators, I have always been perfectly flexible and have taken a position—

Senator Doody: Talking like a good Liberal!

Senator Frith: That's right. I have always tried to do so. Certainly, I would be glad if any honourable senator would call me to order if at any time I become unconscious of the fact that anything I may have supported over there I am usually against over here—and it will be vice versa when we get back over there.

Hon. John B. Stewart: Honourable senators, would Senator Macquarrie permit me to ask a question? In his learned address he said that the EPF payments to the provinces would continue to rise at a fast rate. When the honourable senator refers to the EPF transfers, is he including the money which the federal government says it transfers to the provincial governments by reason of the tax points, or is he simply talking about the cash payments which, under this bill, will be reduced by two percentage points a year?

Senator Macquarrie: Honourable senators, I am sorry that my colleague was not faster off the mark, as he usually is, because in a great burst of generosity I have just said "yes" to the page who asked me for my notes—and honourable senators know very well that I have no intention of defending the brief if I do not have it under my hand, as the saying goes. But I will take a stab and say that the former rather than the latter would be what I had in mind. I am surprised that Senator Frith would be prompted by me to give a little homily about people changing. All I have done in those recent years is change from one side of the Senate to the other, and not at all on the issue. I am a great pro-education man.

Senator Roblin: Any side.

Senator Stewart: I want to make sure that I understand the senator correctly. He is telling the Senate that it is true, in fact, that the rate of increase in the visible part of the federal government's transfer, the cash transfer, to the provincial governments for post-secondary education and health services is, in fact, being reduced.

Senator Macquarrie: I think it would be unfair of my honourable colleague to want to pin me down on the specificity of this after I have surrendered my notes. I will review them to see if I can sort out from what I said what it was that prompted his question.

On motion of Senator Hicks, debate adjourned.

MARINE ATLANTIC INC. ACQUISITION AUTHORIZATION BILL

SECOND READING—DEBATE ADJOURNED

Hon. John M. Macdonald moved the second reading of Bill C-88, to authorize the acquisition of Marine Atlantic Inc. and to provide for other matters in relation thereto.

He said: Honourable senators, a very brief description of the purpose or principle of this bill is that it will change the name from CN Marine to Marine Atlantic Inc., and it will give it official status as a full crown corporation.

That might be sufficient explanation for those who come from the Atlantic region who are familiar with the operation of the ferry and freight services of CN Marine, but I believe that a more detailed explanation is required for those who are not familiar with such operations.

CN Marine was established in 1979 as a wholly owned subsidiary of the Canadian National Railways. Prior to that it was the Canadian National Railways which operated the various ferries on the Atlantic coast for the Government of Canada.

Honourable senators, the Government of Canada has been involved in the operation of ferries for a long time. For example, the ferry service between Borden on Prince Edward Island and Cape Tormentine in New Brunswick became a constitutional obligation of Canada under the terms of the Order in Council of June 28, 1873, by which Prince Edward Island entered Confederation. I believe it is of some historical interest to note that in part that Order in Council stated that the Dominion government "shall assume and defray all of the charges for an efficient steam service for the conveyance of mails and passengers to be established between the Island and the Mainland of the Dominion, winter and summer, thus placing the island in continuous communication with the railway system of the Dominion."

I do not know just when the service began or when the CNR became responsible for it, but, in any event, it was operated by the CNR and CN Marine for many years.

When, in 1949, Newfoundland joined Canada, another constitutional obligation was undertaken by Canada. Sections 31 and 32 of the terms of union of Newfoundland and Canada are not only of historical interest, but of very practical interest. In part, section 31 says:

> At the date of Union, or as soon thereafter as practicable, Canada will take over the following services and will as from the date of Union relieve the Province of Newfoundland of the public costs incurred in respect of each service takeover, namely
>
> (a) The Newfoundland Railway, including steamship and other marine services.

Section 32 says in part:

> (1) Canada will maintain in accordance with the traffic offering a freight and passenger steamship service between North Sydney and Port aux Basques, which, on completion of a motor highway between Corner Brook and Port aux Basques, will include suitable provision for the carriage of motor vehicles.

Subsection (2) reads:

> For the purpose of railway rate regulation the Island of Newfoundland will be included in the Maritime region of Canada and traffic moving between North Sydney and Port aux Basques will be [regarded] as all rail traffic.

• (1450)

Honourable senators, I mention these constitutional obligations assumed by Canada to show that the primary purpose of these ferry services is to provide a service. Consequently, the obligation to provide that service must be honoured regardless of cost. It is nowhere stated that the service must pay for itself in whole or in part. Indeed, the subsidies required to maintain the ferry service between Borden and Tormentine and Port aux Basques and North Sydney is a small price to be paid for having these regions become part of Canada—

Some Hon. Senators: Hear, hear!

Senator Macdonald: —and in my opinion, honourable senators, it is a very small price to pay for such valuable additions to Canada.

Over the years the ferry services have become very large industries. I am familiar with the service between North Sydney and Port aux Basques. At one time there were over 800 stevedores employed at the North Sydney terminal. That number gradually diminished with mechanization, container traffic, roll-on roll-off traffic and the lessening of railway freight traffic. The whole traffic pattern has changed and now, as the new ship, the "Caribou", becomes fully operational, I understand the stevedore force will be 150 men with an extra 30 on call. Of course, there is in addition the office staff, the reservations staff, the mechanical staff and the like.

Yes, honourable senators, it has become a large industry. CN Marine operates various services, and perhaps it would be of interest if I mentioned them briefly. They have what are called the Gulf Services. They run between North Sydney, Nova Scotia, and Port aux Basques, Newfoundland, and also between North Sydney and Argentia, Newfoundland, which is a summer service from mid-June to mid-September. Then there is the Newfoundland and Labrador coastal service which is broken into the Northern service and the South Coast service. The Northern service serves 52 points during the ice-free period along the northeast coast of Labrador. The South Coast service serves 17 points the year round between Port aux Basques and Terrenceville. There is the Prince Edward Island service. The year round service runs between Cape Tormentine, New Brunswick, and Borden, Prince Edward Island. There is a ferry service in the Bay of Fundy area which runs between Digby, Nova Scotia, and St. John, New Brunswick. There is the Yarmouth, Nova Scotia-Bar Harbor Maine service and the Grand Manan service which runs between Block Harbour, New Brunswick, and Grand Manan Island.

I expect it was on account of the growth of the service that it was decided to set up CN Marine in 1979 as a wholly owned

subsidiary of CNR. And now it is felt that CN Marine should become a separate crown corporation under the name of Marine Atlantic Inc. The change in name is only to identify the company with the region and to disassociate it from the CNR. It is anticipated that as a crown corporation the same service can be provided at a lower cost, as apparently CN Marine had to make various payments to the CNR. Of course, I am always a little doubtful about anticipated savings, as somehow they frequently fail to materialize for one reason or another. We must remember this, that while, for example, the stevedore force has diminished, these new ferries cost a tremendous amount of money. The "Caribou" cost $120 million, and the tender for a sister ship has already been awarded at, I believe, a cost of $130 million. However, I can see that from an administrative point of view and from a practical point of view, it would be advantageous to have the ferry services operated as a separate crown corporation. For example, it can deal directly with the Minister of Transport without going through the intervention of the Canadian National Railway.

Honourable senators, the bill provides, as I said, for making CN Marine a crown corporation under a new name, and most of the clauses of the bill deal with the technical details of doing so. If honourable senators want more detail on the matter, they could send the bill to committee, but if they are satisfied with the study on the matter which has been given by the House of Commons, then I recommend it for favourable consideration.

Hon. Roméo LeBlanc: Honourable senators, I had not intended to speak, but I listened with great interest to what Senator Macdonald had to say. One of the reasons I want to say a word is that the ferry linkage with Prince Edward Island originated in my former riding of Westmorland-Kent at Cape Tormentine, so I have a sentimental attachment to this service. As a young child, the greatest adventure I could have was a trip, once a year if I behaved well, on the ferry from Cape Tormentine to Borden. We would simply disembark in Borden and then come back on the return trip. For me as a boy growing up in New Brunswick, this was quite an adventure, particularly because the pie on board ship was so good. In those days they had a good cook.

On a more serious note, I worry about two things in this matter. First, if the disengagement of responsibility from the CNR is to be interpreted in any way as down-grading or down-playing the role and responsibility of CNR in the Atlantic region, I think it should be resisted. I am worried about the events of the past ten days with regard to the divesting of CN shops to Canadian General Electric, which can only mean considerable uncertainty for the work force in that region. I happen to know that a few years ago CN Marine, with very little consultation—certainly none with the members of Parliament for the region—decided to move its headquarters from Moncton to another city. The reason given was that since it was a marine operation, it should be on the waterfront. When the regional ministers offered the company three alternative choices, it was found that they actually did not want to be on the waterfront all that much.

I would like to find in the bill or in the regulations that will come before us, or that should come before us, something saying that the authority to move the headquarters of this new crown corporation will not be left only to the board of directors, but will be ensured by the political masters who are creating this crown corporation. Too many times we have taken the position in this country that somehow crown corporations, which are intended to serve the public good—otherwise why have them?—should in some way have this mysterious arm's-length relationship with political authorities. My experience has been that the arm's-length relationship quickly becomes an out-of-reach relationship and that these crown corporations develop a satellite life of their own without any real political direction, especially when they provide services such as those which Senator Macdonald spoke about.

I was quite happy to hear the honourable senator change somewhat the position in the theology of the new government that has been preached, that these are services that should not necessarily be paid for on a full recovery basis, because they are services guaranteed by the Constitution, and that where other Canadians enjoy the advantages of highway linkages, those who for better or for worse or who are lucky enough—depending on one's point of view—to be living on an island should be guaranteed full linkage with the other provinces. I think the philosophy that the user must carry whatever the cost happens to be is one which would render disservice to the Atlantic provinces, and particularly to those Canadians who live in Newfoundland and Prince Edward Island where there is a constitutional responsibility in Confederation terms.

• (1500)

Therefore, honourable senators, I wish that we had an indication that the authority over this new crown corporation which is replacing CN Marine was to be clearly in the hands of the minister and not in the hands of the management, which tends to become more and more estranged from those whom it should serve.

On motion of Senator Rowe, debate adjourned.

YOUNG OFFENDERS ACT
CRIMINAL CODE
PENITENTIARY ACT
PRISONS AND REFORMATORIES ACT

BILL TO AMEND—SECOND READING

On the Order:

> Resuming the debate on the motion of the Honourable Senator Robertson, seconded by the Honourable Senator Simard, for the second reading of the Bill C-106, intituled: "An Act to amend the Young Offenders Act, the Criminal Code, the Penitentiary Act and the Prisons and Reformatories Act".—(*Honourable Senator Lewis*).

Hon. P. Derek Lewis: Honourable senators, I am very pleased to have the opportunity to make a few brief observations on this matter, which has been so very well dealt with by the Honourable Senator Robertson.

Senator Robertson has described the change in principles which were effected in the Canadian juvenile justice system by

the repeal of the Juvenile Delinquents Act of 1908 and the enactment of the Young Offenders Act in 1982. Such change was effected after much consultation with the provinces and all groups interested in such matters.

Although the act was passed by Parliament in 1982, it was not proclaimed until early 1984, mainly because a few provinces had failed to enact complementary provincial legislation.

Following its enactment and implementation, it was found in practice that there were some problems which needed to be corrected, if full effect was to be given to the principles upon which the act was based.

It is gratifying that the government has finally thought fit to bring forward this bill to, in some way, solve some of these problems. I cannot agree, however, that the sense of urgency was, in fact, as apparent as Senator Robertson implies since, although many interested parties were pressing for changes, this bill was only given first reading in the other place on April 30 past, and second reading was not brought on until May 27. There was some complaint that not enough time was being allowed for due consideration. It is a wonder that it received third reading on June 17.

In any event, the bill is before us now and since it is an attempt to, and will, in fact, overcome some of the problems that have become evident from experience over the last two years in the implementation of the Young Offenders Act, in my opinion it needs to be given quick passage. In this respect it is to be noted that the bill provides in clause 53 that it is to come into force on a day to be proclaimed. It is to be hoped that after enactment, it will be proclaimed without delay.

It must be remembered that although there is provision for some substantial changes in the act which Senator Robertson has so clearly described, the bill does not change the basic principles upon which the act is based. Be that as it may, there were some doubts expressed about some aspects of the bill as originally tabled in the other place. It is to be noted, however, that by the time it received third reading, most of those doubts had been resolved and some amendments were made to the bill.

I do not intend to elaborate on the very clear explanation of the bill which Senator Robertson has given us, but I feel I should mention a few matters which may give rise to concern in some quarters.

Under the Young Offenders Act there was an absolute prohibition against the publication by any means of a report of proceedings which identifies, or which contains information that serves to identify, an alleged offender, a witness or a victim of an alleged offence by a young person.

The bill provides three exceptions to this prohibition. They are: A disclosure in the course of the administration of justice that is not intended to make the information known to the public; publication permitted by a court order after application, for the purpose of assisting in the apprehension of a dangerous youth; and, publication permitted by court order on the application of the young person in issue whether the offender, witness or victim.

[Senator Lewis.]

It has been suggested that this absolute prohibition should be subject more to the discretion of the court. This safeguard seems, however, to be the case where such publication is subject to court order after application. On the other hand, such publication, after application to the court, of the identity of a party to proceedings might adversely affect, or have the effect of identifying, some other party—either the offender, witness or the victim of the offence, no one of whom had been party to the court application. This will remain to be seen. If it does have this effect, further amendment may be necessary.

The provisions of the bill which do away with the requirement of the act that evidence of children under 12 years of age must be corroborated may be viewed as an erosion of safeguards against acceptance of evidence from vindictive or disturbed children.

However, there is still a safeguard, as this will bring into play the provisions of the Canada Evidence Act dealing with the evidence of children under 14 years of age and leave it to the court to decide upon the credence or weight to be given to children's uncorroborated evidence.

Surely we can rely on the courts in this respect. It must also be realized that this provision may permit more proceedings to be taken successfully than is now possible in cases of offences committed by young persons against other young people.

Honourable senators, this is an important bill which needs enactment and, as you are aware, it has already been given pre-study by our Standing Senate Committee on Legal and Constitutional Affairs. That committee, in its twenty-third report tabled in this house on Thursday last, recommended the bill. In view of that report, I suggest that the bill be approved without the necessity of its being again referred to committee.

Hon. C. William Doody (Deputy Leader of the Government): On behalf of Senator Robertson, who is not present today to conclude the debate on second reading, I commend this bill to all honourable senators.

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 Doody, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

YOUTH

REPORT OF SPECIAL SENATE COMMITTEE ADOPTED

On the Order:

> Resuming the debate on the motion of the Honourable Senator Fairbairn, seconded by the Honourable Senator Frith, for the adoption of the Report of the Special Committee of the Senate on Youth, entitled: "Youth: A Plan of Action", tabled in the Senate on 19th February, 1986.—(*Honourable Senator Marshall*).

Hon. Duff Roblin (Leader of the Government): Honourable senators, since Senator Marshall will not speak today and perhaps may not speak at all on this report, and since I may be

the last speaker on the government side to speak to it, I thought it advisable to make some rather extended remarks on this important topic.

The proposition that the Senate should adopt this report as it is places the careful reader in a rather uneasy quandary.

Senator Frith: I am sorry, could you repeat what you have said? "places the—?"

Senator Roblin: I did not know you were following me so closely.

Senator Frith: I always do.

Senator Roblin: I am flattered.

Senator Frith: I always do. I want to hear everything you say.

Senator Roblin: Would you like me to start from the beginning?

Senator Frith: You said "places the—something—in an awkward position"?

Senator Roblin: ". . . places the careful reader"—in which class I include myself.

Senator Frith: I thought you might have said "careful leader".

Senator Roblin: No, no.

Senator Frith: That description might also include you.

Senator Roblin: That is a matter of opinion. In any event, to put it in colloquial language, I am having trouble with this report. Like the second reading of some of the bills that we get, we must decide whether we can give approval to a principle while we may have rather serious reservations about some, if not many, of the specifics that may be included in the bill.

• (1510)

That is my position on this report. But I take the report seriously for what I think are two very good reasons: First of all, the report has given the problems facing young Canadians high profile and wider public notice than I suspect would otherwise have been the case, and that certainly serves the interests of the Canadian society; second, it has provided an important medium, a platform, if you like, from which young Canadians can tell it as it is in accordance with their views. They can express their feelings, and I underline the word "feelings", because a sense of emotion comes through strongly from a reading of the testimony that was presented to the committee. It gives young Canadians a platform from which to express their feelings about how society ought to recognize their situation, how society might mobilize itself and how it might direct its efforts so that we could more effectively and in a more effective way give young Canadians who need it a better start in life. Those are the two reasons for my regarding the report as being an important document.

But leaving aside those redeeming factors, there are some particulars of the report which I must frankly say leave me questioning and unsatisfied. It casts a very wide net; it covers so wide a spectrum that I think one might say the focus is inclined to be blurred, and its recommendations often dissolve into generalities and platitudes rather than specific points to be taken into account. That is not to say that all 26 recommendations can be characterized in that manner, but there are a sufficient number to give me cause to note that.

Some of the specific recommendations seem to be blind or oblivious to the fact that there are programs already in place, and to such an extent that the practical problems of government are excluded from the report's considerations; the counsel of perfection sometimes obscures the art of the possible.

I think the report could have been much more helpful and much bolder if it were a little more hard-headed; if it had some notion of the priorities that it wanted to espouse, because in a sweeping review of an enormous problem of this nature the question of priorities has to be resolved by somebody, and who better than the members of the committee?

If the committee had accepted some need to assess the implications of what it was calling for, the costs that are inevitably involved—which perhaps could be realistically compared to the limited resources which are available in the state and in society—the committee might have been able to recommend how the money could be spent in the best possible way.

Looking at the report from another angle, we are asked to consider, amongst other things, issues of lifestyle, problems of morality and codes of conduct, which are basically personal in nature. Politicians can rightly rail against these defects in our social organizations, as they should, but it is the philosophers and the preachers who are more likely to lead the way to solutions. We see the dilemma which faces us in this domain when we consider the pornography debate, for example, and come to the conclusion that laws are hard to frame, if they are to work in reforming the lifestyles of people. That certainly is a very important aspect of the concerns that this committee has.

But even in the area of human conduct, I submit to you that governments and laws can help to establish better terms and conditions for life and for the future, and some of the recommendations of this committee bear on that aspect of the matter, although it is true to say that some do not. But, surely, the recommendations would have had more force if they were related to what governments are already doing, if they were related to the world as it is, if they took note of the measures that are at hand now to deal with the very aspects the committee found so painful. We do not live in a vacuum, and governments—not only this one, but all governments— have been trying to do things for youth, and this government is trying to do something right now.

How are these programs working? How could they be made better? What are the terms of a more effective activity? These surely are questions which arise when one considers the problem at hand, but the committee seems to have paid little

attention to such questions. The committee has no dividing line between private actions, municipal government responsibilities, the constitutional jurisdiction of provinces and what the federal government is doing. The areas of action are certainly poorly delineated and are often muddled and lumped together. You may not like it, but our society does have distinct and separate levels of activity, particularly in the field of government. I do not think the committee can profitably ignore the Constitution.

I do not say that as being in any way a harsh rebuke, but merely to say how much more valuable it would have been if we had sorted out some of the areas that belong to specific jurisdictions and pinned the responsibilities a little closer when analyzing what governments were doing—whether they be municipal, provincial or federal—to have a grasp of what is going on and a better feeling for what really needs to be done, if we are to make this world a better one than it is now.

I would have liked the committee—and this is my own personal view, of course—to have better identified whom they wanted to do what. Over and over again the report seems to be ignorant—or if it is aware, it ignored them—of actions and policies that are under way by governments even in the very areas in which they find the greatest need for action and in which the recommendations are pointed. As far as I can tell from reading the report, the committee made little effort to find out what is being done. The committee did not seem to be interested.

Now, that is a point of view which is sustainable. The committee members may have decided that their task was to see the great problem and elucidate the great areas in which work needed to be done and to give us some fairly sweeping recommendations as to what to do without reference to what is going on in the world. That is a legitimate point of view. However, it would have been more profitable if it had taken a more focused and direct view of what is being done, what is wrong with it and how it could have been made better.

The committee members, for example, had under their noses the significant reduction in the number of unemployed youth. The committee members were working with figures which were certainly not up to date; maybe that is fair, I do not know. Certainly, no matter what figure one uses for youth unemployment, it is too high. It is distressingly high, but it is not the 700,000 that the report speaks of. There has been a substantial improvement in recent years. I say "years", because there has been a substantial improvement in the situation of youth unemployment over the past two years. There are now tens of thousands more young people working than there were two years ago. There has been a substantial reduction in youth unemployment.

I would have thought the committee might have said to themselves: Why? What has happened? Is it merely because of better economic times? Has the government produced better economic policies which have helped to reduce the pressures on youth? Do the government's policies for youth in particular have any relation to what has been going on? How should we look at and judge these activities that are to be found in our midst? The committee did not seem to feel that that was part of its mandate.

There has been an important switch in dealing with the unemployment problems of young people in the policy measures put forward by the current administration. I submit—and there may be a debate about this—that there has been a swing from the short-term, make-work policies—which have been a prominent part of our youth-help projects in the past—towards a policy which is more focused on creating permanent jobs which, I suggest, the private sector is best positioned to provide. But it disturbs me that this report has been written without any consideration for the policy changes which are going on at the present time. What about the new programs for youth? What about the Canadian job strategy? There have been 15,600 young people employed in the past year or so in the Job Entry Program; in job development the figure is 40,000; and another several thousand in skill shortages, community work and skill improvements—76,000 altogether in this selection of programs, which is by no means the whole menu of programs that the government has on its palette, with expenditures of some $235 million. What about the 225 Youth Action Councils which have been established across Canada? That fits right in with one of the recommendations of the committee, as I see it.

● (1520)

I think we would have appreciated it if the committee had given thoughtful consideration to these important new directions in government policy. I want especially in this connection to make a comment about native youth. If there is an area in our nation which I think is particularly grave—and there are several—the condition of native youth in our country has to stand out as being one of the most difficult, yet one of the most demanding of the problems which we face in the polity and the public organization of our country.

There are 65 per cent of natives in Canada under the age of 25, and conditions on the reserves and conditions of employment are, indeed, tragic. Yet, the committee does not seem to have asked anybody in the federal government what they were doing about it. One gets the impression that it is not very much, but I think if we had had an examination of the policies of the Department of Indian Affairs and Northern Development, which as far as I can tell was not asked to appear before this committee and was not questioned at all, we would have found that a good many things were being done.

We would have found, for example—and this relates to one of the recommendations of the committee that the Indian people should take charge of their own programs—that in the program expenditures in the Department of Indian Affairs and Northern Development right now, 57 per cent are managed by the Indian people themselves directly; and this is growing rapidly. The Department of National Health and Welfare has been hell bent on transferring control of health services to the bands on the reserves; 21 per cent of the native youth nowadays are attending band operated schools, not government operated schools. The figure is rising, and so it should. There is

a whole group of other programs. I have a list at hand here, but I will not go through the whole list with you.

In the field of preserving Indian culture, in the field of Indian language promotion, in the field of Indian self-government, we are not standing still. There are extensive and, I think, effective programs; perhaps not enough, but a start has been made on all those things. How valuable it would have been if the committee had heard testimony on those to see which one of them works and which ones do not. If there is anything we have learned in dealing with native people, it is that it is not very easy for those who are not natives to devise programs that work; it is the native people who can best do that. The theory that this responsibility should be given to them is one which the government wholeheartedly supports, but in the meanwhile those programs which we are implementing with them could well have stood a little examination, and we could have made up our minds whether we like them or not.

It would have served the purposes of the committee if they had called the Department of Indian Affairs and the Secretary of State, who is also concerned with this problem, to explain what initiatives they had in hand, and receive the benefits of the committee's view on that.

There is one particular recommendation respecting native people which I think the Senate should take note of, and that is the proposal that there should be a standing Senate committee on native issues. That is an attractive idea in many ways.

They add to that something which is novel, as far as my knowledge of the Senate goes. It calls for First Nation members being *ex officio* members of the proposed standing Senate committee on native affairs.

This concept of people who are at risk, let us say, who are concerned with the issue, being *ex officio* members of the committee is an interesting idea, and I do not dismiss it out of hand. But it raises a larger question. It raises the question as to whether or not persons who are members of interest groups should become part of the Senate committee dealing with that interest, because if it is good for one, other people will think it will be good for them. You might find that—well, to go from the sublime to the ridiculous—the bankers might want to be on the Standing Senate Committee on Banking, Trade and Commerce—and I do not think that anyone would feel very happy about that. There are other committees that deal with womens' affairs and, surely, if *ex officio* native people are a good idea on one committee dealing with native affairs, one could hardly resist the claims of others, whoever they might be, for similar treatment. This concept raises a larger issue, one which I think has not been fully considered in the Senate, and if we were to adopt it, it surely would be the subject of a special debate. It would seem to me that there are complications here which are not fully realized in the report that the committee has put before us. What sort of a precedent would it create? What are the practical problems and the problems of principle that are involved?

I think a recommendation of this broad character and with its wide implications can hardly be accepted by the Senate on the basis of the argument, or the lack of it, that is set forth in the committee's report. It may be a good idea, but I do not think that the committee really makes its point.

I debated some time as to whether I would make any remarks about Katimavik, because I know that this is a highly emotional issue, and it has certainly been espoused with a legitimate passion by Senator Hébert. I wish to be clear in my assertion that he approaches this problem with a depth of sincerity which is unchallengeable. But that does not mean that one could not talk about it, and it seems to me that there are a couple of things that I might say about Katimavik which I do not find reflected in the report of the committee.

Of course, we all recognize that this is one of several roughly similar projects all of which are now defunct. We know that other programs—and I have three of them in front of me here, one is called Opportunities for Youth, the other LIP, the other the Company of Young Canadians, which were founded by Liberal ministers and axed by Liberal ministers—have, perhaps, a family resemblance to Katimavik, though they are far from identical.

I think that the fate that Katimavik received and that the committee noted means that it can be the subject of a serious review. We have to ask ourselves whether the philosophical and the practical merits of that program outweighed its significant defects, was it cost effective in times of budget stringency and, indeed, would we borrow to keep it going?

But these points were not developed by the committee. They heard from people who were active in Katimavik. They liked it; they liked it fine. So did the committee; so it put in a pretty strong plug. It seems to me that it would have been possible to have developed a little more objective consideration, especially as the program was due to be cancelled next year anyway, so if you wanted it continued, this was an ideal chance to establish, in an ironclad way, its bona fides. That was not done to my satisfaction.

There was plenty of material available. The Katimavik people did self-analyses; they did two of them that I know of, one in 1980 and one in 1981. I hope I am fairly summarizing that by saying it got a low passing mark in 1981. Then, it conducted another study in 1984, in year eight of the program, which was not entirely encouraging. According to this self-analysis by the young men and women who took part in it, 36 per cent were dissatisfied with the work projects; 39 per cent of the sponsors said that the project would have gone ahead anyway without Katimavik; 42 per cent said there was insufficient work for them to do; 63 per cent said that there was no increase in other Canadian cultural or international projects; and there were a lot more comments.

• (1530)

Honourable senators, I have said nothing about the headline grabbing allegations that were made about the conduct of these young people in their personal affairs, simply because I think that is irrelevant. I have no intention of bringing that in

as part of the argument. It seems to me, however, that if we had had a good look at the in-house self-analysis, if we had had a good look at the outside studies that were made—and there were three of them, which had mixed results—we might have decided what we really thought about Katimavik. We might have decided that it was a good thing which ought to have some changes made to it, or we might have decided that it was not good enough to continue. But I do not think that it got the in-depth examination that it should have got.

What really brought the matter to my attention was the reaction of the leader of the Manitoba Métis federation, who wrote a letter to the paper about Indians and Katimavik. The headline is: "The Children of Despair". He makes the point that whatever else it did, Katimavik did not help them and perhaps it was never intended to. He refers to it in rather extravagant language!

> Katimavik, an Inuit name, is a nodding recognition of this grim fact, but it remains an empty and superficial gesture.

I do not go that far, but this man, who represents people in need—the segment of our society in greatest need, I suggest—was not encouraged.

> It is not a question of lack of compassion for the senator

—talking about Senator Hébert—

> it is a question of responsibilities and priorities.

He went on to say some other things that made me feel that Katimavik really needed to be recast in terms of its form, its effectiveness and its openness, if it was going to do anything for what I regard to be the most deserving section of our population, that is, the 65 per cent of the Indian people of Canada who are under 25 years of age.

Honourable senators, there was an opportunity missed here. It is easy for me to sit back at this stage of the game, after the committee has laboured long and hard, travelled a lot, heard from many people, and offer this kind of comment with respect to it. I know that that is the case. And I know that it is terribly easy to be clever after the fact. I want senators to discount that; I do not intend it in that way. What I mean to say is that there were some opportunities which we failed to grasp, and I say "we" because I refer to the Senate.

As for the report, it contains 26 recommendations which cover an extremely mixed bag of problems. Some of them ignore what governments are already doing, while others are certainly valuable contributions to difficult problems, and I am glad of that. I say that all of those recommendations, whether they are good, bad or indifferent, should be carefully considered by the government. The government should earmark those which touch upon federal responsibilities, and it should identify those which overlap with programs which are under way. But we should be ready and willing to approach constructively the useful initiatives we find in this report. We should evaluate them to see what best could be done about them.

The report, in a sense, is a disappointment, because not all of its recommendations are acceptable—some of them, in my view, are not even sensible—so it does not have my unqualified approval, nor is the government likely to accept it holus-bolus. But I do not want it to be rejected. I want to support it, because I am going to take the opportunity, insofar as I can, to ferret out those golden nuggets—and there are a number in this report—that become the basis for improvement on this question of dealing with the young people of our country. This report has performed a service, because it has given to the problems of youth a higher profile, and that has to be good. It is good, because it has given youth the chance to speak, the chance to occupy a platform which is national in its scope and compass. I say that whatever the defects we may see—and all of us will have our own opinions on this—we must do our best to see that some good comes of all of the labour and dedication that has gone into this report on the youth of Canada.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I, too, intend to vote in support of this motion. However, I want to record one reservation in doing so. On page 105 of the report there is a recommendation that reads as follows:

> Our Committee recommends that a Standing Senate Committee on Native Issues be established with ex-officio members from the First Nations. As a first item of business, this Committee should clarify the situation of young Native people and define the opportunities which now exist and can be created for young Canadians in both the First Nations and non-Native communities to further a peaceful process of change.

While I am not against the spirit and principle of that recommendation, I do not want to be confronted at a later date with the assertion that by voting for the adoption of this report, I have agreed to the establishment of such a standing Senate committee. While I think that may be a desirable thing, I would like to consider the timing involved. Further, I would not want it understood that I agree with the principle of non-senators serving as ex-officio members of a Senate committee. I am just not sure about that. Apart from that and in the same spirit as Senator Roblin, I mean to vote in favour of the adoption of the report.

Hon. Philippe Deane Gigantès: Honourable senators, Senator Roblin's comments do him honour. He had to speak partially against the report and partially in favour of it. He had to express some reservations, yet not kill it. He was his usual decent and gentlemanly self. He does feel compassion for those people whose plight is described in this report, and that compassion was obvious. He is a good man and we all like and respect him. However, while he did have to make some points—and, in his shoes, I would have made them too—they somehow do a certain injustice to the members of the Special Senate Committee on Youth, some of them very distinguished representatives of his own party.

Honourable senators, we did talk to the administration. We did hear from the minister. We kept up a constant dialogue with the people in the Department of Employment and Immigration and in the Ministry of Youth. Wherever we went officials from those departments followed us and informed their departments of what we had heard in our consultations

and of the information we were given. We exchanged information with these people.

In my view Senator Roblin was stretching the facts to the breaking point—and I am sure that he did not want to stretch the facts, that it was due to the briefing he received—to say that we did not consider the government's programs. We did consider them, but we did not take shots at them. It was very difficult to say good things about some of those programs, and therefore we preferred not to say anything at all about them. If he wanted to hear the views of some of the people who have to examine and apply these programs, he could have attended a conference of the deans of continuing education, who deal with training and placing youngsters in school. The minister spoke to them. Afterwards there was a session at which what she said was analyzed by the participants. It really was not very favourable.

Certain programs on CBC and various other surveys have asked those young people about all of the famous jobs that industry is supposed to be creating for them. What often turns out to be the case is that these young people push a broom, fetch coffee or have a certain part of their anatomy pinched by the denizens of certain enterprises where they work. The findings are that they have learned less than in community projects that were financed earlier. That is the evidence that is now coming out. I understand that Senator Roblin has to defend the record of his government, and he does that with decency and restraint. He did say, and I have to say the opposite, that we did not look at those programs. Yes, we did, but we did not want to have a report rife with partisanship. So, we decently kept quiet.

• (1540)

He did say at the end—and this is a very significant contribution that he made to the debate—that he wants the government to look at the report and decide what it can and what it cannot accept, what goes along with what it is now doing and what does not. That is exactly what the members of the committee want the government to do. That is exactly why we want this report adopted by the Senate.

We say very clearly in the report that what we are putting forward is a gamut of recommendations, knowing full well that all of them are not applicable everywhere and that various levels of government and various communities will find some of the recommendations more useful than others.

We are very conscious of the fact that it is very difficult to sit centrally, whether one speaks of a government or a Senate committee, and say, "These are your priorities," to a village in Nova Scotia or in the north of Saskatchewan, "this is what you should put your resources to." It is not sound management to do that. The locality knows what is the best use of the resources. And the strong point in the report is that the localities should take the initiative and that there should be general co-ordination—but it should be from the bottom up and it should work locally.

That is all that we have asked. We have not tried to impose a policy on the nation's communities, because such policies in other countries, when they have been centrally devised, have not worked. Even those countries that believe most in such programs and apply them the most, such as Sweden, are totally decentralized. It is the local municipalities and school boards and the representatives of labour and management locally that make those decisions. They choose the priorities, and the programs have to differ according to the circumstances. Only then can they work.

That is the spirit that permeates this report. Therefore, I see encouragement in the fact that the Leader of the Government toward the end of his speech, having done his duty as Leader of the Government, in effect understood and accepted the spirit, and on behalf of my fellow members of the committee I thank him for his expressed support.

Hon. Willie Adams: Honourable senators, I would like to say a few words on this subject, which concerns young people in the north. In committee I said a prayer a couple of times for some of those who were affected by the Katimavik program. The purpose of the Katimavik program was to create jobs for young people. The Leader of the Government said that some of the larger organizations were more controlled within the community. There may be control over young people in some of the Indian reserves. Our communities in the north are no different from any other place in the south. We work through some of the municipalities, just as they do in the south. Sometimes we are concerned about the young people leaving school and who wish to work during the summer. Our way of life is somewhat different from that of the south. Many times young people who leave school have nothing to do in the community and they get into trouble. They simply do not have jobs. In the communities in the south many young adults, after they leave school or who want summer jobs, drive to another city. But in the northern communities young people cannot do that. Some of them cannot afford to get out of the community; they simply cannot afford to travel to other places. There is also the matter of the quality of schooling in the northern territories. I've seen young people coming out of school and getting jobs outside of the territory. Many times they are unable to get jobs in the south. The Katimavik program helped many of the young people who, if they were unable to get permanent jobs, were at least able to get jobs during the summer break.

Many times there is a difference in our cultures. Often families do not encourage their children in their schooling, because they feel that they should learn how to live off the land in order to survive in the future and to maintain their culture. These days, in order to learn anything, one needs to have money. In the past our parents would instruct us in growing up, but now it is necessary to have a teacher to teach us how to grow up. When I first came to Ottawa, some of the communities received government funds, but since the new government took over communities have not been able to get that funding or they cannot get any increase in funding. I support any grants given by the Secretary of State, because I know they will be used for people in the community. During the past few years, summer jobs have been created in some

communities but not in others. Since the new government took office, some of the funding has been cut off. Some communities need funds in order to create jobs for people. However, I believe that the committee did a good job. Young people are concerned about the future. There is concern for the people in the community.

I think that Senator Hébert's efforts in the hunger strike were well received across Canada. At the time of his hunger strike I received some inquiries from CBC in the north. I would tell them that this was the only way he could let the public know about the government's lack of concern for young people. I told them that it was his hope that the government would come up with something else. I hope that the government will continue the Katimavik program. I think that the name "Katimavik" is a good one.

• (1550)

Many people think that this organization does nothing. It has done very well over the years. Like any other organization that is started, it takes some time for people to become aware of it. In conclusion I want to say that I support all those who spoke in this debate.

Hon. Joyce Fairbairn: Honourable senators, I have nothing further to add to the remarks I made earlier this session, and would simply ask again that the report be adopted.

Motion agreed to and report adopted.

The Senate adjourned until tomorrow at 2 p.m.

APPENDIX

(*See p. 2678*)

STANDING SENATE COMMITTEE ON BANKING, TRADE AND COMMERCE

REPORT ON SUBJECT MATTER OF BILL C-111
"AN ACT TO AMEND THE CUSTOMS TARIFF AND TO
AMEND AN ACT TO AMEND THE CUSTOMS TARIFF"

WEDNESDAY, June 25, 1986

The Standing Senate Committee on Banking, Trade and Commerce has the honour to present its

EIGHTEENTH REPORT

Your Committee, to which was referred the subject-matter of the Bill C-111, intituled: "An Act to amend the Customs Tariff and to amend An Act to amend the Customs Tariff", in advance of the said Bill coming before the Senate or any matter relating thereto, has, in obedience to the Order of Reference of Tuesday, June 3, 1986, examined the subject-matter of the said Bill and now reports as follows:

In accordance with the Order of Reference, your Committee heard from officials from the Departments of Finance and National Revenue (Customs and Excise) on June 4, 1986, and from the Canadian Advanced Technology Association and the Canadian Business Equipment Manufacturers Association on June 18, 1986.

Among the provisions of the Bill are amendments to the *Customs Tariff Act* to eliminate the tariffs on imports of semiconductor devices and computer parts. These amendments would make statutory a situation that has existed since January 20, 1986, when, pursuant to an agreement between Canada, the United States and Japan, the Government, by Order in Council, reduced to zero all import duties on semiconductors and computer parts. Prior to that agreement, tariffs on computer parts were 3.9% *ad valorem*, while tariffs on semiconductors of types produced in Canada were 5.4%. Semiconductors of types not produced domestically were already being imported duty-free.

Last year, Canada imported about $1.1 billion of computer parts and $1 billion of semiconductor devices. Of the semiconductor imports, only $33 million were dutiable, the remainder belonging to categories not being produced domestically.

As part of Canada's response to the U.S. imposition of a 35% duty on imports of red cedar shakes and shingles, the Minister of Finance announced, on June 2, that the Government proposed to reinstate the import duties on semiconductors and computer parts as of June 6, when the U.S. tariffs on shakes and shingles were to become effective. Amendments to Bill C-111 have been proposed to effect this decision.

In testimony before the Committee, the Canadian Business Equipment Manufacturers Association and the Canadian Advanced Technology Association strongly opposed the decision to reinstate tariffs on semiconductor devices and computer parts. Both organizations expressed support for freer trade with the United States, and voiced concern that the move may set back recent initiatives for trade liberalization between our two countries.

They also argued that the reimposition of the tariffs would cause more harm to Canada than to the United States, against which it is directed. The tariffs will not divert purchases of computer parts and semiconductors from the United States, since purchase decisions concerning these items are based overwhelmingly on technical performance specifications and availability, not price. Canadian producers of computer parts and semiconductor devices, therefore, will not be helped. On the other hand, the costs of assembling electronic products in Canada will rise. Canadian consumers of computer products will face higher prices unless manufacturers absorb the increased costs. Producers who export their products can receive remission of duties paid on imported parts, but the paperwork involved in the process will raise their costs as well.

The departmental witnesses admitted that the reinstatement of duties would have some effect on Canadian producers and consumers, but explained that the choice of measures to use in response to the U.S. imposition of tariffs on Canadian shakes and shingles was severely circumscribed by provisions of the General Agreement on Tariffs and Trade (GATT). Except in countervailing duty cases, a country's ability to raise tariffs is confined by GATT provisions to unbound products or products on which existing tariffs are below the bound rates. The Committee recognizes that, having made the policy decision to respond to the U.S. tariff, the Government had to resort to this narrow range of products, semiconductors and computer parts being principal among them.

Your Committee has reviewed the subject-matter of Bill C-111 in accordance with the Order of Reference and has no further comments to make.

Respectfully submitted,

LOWELL MURRAY,
Chairman.

THE SENATE

Thursday, June 26, 1986

The Senate met at 2 p.m., the Speaker in the Chair.

Prayers.

PARLIAMENTARY EMPLOYMENT AND STAFF RELATIONS BILL

FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-45, respecting employment and employer and employee relations in the Senate, the House of Commons and the Library of Parliament.

Bill read first time.

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

Hon. C. William Doody (Deputy Leader of the Government): With leave, honourable senators, later this day.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, before giving leave in this particular instance, I should like to raise a matter which is of some concern to me, and that is the extent to which employees of the Senate have had an opportunity to be heard on the contents of this bill or, alternatively, whether the provisions and the implications of the bill have been explained to the employees of the Senate by the administration of the Senate.

The bill, as we know, applies to employees of the House of Commons and to employees of the Senate. It is well known that representatives of employees of the House of Commons have appeared several times before the committee which examined that bill in order to give their views and to be heard. I believe that it would be reasonable for us to assure ourselves that Senate employees have had an opportunity or will have an opportunity to give their views. The bill will affect them in precisely the same way as it will affect employees of the House of Commons.

I should also like to ascertain whether some system has been put in place which can assure us that the employees of the Senate have been informed about the implications and provisions of the bill.

Senator Doody: Honourable senators, the bill was referred to the Standing Committee on Internal Economy, Budgets and Administration for pre-study some time ago, but it never did reach that stage in committee. We have been told from time to time that certain amendments would be coming forward and it might be premature to become involved in the study at that time.

A subcommittee of the Internal Economy Committee did track the bill in the other place and in the departments to make sure that the legal implications, such as appeals to the Labour Relations Board and so on, as they affect the Senate, were studied and looked after.

As to the concern of the employees of the Senate, I fully appreciate what the honourable senator is saying. I think it might be appropriate if we were to refer this bill to a committee of the Senate, whether it be the Internal Economy Committee or another, after second reading to make sure that employees have an opportunity to be heard.

I am informed, and our Speaker who is chairman of the Internal Economy Committee—and my friend opposite, the vice-chairman, can correct me if I am wrong—that no applications from staff for a hearing have been received at any time. However, that certainly does not alter our desire to hear from them.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, we could, of course, proceed with second reading and then refer the bill to committee, but, alternatively, because of the stage we have reached in our legislative calendar, we might consider forming a Committee of the Whole and inviting some members of the staff and others not, of course, to make full representations such as were made on the other side, but simply to bring us up to date on their thinking and to express their views and so on. That is another possibility. We might find that we have time to do that while awaiting legislation from the other place.

Senator Doody: That is certainly one possibility that I would not rule out. It is something that we should discuss, I would suggest; it may be more appropriate that a smaller forum should handle the legislation and could do it more expeditiously. My first thought was that the Internal Economy Committee or the Legal and Constitutional Affairs Committee might be in a position to handle the bill more quickly and more thoroughly than would the Committee of the Whole. However, we will see what happens as we go along.

Senator Frith: On that point, honourable senators, my reason for suggesting Committee of the Whole was to bypass the two steps of sending the bill to committee and receiving the report of that committee here. It seems to be more expeditious in this case to do it all in one stage. I agree, however, that it will depend on the timing. That will determine the more appropriate course to take.

The Hon. the Speaker: I would draw to the attention of honourable senators rule 18, which states:

> When a bill or other matter relating to any subject administered by a department of the Government of Canada is being considered by the Senate or in Committee of the Whole, a minister, not being a member of the Senate, may on invitation from the Senate enter the Senate Chamber and, subject to the rules, orders, usages, forms and proceedings of the Senate, may take part in the debate.

This rule does not specifically state that employees of the Senate cannot do so, but I would take it from this rule that they may not be allowed in the Senate chamber in Committee of the Whole.

Senator Frith: Yes, I take the point.

Senator MacEachen: Honourable senators, I draw to the attention of colleagues the importance of ascertaining whether employees of the Senate do have views on the bill and, if they do, that we make a reasonable effort to hear those views before we pass the bill. That is my only point. I think that it is important to ensure that if there are views to be heard, we try to hear them.

Senator Doody: We are in full agreement with that.

The Hon. the Speaker: Honourable senators, is leave granted for second reading later this day?

Hon. Senators: Agreed.

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(*f*), bill placed on the Orders of the Day for second reading later this day.

[*Translation*]

CUSTOMS TARIFF

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message has been received from the House of Commons with Bill C-111, to amend the Customs Tariff and to amend an Act to amend the Customs Tariff.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(*f*), bill placed on the Orders of the Day for second reading later this day.

[*English*]

CANADA PENSION PLAN FEDERAL COURT ACT

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-116, to amend the Canada Pension Plan and the Federal Court Act.

Bill read first time.

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

On motion of Senator Doody, with leave of the Senate and notwithstanding rule 44(1)(*f*), bill placed on the Orders of the Day for second reading later this day.

CANADA'S INTERNATIONAL RELATIONS

FINAL REPORT OF SPECIAL JOINT COMMITTEE ENTITLED "INDEPENDENCE AND INTERNATIONALISM" TABLED

Hon. Jean-Maurice Simard: Honourable senators, I have the honour to table the final report of the Special Joint Committee on Canada's International Relations entitled "Independence and Internationalism".

[*Translation*]

With your leave, honourable senators, perhaps I may add a few very brief comments.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Senator Simard: You will see that my remarks are strictly non-partisan. The report contains about 130 recommendations, and 95 per cent of these received the unanimous support of committee members.

The exercise in which we were involved for nearly a year covered a variety of situations and a variety of subjects. However, we insisted on looking at our whole foreign policy in terms of six specific themes, which also appear as chapter headings.

First of all, safeguarding peace and security in the world. Second, expanding international trade. Third, international development. Fourth, promoting human rights—

Hon. Royce Frith (Deputy Leader of the Opposition): Senator Simard, not so fast, please.

Senator Simard: I'm sorry. Fifth, improving relations with the United States. Sixth, the importance of the North to Canada's foreign policy.

I would like to thank all my fellow senators who took part in this study, especially Senator Flynn, who was a member of the committee during the initial phase, and also Senators Doyle, Grafstein, Stollery and of course the senator whose attendance was exemplary, Senator Gigantès.

In fact, I want to thank all my colleagues for their tremendous co-operation.

● (1410)

[*English*]

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I have only one purpose in rising, and that is to welcome the completion and release of the work of this special joint committee of the Senate and the House of Commons. It comes at an opportune time, when the country is engaged in a major debate with respect to both concepts included in the title of the report, independence and interna-

tionalism. It is to be hoped that the report will clarify some of the current issues that are under debate, particularly with respect to the question of additional trade with the United States. Senator Simard has mentioned that a portion of the report understandably deals with the United States. Presumably that could not be dealt with at the present time without throwing some light upon this major issue relating to Canada and the United States. The report will be read very carefully by many Canadians who are interested in foreign policy and particularly to determine whether among the many recommendations there are new directions or new thrusts of an imaginative nature that can become part of Canada's future foreign policy.

I congratulate Senator Simard, his colleague from the House of Commons, Mr. Hockin, and all members of the committee on their work. I take it that this report concludes the work of this joint committee, that it will, having completed its work, disappear and that a future continuation of any such work would require a new mandate from both the House of Commons and the Senate.

FISHERIES

FIRST REPORT OF COMMITTEE PRESENTED AND PRINTED AS APPENDIX

Hon. Jack Marshall: Honourable senators, I have the honour to present the first report of the Standing Senate Committee on Fisheries.

I ask that the report be printed as an appendix to the *Debates of the Senate* and the *Minutes of the Proceedings of the Senate* of this day and form part of the permanent records of this house.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

(*For text of report, see appendix, p. 2745*)

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Marshall, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

REGULATIONS AND OTHER STATUTORY INSTRUMENTS

SEVENTH REPORT OF STANDING JOINT COMMITTEE PRESENTED

Hon. Nathan Nurgitz, Joint Chairman of the Standing Joint Committee on Regulations and Other Statutory Instruments, presented the following report:

Thursday, June 26, 1986

The Standing Joint Committee on Regulations and other Statutory Instruments has the honour to present its

SEVENTH REPORT
(Statutory Instruments No. 34)

1. In accordance with the Order of Reference approved by the Senate and the House of Commons on December 18, 1984, your Committee wishes to inform both Houses of the satisfactory resolution of the matter raised in the Seventh Report of the Joint Committee for the 1983-84 Session (S.I. No. 26).

2.In its Seventh Report, the Joint Committee recommended that the Government consider the advisability of amending section 221 of the *Income Tax Act*, S.C. 1970-71-72, c. 63, so as to clearly specify the circumstances in which retroactive regulations may be made by the Governor in Council.

3. At present, subsection 221(2) of the *Income Tax Act* provides that:

> "No regulation under this Act has effect until it has been published in the *Canada Gazette* but, when so published, a regulation shall, if it so provides, be effective with reference to a period before it was published."

This provision permits the Governor in Council to make regulations retroactive to any point in time irrespective of the reasons for doing so. In its earlier Report, the Joint Committee stated that: "an unlimited power to legislate retroactively is inherently dangerous: what is involved is not whether those at present administering the *Income Tax Act* and Regulations would seek to go beyond the bounds of fairness and propriety in making a retroactive regulation, but that the potential for abuse exists".

4. In a letter dated July 15, 1985, the Minister of Finance advised that he shared the concern of the Committee and that the Government was prepared to introduce an amendment to the *Income Tax Act* which would restrict the making of retroactive regulations to the following circumstances: where the proposed regulation provides relief to taxpayers; where it implements a budget or other public announcement; or where it corrects an ambiguous, incomplete or deficient enactment. This proposal was set out in the Budget Papers tabled by the Minister of Finance in the House of Commons on May 23, 1985, at which time the Minister undertook to consult the Joint Committee as to the actual wording of the proposed amendment before its introduction in Parliament.

5. A first draft of a new subsection 221(2) of the *Income Tax Act* was submitted to the Joint Committee by the Minister of Finance on July 15, 1985. After a preliminary examination of this draft, the Committee sought and received comments on the proposed amendment from the Joint Committee on Taxation of the Canadian Bar Association and the Canadian Institute of Chartered Accountants.

6. These representations and your Committee's further examination of the Minister's proposal led the Committee to conclude that the proposed amendment did not meet its

request for an amendment designed "to clearly specify the circumstances in which retroactive regulations may be made by the Governor in Council".

7. As a result of the Joint Committee's deliberations, the Department of Finance agreed to reconsider its proposal and, by letter dated May 22, 1986, the Minister of Finance submitted a revised draft subsection 221(2) of the *Income Tax Act* for the consideration of the Joint Committee. The text of the proposed amendment is appended to this report.

8. In his letter, the Honourable Michael Wilson noted that: "In keeping with the essential observations of your Committee, the proposal has been revised to prevent retroactivity of a regulation implementing a budget or public announcement to a time before the beginning of the year in which the announcement is made. The reference to an "incomplete" enactment is also removed from paragraph 221(2)(c). Other changes were also made to clarify the application of the subsection."

9. Having examined the revised proposal put forward by the Minister, your Committee wishes to report its agreement with the substance of this proposal. While it will remain possible for the Governor in Council to make retroactive regulations, such as when a regulatory change announced in the course of a taxation year is made effective to the beginning of that year, the Minister's proposal represents an important limitation of the regulation-making powers now vested in the Executive. In the judgment of the Joint Committee, the proposed subsection 221(2) of the *Income Tax Act* strikes a fair and reasonable balance between the need for an orderly and manageable taxation system and the right of the taxpayer to be protected against retroactive legislation. If it is adopted by Parliament, the proposed subsection 221(2) will clearly limit the Governor in Council's authority to make retroactive regulations to circumstances which are agreed to be acceptable and proper.

10. Your Committee would be remiss if it did not record its appreciation for the prompt and positive response of the Minister of Finance to the Seventh Report of the Committee and for his willingness to meet the concerns expressed by the Joint Committee as a result of its examination of the Minister's initial proposal.

Respectfully submitted,

NATHAN NURGITZ
Joint Chairman

APPENDIX TO REPORT

221(2) A regulation made under this Act shall only have effect from the date it is published in the *Canada Gazette* or at such time thereafter as may be specified in the regulation unless the regulation provides otherwise and it

(a) has a relieving effect only;

(b) corrects an ambiguous or deficient enactment that was not in accordance with the objects of this Act or the *Income Tax Regulations*;

(c) is consequential on an amendment to this Act that is applicable before the date the regulation is published in the *Canada Gazette*; or

(d) gives effect to a budgetary or other public announcement, in which case the regulation shall not, except where paragraph (a), (b) or (c) applies, have effect

(i) before the date on which the announcement was made, in the case of a deduction or withholding from an amount paid or credited, and

(ii) before the taxation year in which the announcement is made, in any other case.

[Senator Nurgitz,]

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

On motion of Senator Nurgitz, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

COMMITTEE OF SELECTION

SIXTH REPORT OF COMMITTEE ADOPTED

Hon. Orville H. Phillips, Chairman of the Standing Senate Committee on Selection, presented the following report:

Thursday, June 26, 1986

The Committee of Selection has the honour to present its

SIXTH REPORT

Pursuant to Rule 66(1)(*b*), your Committee submits herewith the list of Senators nominated by it to serve on the Special Committee of the Senate on Terrorism and Public Safety.

The Honourable Senators Bosa, Cogger, Fairbairn, Hays, Kelly, MacDonald (*Halifax*), *MacEachen (or Frith), *Roblin (or Doody), Sinclair, Stewart (*Antigonish-Guysborough*). (8)

*Ex officio members.

Respectfully submitted,

ORVILLE H. PHILLIPS
Chairman

The Hon. the Speaker: Honourable senators, when shall this report be taken into consideration?

Senator Phillips: Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*f*), I move that the report be adopted now.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I wonder whether Senator Phillips or any other person who is knowledgeable on this subject could advise us when it is intended that this committee will complete its work. I have supported the establishment of this committee and its revised terms of reference, but it would certainly be much appreciated if the committee managed to complete its work within a limited timeframe in order that its conclusions would not in the meantime be overtaken by other more urgent questions.

In asking the question, I express the opinion that if the committee wishes to have an impact upon the Canadian public, then I think it is essential that it complete its work well before the end of 1986.

• (1420)

Senator Phillips: In reply to the question raised by the Leader of the Opposition, the reference from the Senate stated that the committee was to report no later than December 19, 1986. I would further point out to the members of the committee that an organization meeting is scheduled when the Senate rises today. I, too, share the hope of Senator MacEachen that they will be able to complete their work by the date specified in the reference; however, I think they will have a hectic schedule if they do complete their work by that date.

Motion agreed to and report adopted.

BUSINESS OF THE SENATE

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I have a motion to put dealing with the adjournment. When I present it I will deal briefly with the order of business. I understand that Senator Roblin has a pressing engagement, so in deference to him, I will stand aside and allow the Senate to proceed to Question Period.

The Hon. the Speaker: Is it agreed, honourable senators?

Hon. Senators: Agreed.

QUESTION PERIOD

[*English*]

CANADA-UNITED STATES RELATIONS

TRADE—COMMITMENT TO HALT PROTECTIONISM

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I will not delay Senator Roblin unduly, but I wish to return to a question I asked some days ago respecting the implications of the Quebec accord on trade.

I was interested at that time in knowing whether the commitment to halt protectionism in cross-border trade of goods and services was an absolute commitment or whether there were exclusions. That question has now become even more relevant by an announcement contained in the *Financial Post* that the corn producers of Canada are launching a countervail action against the corn producers of the United States.

What I really wish to ask is: Is such an action excluded by or included in the commitment to halt protectionism made by the President of the United States and the Prime Minister of Canada?

Hon. Duff Roblin (Leader of the Government): I do not have the answer to that question to hand at the present time. I know the point my honourable friend is concerned about; I admit that I am also concerned about it. However, I do not have an answer at the moment. I will try to obtain one expeditiously.

NATIONAL POSTAL MUSEUM

ADVISORY COMMITTEE MEMBERSHIP

Hon. Henry D. Hicks: Honourable senators, I should like to refer once again to a matter to which I directed the attention of the Leader of the Government in the Senate some time ago arising from an order of this house dated May 1 asking that certain information concerning the Advisory Board of the National Postal Museum be tabled in this house.

I reminded the leader of this by questioning him on June 10, and I further reminded him by questioning him on June 18. It is now June 26. It is expected that the Senate will adjourn for the summer tomorrow, June 27. Obviously, this return will not be tabled by then.

Honourable senators, I resent this very much. I think this house should resent this. I concede that the matter is of little importance generally, but it is of importance to a few people in Canada, perhaps to a group of people who provide support for the only portion of Canada Post Corporation that operates at a profit, the Philatelic Division. It is not difficult to obtain the information; it is there; it only requires someone, not even three rungs up the ladder of the hierarchy of the Civil Service or the Public Service or those in the service of the Canada Post Corporation, to write a letter listing the names of eight or nine people. This is a deliberate affront to this house by the minister in charge of the Canada Post Corporation who does not want me or other philatelists in Canada to know who the members of the Advisory Board of the National Postal Museum are. I think this is a dreadful affront to the Senate, and I shall continue raising the matter until I receive a reply. I am sorry that by this device of just refusing to obey an order of this house the minister in charge of the Canada Post Corporation has been able to keep his machinations, if they are that—and the longer he keeps us in the dark the more I am inclined to think that they are indeed that—under cover until the end of the summer.

Some Hon. Senators: Hear, hear!

Hon. Duff Roblin (Leader of the Government): Honourable senators, perhaps I may make the unwarranted assumption that I can proceed to Delayed Answers in view of the time on the clock. I can mollify my friend, because I have in my hand today—

Hon. Senators: Hear, hear!

Senator Roblin: —a statement—

Hon. Royce Frith (Deputy Leader of the Opposition): It is too late, but we hope that it is not too little.

Senator Roblin: —under the signed manual of the minister in charge, the Honourable Michel Côté, disclosing to my friend and to the world what he has been up to in connection with the appointments that have been made to the board in question.

Senator Frith: Well, let us hear it.

Senator Roblin: The National Postal Museum Advisory Commission. So, I have that for my friend.

Senator Frith: Can we hear it? Let us hear it.

Senator Roblin: Well, do you really want to? I really have a—

Senator Frith: Well, let Senator Doody do it, then.

Senator Roblin: No, I will read it to you if you insist. I am always an obliging soul.

The members of the National Postal Museum Advisory Committee are as follows:

Chairman: The Honourable Judge René J. Marin, Chairman of the Board of Directors of Canada Post Corporation; Ottawa, Ontario; appointed 16 October 1981

Members: Mr. Richard M.H. Alway; Toronto, Ontario; appointed July 1982

Mr. Bernard Beaupré; Richelieu, Quebec; appointed July 1984

Mr. Frank Corcoran; Ottawa, Ontario; appointed October 1983

Mr. Matthew Dale; Rockliffe, Ontario; appointed October 1983

Mr. Laurier Durand; Trois-Rivières, Quebec; appointed 15 May 1985

Mrs. Leslie Forbes; Riverview, New Brunswick; appointed 1 January 1986

Mr. Robert McGarry; Ottawa, Ontario; appointed 1 July 1984

Mrs. Ellen Easton McLeod; Ottawa, Ontario; appointed 1 July 1985

There is currently one vacancy.

An Hon. Senator: Great Canadians.

An Hon. Senator: All Liberals!

Senator Roblin: What a bunch of skeptics we have in this house, honestly. When I see these sittings—

Senator Frith: And, with good cause.

Senator Roblin: I think perhaps that remembrance of things past is probably the theme that occupies their minds at this moment when it comes to appointments.

[Senator Roblin.]

Senator Frith: Recent past.

Senator Marshall: Are there no senators on the list?

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have several delayed answers.

CULTURAL HERITAGE AND NATIONAL IDENTITY

GOVERNMENT POLICY

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on September 25 last by the Honourable Senator Davey regarding Cultural Heritage and National Identity—Government Policy.

(*The answer follows*):

(1) The Government supports the objective in the 1968 Broadcasting Act that the Canadian broadcasting system should be effectively owned and controlled by Canadians.

(2) & (3) The Minister of Communications is awaiting the report of the Broadcast Policy Task Force, known as the Caplan-Sauvageau Task Force which will address the issue of public broadcasting in general and specifically the mandate of the Canadian Broadcasting Corporation, as well as current Canadian content policy requirements.

(4) The Minister of Communications is examining the policies and programs regarding the publication of periodicals in Canada, including the impact of Bill C-58, which amended Section 19 of the Income Tax Act, under which expenses incurred by Canadians for advertising in foreign periodicals intended for a Canadian market cannot be deducted for tax purposes. The Minister of Communications recognizes the importance of this legislation to Canadian publishers and intends to protect their interests in the overall Canadian economy.

(5) The Treasury Board policy, issued in directive 1985-30, states that all government advertising must be done by Canadian controlled firms. These new guidelines were instituted by the present government and are more thorough than those guidelines of its predecessor.

(6) The Minister of Communications is awaiting the report of the Caplan-Sauvageau Task Force which will undoubtedly address this issue of cable substitution.

(7) The Minister of Communications announced on June 18, 1986, a new Book Publishing Industry Development Program which will provide $13 million in assistance to the Canadian book publishing industry in 1986-87. The February 1986 budget of the Minister of Finance allocated $13 million a year over five years for book publishing assistance. This represents an increase of 25 per cent over previous years. Of the $13 million allocation, 2 million will be transferred to the Canada Council in 1987-88 and 4.8 million in 1988-89 to maintain the current level of cultural support to book publishing.

(8) The Minister of Communications reviewed the report of the Film Task Force, the Roth-Raymond report in December 1985. He is studying the report very carefully and will bring forward recommendations to his cabinet colleagues.

(9) This question is speculative.

CANADA-UNITED STATES RELATIONS

TRADE—TARIFF DISCUSSIONS—REQUEST FOR INFORMATION

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on June 4 last by the Honourable Senator Olson regarding Canada-United States Relations—Trade—Tariff Discussions—Request for Information

(*The answer follows*):

Ambassador Gotlieb's consultations with the U.S. Secretary of Commerce on June 4, were held in an effort to persuade the Commerce Department to reject the countervailing duty petition filed against imports of Canadian softwood lumber by certain U.S. lumber producers. It was the view of the Canadian government that the allegations of subsidy made by the U.S. petitioner were essentially the same as those covered by the 1982-1983 investigation which was decided in Canada's favour. Furthermore, there were no changes in Canadian practices or in U.S. countervailing duty law since 1983 which would warrant the initiation of a new investigation.

There is currently only one other U.S. countervailing duty investigation which, although initiated against a number of countries, includes Canadian exports of cut flowers (carnations). Canada is a marginal supplier ($250,000 out of total U.S. imports of approximately $171 million). This investigation is still in its preliminary phase and the government is assisting the Canadian industry in its attempts to have the Canadian product excluded from the investigation.

EMPLOYMENT

LONDON, ONTARIO—STATUS OF CN COMPUTER EXPRESS TERMINAL

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on June 4 last by the Honourable Senator Turner regarding Employment in London, Ontario—Status of CN Computer Express Terminal.

(*The answer follows*):

In order to compensate for jobs that were being moved to CN Route headquarters in Toronto, the company decided to concentrate its rating function in London and to establish this rating office in that city. There are presently 30 highly specialized jobs for rating and computer analysts in London.

The new owners of CN Route have not indicated that they are considering any reorganization of their London office.

CANADA-UNITED STATES RELATIONS

TRADE—IMPOSITION OF U.S. TARIFFS AND CANADIAN TARIFFS—MITIGATION OF HARMFUL EFFECTS—GOVERNMENT POLICY AND PROGRAMS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on June 5 last by the Honourable Senator Steuart and the Honourable Senator Everett regarding Canada-United States Relations—Trade—Imposition of U.S. Tariffs and Canadian Tariffs—Mitigation of Harmful Effects—Government Policy and Programs.

(*The answer follows*):

The books which are included in the package of tariff increases in the Canadian response to the U.S. tariff on red cedar shakes and shingles are those for which the duty has been suspended since 1979 in exchange for an exemption the U.S. had granted Canada from the "manufacturing clause" of its copyright law. The GATT has ruled the manufacturing clause to be a violation of U.S. obligations under GATT so it was felt that Canada should not continue to provide a tariff concession for an exemption from a measure that is in violation of the GATT.

The Government reimposed tariffs only on those books which were free of duty under the custom duty on books remission order of 1982. That order in council was introduced to implement the concession for the exemption from the U.S. manufacturing clause and it has been revoked, effective June 6, 1986.

Certain other printed materials have come into Canada without duty for many years and the free rates of duty on them are "bound" against increase under GATT. These materials have not been affected by the tariff measure and are still coming in free of duty. One of the tariff provisions that is bound under the GATT, and has been for a number of years, is that one which provides free entry for "books, periodicals and pamphlets—in any other than the English language.

Most non-English language printed matter would not be coming into Canada from the United States, the country which is the focus of the tariff increases announced by the Minister of Finance on June 2, 1986. Perhaps more important, however, is the fact that Canada could not have imposed a duty on non-English language books without violating our GATT commitment to maintain the free rate of duty on these products. If a tariff had been imposed, we would have been faced with demands from our trading partners for compensation in the form of tariff reductions on other products being imported into Canada. In the absence of any agreement on such compensation, our trading partners would be in a position to

take retaliatory action under the GATT against our exports.

The tariff increase could not have been applied to imports from the United States only. Increases or decreases in most-favoured-nations tariff rates have to be applied multilaterally, in accordance with article I of the GATT.

In addition to books in any other than the English language, there is a broad range of books and other printed matter which is still accorded duty-free entry. These include: newspapers and periodicals printed four times a year or more; reference works and textbooks included in the curriculum of any school, college or university in Canada; books for libraries; manuscripts; books more than twelve years old; books for the promotion of medicine, the fine arts, law, science, technical training, and the study of languages; government publications; and religious literature.

THE ECONOMY

INCREASE IN INTEREST RATES

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on June 10 last by the Honourable Senator Olson regarding the Economy—Increase in Interest Rates.

(*The answer follows*):

Since March 1980 the Bank rate has been set at 25 basis points above the latest average rate established in the weekly tender for 91-day treasury bills issued by the Government of Canada. This year this rate has shown high variability, reflecting a broad range of financial and monetary policy developments. In the first two months of the year, the Bank rate increased by 231 basis points (to a peak of 11.8 per cent in early March) as the exchange rate came under strong downward pressure and as the Bank of Canada tightened policy to curtail unfounded negative sentiment against our currency. Since early March, the trend in short-term interest rates has been reversed as speculative pressures subsided, and the Canadian dollar has gradually gained strength against the U.S unit.

In the final week of May, short-term Canadian interest rates were at their lowest levels thus far in 1986, with the Bank rate at 8.43 per cent. In early June, short rates rose and then fell back slightly, due to similar, but less pronounced, movements in U.S. rates, and to pressures in exchange markets which saw the Canadian dollar first decline and then strenghten against the U.S. currency. These weekly interest rate movements in June however, have not been largely compared with movements observed earlier this year, and do not signify any change in monetary policy. The 34 basis point increase in the Bank rate observed in June 4 and the subsequent 13 basis point decrease of June 11 are well within the normal range of variability experienced by short-term money market rates in the past.

Consistent with the view that the upward movement of market rates in early June would not be permanent, the chartered banks did not alter their prime rates. The prime rate is at 10.25 per cent, where it has been since May 16. Typical 5-year mortgage rates at chartered banks did, however, increase by 50 basis points in this period to their current level of 11 per cent. This adjustment reflected demand pressures in the mortgage market as borrowers sought to lock in the relatively attractive long-term rates of recent weeks. More recently, shorter-term mortgage rates at several of the major lending institutions have fallen 25 basis points; 1-year mortgages can now be obtained at 9.5 per cent, their lowest level since 1979.

CANADA-UNITED STATES RELATIONS

TRADE—IMPOSITION OF U.S. TARIFFS AND CANADAIN TARIFFS—MITIGATION OF HARMFUL EFFECTS—GOVERNMENT POLICY AND PROGRAMS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked in the Senate on June 10 last by the Honourable Senator MacEachen and the Honourable Senator Steuart regarding Canada-United States Relations—Trade—Imposition of U.S. Tariffs and Canadian Tariffs—Mitigation of Harmful Effects—Government Policy and Programs.

(*The answer follows*):

The first question is why the Government imposed a tariff on tea in tea bags when the United Kingdom and not the United States, is the major supplier. The government has, in the past, received requests from the Canadian tea packaging industry for an increase in the duty on imports of packaged tea from free to 6 cents per pound, the rate at which this product is "bound" under GATT. One of the factors influencing the government's decision not to act on the request from the industry to increase these duties was the Canada-U.S. commitment to halt protectionism in cross border trade, as set out in the Quebec Summit trade declaration. However, in view of the failure of the shakes and shingles case to live up to this commitment, it was felt that it would be appropriate to implement the industry's request as one of the measures taken in response to the U.S. tariff on shakes and shingles. The import figures mentioned by Senator MacEachen on June 10 appear to be accurate.

Another question raised is why books were not included in the ways and means motion tabled by the Minister of Finance on June 2, 1986. The reason is that the government did not need to amend the customs tariff to impose a tariff on books because the duty, which was in effect prior to 1979, had been suspended by order in council pursuant to the Financial Administration Act. Therefore, it was only necessary to revoke the order in council (the custom

duty on books remission order 1982). That order was revoked effective June 6, 1986.

A question has again been asked as to why a tariff was applied only to English books. The Government was not in a position to impose a tariff on books in other than the English language, and certain other categories of printed material, because the tariff items covering these are "bound" at free under the GATT and have been for a number of years.

It was also asked if the Government will reconsider its action on books since they have been free of duty from the United Kingdom since 1906. It is unfortunate that the tariff on books must also apply to imports from the United Kingdom. However, the tariff increases could not have been applied to U.S. imports only. Increases or decreases in most-favoured-nation tariff rates have to be applied multilaterally, in accordance with Article I of the GATT.

The last question is which tariff rates being increased are not bound under GATT. Essentially, all of the products on which tariffs have been raised are covered by unbound tariff items or tariff items where the rates are bound at levels higher than those being applied. An example of the latter is the item covering tea in tea bags which is bound at 6 cents a pound but which had an applied free rate.

It should be added that while the free rates under the affected tariff items covering books are bound under the GATT, that commitment was conditional on an exemption for Canada from the "manufacturing clause" of its copyright law. Since the GATT has ruled the manufacturing clause to be in violation of U.S. obligations under GATT, it was decided that Canada should no longer provide a free rate on these products as a concession for an exemption from something that is illegal in GATT terms.

Hon. H.A. Olson: All those questions and answers will be printed in *Hansard*, I presume.

Senator Roblin: As is our invariable custom.

Hon. Allan J. MacEachen (Leader of the Opposition): We much prefer to hear your replies.

CANADA POST CORPORATION

CLOSING OF POST OFFICE AT SPRINGHILL JUNCTION, NOVA SCOTIA

Hon. M. Lorne Bonnell: Honourable senators, I did not intend to ask a question after Delayed Answers, but I will now since the delayed answers dealt with the question concerning the Post Office, and my question has to do with Canada Post as well.

I wonder if the Leader of the Government in the Senate could speak to the Postmaster General at Canada Post to see if he could not do something about the closing of the Springhill Junction Post Office in Nova Scotia. It has been 30 years since a Post Office has closed in the maritime provinces, and they are closing this Post Office which requires only $13,000 a year to keep it open; just a week in the New York hotel for the Prime Minister!

Senator MacEachen: A week?

An Hon. Senator: A year!

Senator Frith: A night!

Senator Bonnell: A night.

Some Hon. Senators: Hear, hear!

Senator Doody: Get your facts straight.

Senator Frith: An Arabian night!

Senator Bonnell: The salary is $13,000; so it is the equivalent of a week in the hotel for the Prime Minister. Therefore, perhaps you could speak to the Postmaster General to see if the Springhill Junction Post Office could not be maintained—

Senator MacEachen: Hear, hear!

Senator Bonnell: —because people in that area will have to drive 25 miles to get their mail if this office happens to close. There are not that many people there, but the post office has been in service in Canada for a long time, and the Province of Nova Scotia, being a part of Atlantic Canada, once again is getting it in the neck.

Hon. Senators: Hear, hear!

CORRECTIONS

REQUEST FOR TABLING OF DOCUMENTS

Hon. Earl A. Hastings: Before the Leader of the Government in the Senate leaves, I wonder if he would check his file to see if he has the papers that I asked to be tabled in the Senate about two months ago. In these dying moments of the session I would appreciate having them. You indicated that they would be tabled. If you do not have them, I wonder if you would assure me that they would be tabled before we adjourn tomorrow.

Hon. Duff Roblin (Leader of the Government): I can tell my friend that I will pursue the matter.

Senator Frith: Only two months? You are being a little rash.

● (1430)

BUSINESS OF THE SENATE

ADJOURNMENT

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I wish to give you briefly some idea of the disposition of the order paper at the present time in terms of legislation.

Bill C-96, the fiscal arrangements bill, is before us for second reading. Although during the course of the debate on

second reading I may be proved wrong, I believe there is a disposition to refer this bill back to the Standing Senate Committee on National Finance. If so, an arrangement has been made for that committee to meet this evening.

Bill C-116, the Pension Bill; Bill C-111, the Customs Tariff Bill; and Bill C-45, dealing with employee labour relations in the Senate and House of Commons, are also before us, and in each case second reading will be moved today.

We have been given reason to understand that Bill C-90, the other Pension Bill, and Bill C-117, the Farm Credit Bill, will be sent to us from the other place this afternoon. If so, we will be asking leave to move second reading of those two bills as well. We feel fairly certain that we will receive those today.

We are also given to understand that we will be receiving Bill C-121 which deals with the judiciary in Newfoundland. Incredible though it may seem, I understand they are hoping to improve on the judiciary system in the province of Newfoundland.

Senator Frith: A new chief justice, the former attorney general.

Senator Doody: I understand they are having some trouble drafting the bill, but that we will get it as soon as possible.

There is every possibility that we will also receive, either today or tomorrow, Bill C-112 which deals with energy administration.

Bills C-94 and C-92, which are two energy-related bills, are still out there somewhere. One deals with the offshore accord with Newfoundland and the other with the Energy Administration Act generally.

I also refer, honourable senators, to Bills C-67 and C-68 of Senator Hastings' fame and Bill C-75 which deals with the Canada Steamship Act. I cannot honestly say whether or not we will receive these, but we may possibly receive them tomorrow.

Bill C-19 is also out there somewhere, and there is a possibility of receiving that.

With that in mind, honourable senators, we discussed the possibility of meeting this evening. It seems it may be more sensible to meet tomorrow morning since it occurred to me that those people who will not be prepared to proceed with second reading this afternoon would not be any more prepared this evening. In that event, it is suggested that we sit tomorrow morning, if that is agreeable to honourable senators.

Therefore, honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*g*), I move:

> That when the Senate adjourns today, it do stand adjourned until Friday, June 27, 1986, at 10 o'clock in the forenoon.

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, on this request for leave, I did not take a note of all the bills which the deputy leader has suggested may come from the House of Commons, but I think he mentioned two energy bills, the Atlantic Accord and an energy administration bill.

I simply want to say that if they do come from the House of Commons, it would be unlikely that the Senate could deal with those bills in a day or two. My friend opposite should not be disappointed if it were found that in the unlikely possibility that they do arrive the Senate would need further time to study them, and, in particular, further time to study the implications of the Atlantic Accord about which very little study, if any, has been undertaken by the Standing Senate Committee on Energy and Natural Resources. I merely want to advise the deputy leader of that fact.

Now that he is dealing with the business of the government, I wonder whether he has set down Royal Assent for tomorrow and whether he has any idea as to when the government might have that Royal Assent.

I would also ask whether the government proposes to bring an end to the session by prorogation.

Senator Doody: Honourable senators, if Bills C-92 and C-94 do come before this place, I cannot promise my friend that I will not be disappointed if they are not passed, but, having heard him, I can tell him that I will not be surprised. Both these bills have been before the Energy Committee for pre-study, and I must admit that Bill C-92 has been given more attention than Bill C-94 up to now. Nevertheless, they have been before the committee for some time, and the committee has been working on them.

With regard to Royal Assent, as is the custom in this place, we are at the disposition of both houses in terms of when Royal Assent will take place. When we have learned that the last of the legislation is dealt with in the other place and when we have had an opportunity to deal with it here, then we can put a specific time on Royal Assent. All the machinery is in place. The deputy of the Governor General has been informed that we will require a Royal Assent tomorrow, but we are not in a position to say right now what time that will be. If my memory serves me correctly over the past few years I have been here, it could very well be in the evening rather than in the afternoon.

With regard to prorogation, it will come as no surprise to honourable senators to hear from me that I have not been informed or consulted as to this particular matter.

Motion agreed to.

YOUNG OFFENDERS ACT
CRIMINAL CODE
PENITENTIARY ACT
PRISONS AND REFORMATORIES ACT

BILL TO AMEND—THIRD READING

Hon. C. William Doody (Deputy Leader of the Government), for Senator Robertson, moved third reading of Bill C-106, to amend the Young Offenders Act, the Criminal Code, the Penitentiary Act and the Prisons and Reformatories Act.

Motion agreed to and bill read third and passed.

EMPLOYMENT EQUITY BILL

MOTION RE MESSAGE TO HOUSE OF COMMONS ADOPTED

On the Order:

Resuming the debate on the motion of the Honourable Senator Stanbury, seconded by the Honourable Senator Hastings:

That the Message which is to be sent to the House of Commons on the Bill C-62, intituled: "An Act respecting employment equity", contain the following observations and recommendation appearing in the report of the Standing Senate Committee on Legal and Constitutional Affairs, as follows:—

"The Committee is of the view that the legislation does not achieve its declared purpose. The Committee shares the view of the Native people, visible minorities, and women who appeared before us and the people with disabilities who briefed us in writing, that this Bill will not improve their situation, cannot be properly enforced, and is not an employment equity bill.

The Committee wishes to inform the Senate that it took every available step to persuade the Minister to make the Bill an employment equity bill through amendment. The Minister refused substantive amendments and amendments re-titling the Bill as the Employment Equity Information Act and clarifying the section defining the purpose. Without such amendments, the effect and substance are not accurately represented by the title and purpose of the Bill.

The Committee calls on the government to bring in legislation or amendments to this legislation in September 1986. Such legislation should provide proper coverage of workers in the federal domain, should be clear in its terms and definitions, should enforce the legislation reasonably and clearly, and should contain the capacity to produce results. Such legislation should replace Bill C-62 and be in place by December 1986."—(*Honourable Senator Nurgitz*).

Hon. Nathan Nurgitz: Honourable senators, I have but a few brief comments to make with respect to this motion.

Yesterday Senator Stanbury cited a precedent for proceeding in this fashion, that is, by appending to the message sent to the House of Commons the critical comments made by the committee. Although he may well have a precedent, I should like to point out that the tradition has been that while we may well have critical comments, we have not sent those along. In fact, the last time this was done was in 1979.

When we consider the 1979 precedent, it is bothersome to note that at that time Senator Haidasz had made quite an effort in committee to point out that when the bill was reported without amendment, the comments of the committee would be appended. In fact, I have the transcript of the committee hearing and it appears that a fair amount of time was spent on that question. I would point out that in this instance it was never raised in committee. When the report was discussed in committee, nothing was ever said to indicate that it would be sought to have those comments added to the message. I point that fact out as a distinction between the precedent arising out of the Transport Committee in 1979 and the present proposal. Yesterday just before noon I spoke to Senator Lewis, Chairman of the Standing Senate Committee on Legal and Constitutional Affairs, about this matter of the appending of the comments to the message, telling him that someone had called me because he had noticed this in the Toronto *Globe and Mail*. I should like to say to Senator Stanbury that I live in Winnipeg.

● (1440)

Senator Stanbury: It was in the national edition.

Senator Nurgitz: That may be. Senator Stanbury has indicated that publication in the Toronto *Globe and Mail* constitutes notice. Although I have the greatest respect for him, I would say to the honourable senator that it is poor notice. It is, indeed, no notice.

Hon. Royce Frith (Deputy Leader of the Opposition): None being required.

Senator Nurgitz: None being required, but it was indicated by Senator Stanbury in his argument for acceptance of those comments that notice did appear in that newspaper.

Perhaps we are all making much ado about nothing. I recognize the insistence of the majority to have the critical comments appended to the message; so be it. I assume that the majority will have its way. I assume, as well, that through some indication, whether by division or otherwise, others will indicate as I have that they are not in favour of that motion. I thank honourable senators.

The Hon. the Speaker: It was moved by the Honourable Senator Stanbury, seconded by the Honourable Senator Hastings:

That the Message which is to be sent to the House of Commons on Bill C-62, intituled: "An Act respecting employment equity", contain the following observations and recommendation appearing in the report of the Standing Senate Committee on Legal and Constitutional Affairs, as follows:—

"The Committee is of the view that the legislation does not achieve its declared purpose. The Committee shares the view of the Native people, visible minorities, and women who appeared before us and the people with disabilities who briefed us in writing, that this Bill will not improve their situation, cannot be properly enforced, and is not an employment equity bill.

The Committee wishes to inform the Senate that it took every available step to persuade the Minister to make the Bill an employment equity bill through amendment. The Minister refused substantive amendments and amendments re-titling the Bill as the Employment Equity Information Act and clarifying the section defining the purpose. Without such amendments, the effect and substance are not accurately represented by the title and purpose of the Bill.

The Committee calls on the government to bring in legislation or amendments to this legislation in September 1986. Such legislation should provide proper coverage of workers in the federal domain, should be clear in its terms and definitions, should enforce the legislation reasonably and clearly, and should contain the capacity to produce results. Such legislation should replace Bill C-62 and be in place by December 1986."

Is it your pleasure, honourable senators, to adopt the motion?

Some Hon. Senators: Agreed.

Some Hon. Senators: On division.

Motion agreed to, on division.

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS AND FEDERAL POST-SECONDARY EDUCATION AND HEALTH CONTRIBUTIONS ACT, 1977

BILL TO AMEND—SECOND READING

On the Order:

Resuming the debate on the motion of the Honourable Senator Macquarrie, seconded by the Honourable Senator Walker, P.C., for the second reading of the Bill C-96, intituled: "An Act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977".—(*Honourable Senator Hicks*).

Hon. Henry D. Hicks: Honourable senators, I listened with interest to the speech of Senator Macquarrie in moving this motion, and must congratulate him on acquitting himself of what must have been a not too pleasant task in the able tradition which he has established and which we have come to expect from him here. I also want to refer at the outset, so that I will not have to repeat the points, to the speech Senator Stewart made in this house on June 18, to be found at pages 2657 to 2659 of the *Debates of the Senate*, in which he dealt with the details of this legislation as a result of the report of the Standing Senate Committee on National Finance, which had conducted a pre-study of the bill.

To illustrate the points that he made, Senator Stewart used the figures that would apply to the province of Nova Scotia as a result of the passage of the legislation now before us. As I have said, they are not very comforting to those people who are interested in post-secondary education, and this should include every thoughtful Canadian and certainly does include, I think, every thoughtful Nova Scotian. Senator Stewart brought to our attention the fact that the province of Nova Scotia in the immediate year will suffer a drop of $11 million in transfer payments, which are calculated with respect to the support of post-secondary education but, I quite agree, are not transferred to the province with any stipulation that they have to be used to support post-secondary education. Senator Stewart also pointed out that by the end of this five-year period, the year 1990-91, under the present law Nova Scotia's entitlement would be $786 million, but under Bill C-96 it would drop to $715 million, which constitutes a loss for that province of $71 million in that one year alone. Of course, the figures for all of the provinces of Canada would result in a loss in the transfer payments calculated, but not made with the stipulation that they be used for post-secondary education, to amount to over $2 billion in the year 1990-1991.

Honourable senators, on that analysis alone this is not legislation with respect to post-secondary education; it is financial legislation. The only virtue in the bill that I can see is that it will save the federal treasury some money which, presumably, will be applied towards reducing the annual deficit of the Government of Canada, or really of the people of Canada; provided, of course, that some other emergency situation does not arise which will cause the government to use the money to bail out some banks or to bail out the creditors of banks, as it has done during the past few months.

Honourable senators, for many years my arguments have been critical of the provisions of the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977. I was not happy when the legislation which was then enacted transferred money to the provinces, calculated on the basis of cost of and support for post-secondary education, but transferred to the provinces in such a way that they could use it in whatever manner they liked. We have already had it stated in this chamber—by myself some few years ago and more recently by other speakers—that in fact a number of the provinces of Canada do not use the moneys which they received under the 1977 legislation in support of post-secondary education at all, but use them as part of the general revenues of the province, and thus for other purposes. The universities and post-secondary education institutions are the ones to suffer. This, of course, is not the fault of the legislation before us. Indeed, it is not the fault of the present Government of Canada. It is a consequence of an action which was taken, and to which I was opposed, in 1977 and which has governed the federal financial participation in the support of post-secondary education for almost the past ten years.

It was my hope, honourable senators, that when this legislation was amended, it would be amended in a way that would improve it and thus improve the lot of the universities and other post-secondary educational institutions in the several provinces of Canada. I would have been prepared to support fairly sweeping changes in order to bring that about.

• (1450)

Unhappily, this legislation does not do that at all. It does just the opposite. I have felt that the federal government had a right to have a presence in the support of post-secondary education and of Canada's universities. I know all the arguments that have been made, that education is a matter assigned by the British North America Act to the legislatures of the provinces, but as the late Dr. Alex Corey pointed out, and as I quoted for the first time in this house back in February 1973 and have referred to once or twice since, the clauses in the British North America Act, if they are read carefully, state that education in and for each province is the subject of legislation and the responsibility for legislation by

the legislatures of each province. But that does not mean—and the late Dr. Corey argued very forcibly—that it left it free, and it was even expected that the federal government would concern itself with education for the country as a whole and for the support of projects which were of national significance and which could not readily be accomplished in a country like Canada without the participation of the federal government.

Well, as I say, I am sorry that this situation has obtained for so long and that we are not taking any steps at the present time to improve it. But indeed, as Senator Stewart (Antigonish-Guysborough) pointed out in his June 18 speech, it indicates that the federal government is beginning, not to have a higher profile in the support of post-secondary education, but to withdraw from post-secondary education and its support. He pointed out that the cutbacks here would not come out of the tax points but would be in the cash transfer payments, and that if they continued at the level which this legislation commences, in due course the federal government would not be supporting post-secondary education at all, except by the transfer of tax points; and while I do not agree with the arguments of the provincial politicians, I think that Senator Stewart is perhaps more generous toward this interpretation than I am. I do not agree that the transfer of tax points is giving to the provinces money which was theirs anyway. It was money which under the British North America Act was properly collectible by the Government of Canada, and which was assigned to the provinces as part of the device for supporting post-secondary education when the changes were made from the beginnings of support, going back to the 1950s, when there was no question that it was entirely federal money that was granted to the universities—and let us not forget that in the original support of post-secondary education under the St. Laurent government in the 1950s the money was paid directly to the universities in each of the provinces of Canada. It is true that they used the CUF, the Canadian Universities Federation, as it then was, to distribute the money, but the payment was a direct payment of federal money to the universities of the provinces of Canada. The Pearson government wanted to please some of the provinces who did not like that arrangement; so they resorted to other devices—but I must not start to give a history of this situation at this time. If anyone is interested in it, I can direct him to the speech that I made some years ago in which I did trace this long history. It resulted eventually in the 1977 legislation, which is the subject of the amendment we are now considering. In that legislation the moneys were transferred to the provinces, as I say, although calculated on the basis of the cost of and support of post-secondary education—and, I must not forget, also of health services. Payments were calculated with respect to them, but were transferred to the provinces with no strings attached.

It is no wonder, and it should have been contemplated by the Canadian government and the legislators of Canada back in 1977, that this money in some instances would not be used for the purposes which motivated the federal government in making the transfer payments. It was certainly foreseen by me, but my views did not prevail then, nor have they prevailed since; but I shall keep on trying, and I shall keep on speaking in the manner in which I am speaking today.

So, the transfer of moneys with no strings attached leads us to the situation in which we find ourselves today, where we are amending the 1977 legislation, but not in any manner that will help and certainly in a manner which is likely to harm the universities and other post-secondary education institutions in Canada.

I would point out that it is not the provinces that are going to suffer as a result of this amendment to the 1977 legislation. Ultimately, of course, it is Canada's universities that will suffer. I would also point out that Canada's universities, generally speaking—in fact, I do not believe that I really need to put in that qualification—are not in a position where they can be squeezed much harder. Compared with other developed countries, and certainly the countries of the OECD, Canada is not supporting its universities in an extravagant way, but is doing far less. Canada's universities are hard put to make ends meet; and certainly Canada is not supporting research and development, either in the universities or anywhere else in the country, including research establishments and industry, at a level comparable to the support which is being received in the other developed countries.

I would point out that this bill not only decreases the federal government's payments under the established programs financing transfers but it does so at a time when the federal government is cutting back on support of research and development throughout the country; by the amount of moneys that the federal government is making available to the granting agencies, particularly the Natural Sciences and Engineering Research Council and the Social Sciences and Humanities Research Council, and even the Medical Research Council. So, if the financial situation of the universities is further constrained, then their ability to conduct research and development and to participate with others in the important aspects of R&D is diminished thereby.

As I said before, I had hoped that when the 1977 legislation was amended some of these inadequacies would have been addressed and that assurances would have been provided that federal funds transferred in support of post-secondary education would, in fact, be spent for post-secondary education.

I have not dealt this afternoon with the question that this is, of course, in most respects a lump sum transfer as between education and health, and it is impossible to say whether moneys transferred for health are in one package and those for education in another. Indeed, it is impossible under this legislation for the federal government to insist that the moneys be expended in that way, although it is true that the federal government, when it introduced the six-and-five program, did attempt to give the impression. I do not know whether or not it worked out to be much more than that—that the six-and-five applied to the universities or post-secondary education support, but did not apply to the support of health services in the provinces.

Second, I had hoped that if there were any funds saved by the federal government as a result of amending the 1977 legislation, they might be specifically directed by the federal government to support a category of graduate education, for example, which nearly all provinces—in fact, I believe all of the provinces—would permit the federal government to do without resentment; and certainly that some of the moneys would be directed toward research in the universities, and that they would be directed toward the support of research and development generally.

Well, honourable senators, my sentiments with respect to this legislation are well known and I do not think it is necessary for me to say any more than I have already said. I am disappointed, because it does nothing to improve the state of post-secondary education or the federal government's support thereof. I am disappointed because it will almost certainly result in tightening the financial squeeze on our universities rather than on the provincial governments. I am disappointed that it will do nothing to help research within the universities or, indeed, research and development in Canada's industries and research institutions and in Canada generally. This legislation does only one thing that some would regard as virtuous, and that is it saves some money for the federal treasury. I am glad that money is being saved, because I agree that we should try to reduce the deficit of the country, but I am sorry that this saving has to be made by bearing down so heavily on those institutions which are, if not the least able to afford it in our country, not well able to afford the squeeze that will certainly result as a direct consequence of the diminution of these transfer payments to the provinces of Canada. To me, this legislation is disappointing in the extreme.

• (1500)

Hon. L. Norbert Thériault: Honourable senators, the other day I said that I would place on the record of the Senate some of my reasons for being so disappointed with this legislation. I commend Senator Hicks who made a case for the universities. This has been his field for most of his life, and he knows the subject probably better than anyone in this chamber, if not in the country. I would like to place on the record my position, especially with regard to health services for the province of New Brunswick.

I do not share the delight expressed by Senator Hicks over the reduction of the deficit. I am not one who believes that deficit financing is necessarily always bad. Nor am I one who believes that at times deficit financing to promote areas in need in this country is something that should be avoided at all costs. I place more importance on the services that are provided to the people of my area of the country than I do on the deficits of the country and of the provinces.

This government has taken the approach that deficit financing is crisis number one. It is as if the Government of Canada is the only government in the western world that used deficit financing over the past few years. That is not the case. For instance, every provincial government of this country—and most of them are Conservative governments—has had higher and higher deficit financing over the past ten years. Our neighbour to the south and most of the countries of the western world have had higher deficits. I do not think that we will see an end to this type of financing for a number of years yet. I shall not try to explain the reasoning behind the statements I have just made. I shall simply suggest that those of us who are involved in Parliament should read, at least once a year, the speech made by Senator Everett in this house just three or four weeks ago on this subject.

Having said that, I would like to place on the record of this house a few facts and figures. They are not my facts and figures. They are facts and figures provided to me by the Minister of Finance of the province of New Brunswick. His name is John Baxter, and he is the Minister of Finance for the Conservative government there. His father was a past Conservative premier of New Bruswick. I must say that I have never met a better Conservative in my entire life.

Senator Frith: That is not so tough.

Senator Thériault: He puts his province ahead of his party, and he wants those of all political parties in New Brunswick to support him in his demand to the Prime Minister of this country that Parliament not proceed with Bill C-96 at this time. I have here his letter which includes charts, and which I would like to table when I have finished with it. Chart 3 of this letter shows that the 1986 EPF formula provides some growth in EPF cash each year, but that growth is much lower than growth under the 1982 formula. Mr. Baxter says that the anticipated growth rates under the 1986 formula are also much less than the cost of health and post-secondary education programs which EPF was designed to help finance. In fact, for 1986-87 and 1987-88 EPF cash under the 1986 formula will grow by less than the inflation rate assumed in the recent federal budget. He goes on to say that this is contrary to what the Prime Minister said last November at the First Ministers' Conference in Halifax. He says that the cumulative effect as a result of these two changes in the original EPF formula will amount to a loss of approximately $465 million to New Brunswick over the period 1982-83 to 1990-91.

Honourable senators, those of us who live in New Brunswick and those of us who have seen the progress made there in higher education and in health services since the federal government became involved, as was stated by my colleague from Halifax, in the days of Prime Minister St. Laurent know that had it not been for the provision of this funding in the Atlantic provinces and particularly New Brunswick—I shall not try to speak for Prince Edward Island, Newfoundland and Nova Scotia—the services now provided would not be available. What does this legislation do in the long run? How does it affect the ability of the citizens of New Brunswick to make what they would like to be a normal, natural contribution to the welfare of Canada and to the payment of taxes? Post-secondary education in New Brunswick, particularly in the francophone part of the province, has come into its own only in the past 20 years. We are still catching up. We have only one francophone university, and it is only 20 years old. We are trying to compete and provide an education for our people at the University of Moncton so that they will be in a position to

go out into the world and compete with students from other parts of the country who have attended universities that are much better established than the University of Moncton and some of the other universities of the province.

Why can the Government of Canada not see what we are trying to do? Why this government is completely blind to the regional disparities that exist in this country is beyond me. In listening to the Prime Minster campaign in New Brunswick in 1984, I was convinced that he understood this country well, particularly the Atlantic provinces and the problems we face there. I thought that for once here was somebody who will really do something.

Senator Frith: It was Norm Atkins.

Senator Thériault: For this entire week I have been sitting in my place in the Senate and in my office looking at the legislation that is currently before the Parliament of Canada. It is obvious that if the Government of Canada was going out of its way to pass a series of bills to directly hurt Atlantic Canada, it could not have done a better job. In fact, four or five of the bills that this house will be asked to pass within the next two days will have a detrimental effect on the well-being of the people of New Brunswick and of Atlantic Canada generally. I am a politician; I have been a politician all of my life. I am a supporter of the Liberal party, but at times I have taken independent positions. In fact, when this legislation was first passed in 1977, I took the position that I thought it was wrong, and I agree with what Senator Hicks has said. At times when the Liberal Party formed the Government of Canada I have taken positions in this and in other places, and I am especially surprised that my colleagues, Senator Simard and Senator Robertson, who are so knowledgeable of the current problems faced by the province of New Brunswick and the government of that province and of what this legislation will do to that province, did not stand up in this chamber and protest this legislation. I know that they have their reasons, but I am surprised they are not here today.

• (1510)

Yesterday I listened carefully to what Senator Macquarrie had to say. I want to say at the outset that I have nothing but the greatest respect for Senator Macquarrie's dedication to a great many causes that I, too, support. I know that education has also been his field. However, I must disagree with him when he says that because of the equalization payments the Atlantic provinces will be treated in the same way as the other parts of Canada. I say to Senator Macquarrie that that is not the case. In the Atlantic provinces, and in particular in New Brunswick, we cannot make do on our own in the fields of education and health services as they can in Ontario, Quebec or all of the western provinces. New Brunswick does not have the tax base or the revenues, and we depend so much more on the Government of Canada for our revenue.

As I said earlier, one of these charts which I have in my possession shows that federal transfers to New Brunswick from 1972 to 1982 averaged 47 per cent of the total expenditure of the Government of New Brunswick. In other words, 47 per cent of those expenditures or revenues came from federal sources and 53 per cent came from provincial contributions. However, if you look at the chart for 1985-86, just one complete fiscal year after the Conservatives took over in Ottawa, you find that the federal transfer share has gone down to 41 per cent and the provincial share has gone up to 59 per cent. Honourable senators, this is happening at a time when the economy of New Brunswick, unlike the economy of central Canada, has not improved. Unemployment in New Brunswick is higher now than it has ever been, apart from the years of the depression in the 1930s. Revenues are more difficult to come by for the Government of New Brunswick for the simple reason that the taxpayers of New Brunswick cannot afford to pay as much tax, because they do not have jobs. That is also the case in Prince Edward Island; it is the case in Newfoundland and, to a large extent, it is also the case in Nova Scotia.

While these events are taking place, the present government, after having been elected with a massive majority of members from the Atlantic provinces, is passing legislation that is directly detrimental to the welfare of the people in those Atlantic provinces. As I said earlier, I do understand loyalty to a party, but I have a hard time understanding why members in the other place and in this place who represent Atlantic Canada have not stood up and protested what I think is a very dangerous trend, as far as this government is concerned, for the people of the area we all represent here and in the other place.

As I said at the outset, the Conservative Minister of Finance for New Brunswick, with whom I shared a seat in the legislature for almost 20 years, sent me a copy of this report. He knew I was going to use it; in fact, he told me to use it. I cannot understand why more people have not used this report. However, I do say to my colleagues from all parts of the Atlantic provinces, watch the legislation, particularly Bill C-75, Bill C-96 and one bill that was passed yesterday. There are three pieces of legislation that directly hurt the economy in an area of this country that is already economically very weak. While I understand that from time to time government supporters are asked to toe the party line, I would hope that even after this legislation has passed our colleagues from the Atlantic provinces who have an "in" with the present government will remind the Prime Minister of his promises during the election campaign. Furthermore, I ask those same colleagues to try to impress upon the Prime Minister, or even upon the Minister of Finance, that there is something lacking here. Somehow in this government the point of view of the Atlantic provinces is not being advanced with as much strength as it was during the terms of past governments.

Honourable senators, I say in closing that for one who has watched this country grow and who has for a number of years participated in provincial governments, I know that it is a long hard struggle for the Atlantic area to remain a part of this great country of ours. I remember when the late John Diefenbaker was Prime Minister of this country and during his term of office legislation was passed creating the Atlantic Development Board. At that time it struck me that at last someone up there in Ottawa realized that the Atlantic provinces were part

of Canada and that at last something was going to be done about it. At least it was a beginning. Mr. Diefenbaker was not there very long, but at least he made a beginning; at least he recognized the problem.

Since that time progress has been made, and in 1968 under Prime Minister Trudeau there was a commitment for the advancement of all of the regions of this country. However, looking back now I see that these measures happened because there were people from the Atlantic provinces, such as Allan MacEachen, Romeo LeBlanc and Don Jamieson, who had power, and this, I am afraid, is what is lacking now in the present government. There do not now seem to be any ministers with the power to have their say in that government with respect to the Atlantic provinces, and unless something is done about it I am afraid we are in for a long, tough ride in the Atlantic provinces.

As I said, honourable senators, I will make this paper available. I have permission for the tables to be used. I did not quote from all of the tables, because it would take too long. However, it stresses the point that in 1990-91 we will receive $60 million less in one year than we would have been receiving had the formula not been changed.

Honourable senators, I will not be able to vote for this bill. I would not be able to vote for it even if it had been presented by my party. I hope that other senators feel the same way as I do.

Hon. Efstathios William Barootes: I wonder whether the honourable senator would be kind enough to entertain a question.

● (1520)

Senator Thériault: Certainly.

Senator Barootes: Thank you. In 1977 when the previous formula based on national averages was replaced by the Established Programs Funding under a Liberal federal government, there existed in this chamber a substantial Liberal majority. Could the honourable senator tell us what that substantial Liberal majority did about that objectionable measure at that time?

Senator Thériault: Honourable senators, I was not a member of the Senate at that time; I was a member of the Legislative Assembly of New Brunswick. I made my views known in the forum in which I had the privilege to sit. I do not know what the Liberal majority in the Senate did at that time, but I can tell my honourable friend that the formula that was passed in 1977 was advanced in 1968 and in 1969 when I was a minister in the government of the province of New Brunswick. That formula was being advanced at that time by the Province of Ontario. To my knowledge it was not a Liberal government that was in power in Ontario at that time. It was also advanced by the Province of Quebec which, I think, had a Liberal government in 1968 and 1969—but in any event a Liberal government was not in power in the province of Quebec when the formula was introduced in 1977.

This measure was agreed to by the majority of the people of Canada, and perhaps served your province and other provinces in central Canada well. I could not object at that time to what the majority of the people of Canada wanted; I was speaking for the people of the Atlantic provinces, but had I been a member of the Senate or a member of the other place at that time, I would have opposed the legislation, as I did in the Legislative Assembly of New Brunswick.

Senator Barootes: Honourable senators, at that time I had something to do with the measure. I was Deputy President of the Canadian Medical Association. We met at the unfortunate time the Minister of Finance, who is now the Leader of the Opposition in the other place, resigned from government. We voiced the same objections to changing to Established Programs Funding that you are voicing today. Our main thrust was that those provinces which were underprivileged resource-wise should be assisted to the greatest extent possible. It appears to me that it was the introduction of the EPF that has led us to these difficulties in these difficult economic times. That is why I asked the honourable senator what this house did with its Liberal majority at that time if they felt it was not sufficient.

Senator Frith: We did the right thing! Whatever we did, it was the right thing.

Senator Thériault: I can tell my honourable friend that if EPF was bad in 1977, it is being made worse today. I hope the honourable senator will support my stand when it comes time to vote on the bill.

Hon. M. Lorne Bonnell: Honourable senators, I want to stand in my place and say that I cannot support this bill. I am very surprised that my good friend, whom I generally agree with, Senator Heath Macquarrie, has put this bill forward, because he is an Islander and understands the educational system very well, but then I have an excuse for him—it was not his speech. This is the only speech he has ever given from a prepared text in his life. Once the text was removed, he did not know what he had said. That being the case, he was only reading what was given to him, he was a puppet of the government, what he had to say were not his own thoughts and did not come from his heart, because his heart is with the Island, with the people, with the educational system, and is certainly not to see us robbed of $21 million for health care and $40 million for educational costs. He knows, as do all Canadians, that we do not have the opportunity to get more benefits as a result of tax points. He knows, as all Canadians know, that we, as Islanders and Atlantic Canadians, are getting it in the neck again. Even Senator Barootes, that great physician who has just sat down, knows that we should be given special consideration in Atlantic Canada.

What bothers me is that our children will not have an opportunity to obtain a proper education, not because they are not bright and brilliant, because that is what we export most of from Prince Edward Island—brains—but because they will not have the funds available to go on to higher educational institutions. Again, we are being made second-class citizens because of where we live. Again, because we live in that part of Canada, we have to do without new modern equipment in our hospitals, we cannot expand our hospital services and the better specialists do not want to go to that part of Canada

because we cannot afford to pay them sufficiently. To have our educational costs and health care benefits cut by the federal government every time we turn around is a slap in the face to the people of Prince Edward Island, not to speak of its hospitals and educational institutions.

I must tell honourable senators that I cannot support this legislation. I would love to be able to support it for Senator Macquarrie's sake. I hope that when the time comes to vote on this bill he will find some reason to buy himself a new shirt so he will not have to support it at that time, because Prince Edward Islanders have asked me to tell them what Prince Edward Island MPs voted for the legislation. I told them I would find that out. They are going to want to know what Prince Edward Island senators voted for this legislation. I do not want Senator Macquarrie's name on that list, because I want him to be with his people.

Honourable senators, I am against this legislation. I could go on for an hour, but I know there are others who want to express their views. I want to voice my concern, because I can see that those planning to go to university in Prince Edward Island will be unable to obtain student loans, that we will be unable to bring in foreign students to our universities, that we will be unable to have any research and development in our universities and that we will be unable to have any of our hospitals upgraded with new equipment in a time of technology change.

I know that my dear, late friend, Florence Elsie Inman, if she were here, would stand and support me. I look forward to Senators Phillips and Macquarrie supporting me.

Hon. John B. Stewart: Honourable senators, Senator Macquarrie spoke in his usual eloquent and elaborate way about this measure. He said that he is convinced that this is a fair bill because all the provinces are to be treated alike, the wealthy and the less wealthy. He said that it is a reasonable bill because, and I quote him:

> —it will result in a rate of increase in EPF which exceeds the growth in overall federal program spending.

● (1530)

In other words, he is saying that this is a reasonable bill because it compares favourably with overall federal spending.

I should have thought that a man from Prince Edward Island would have considered the appropriateness of the amount proposed to be spent in relation to the end to be achieved rather than in relation to some other criterion, which may or may not be relevant.

In his speech Senator Macquarrie was so elaborate and eloquent that at times he was obscure. He told us that EPF was discussed with the finance ministers of the provinces on at least six separate occasions and by first ministers in November of 1985. In other words, there was plenty of consultation.

We all know that when there is that much consultation, there must be disagreement. However, the fact of disagreement was not disclosed by Senator Macquarrie.

Then he went on to say that following the conclusion of these federal-provincial consultations the bill was drafted and given first reading in the other place in February of this year. A house legislative committee, he said, "... studied the bill extensively and received submissions from a variety of groups representing labour, medical practitioners, consumers, educators, students, and other interests. The bill was reported without amendment and received third reading last week."

Well, the implication is that at least some of these people who appeared before the committee in the other place supported the bill. He did not tell us how many of the groups who appeared supported the bill and how many were there to attack it vehemently, as did the representatives of the medical practitioners, the representatives of the students and the representatives of the universities. The implication of what he said was that the bill moved through the other house with applause and general support. We all know that that is not true; it was forced through the other house by the use of time allocation.

However, what I really want to say this afternoon is that Senator Macquarrie failed to deal with the content of the report of the National Finance Committee. It is not that he was ignorant of the content of that report, which was made to the Senate on June 10, 1986, because he is a distinguished and active member of the committee. I thought that we would be entertained and enlightened by an explanation of how the government can regard a bill such as Bill C-96, one which cuts hundreds of millions of dollars, indeed, billions of dollars from the support for post-secondary education and health, as "policy neutral". If that is neutrality, let us not have any more of it.

I am sure that the people in the universities, the doctors of the country and the people responsible for financing the hospitals of the country will agree with me that if that is neutrality, it ought to be terminated. But Senator Macquarrie did not deal with that matter, though it was raised, as I said, in the committee. Nor did he deal with the point that what is taking place here is a reduction in the cash transfer. Senator Hicks referred to this earlier.

We know that some of the provinces regard the funds that come from the tax points as part of their general revenue. Consequently, it is the cash transfer which is distinctively the federal contribution to post-secondary education and health service costs in the minds of most people. It is that part of the federal contribution which is being cut by this bill; I thought that we might be shown by Senator Macquarrie that in some way this legislation was not having that damaging effect.

The third point made in our report dealt with the kind of information the government was prepared to put before the Senate. We complained that we were not given adequate information, and I thought that perhaps Senator Macquarrie would have dug out the kind of information that would have enabled us to give this bill passage without sending it back to committee. He has not done that.

This information is important, because it is very difficult to discover exactly what the government is doing through this bill. On the one hand, the government is reducing its contributions under the existing legislation for post-secondary education and health services.

I have made some calculations for certain provinces. The figures I am using are the ones provided by the government in the document entitled "Amendments to the Federal-Provincial Fiscal Arrangements Act, Bill C-96, An Explanation." It is dated May 1986. There is a table in that document which shows what the entitlements would be under the existing legislation, and what they will be if Bill C-96 becomes law.

I find that during the five-year period 1986 to 1990-91 this bill will cost Newfoundland $131 million and, of course, the costs will go on beyond 1991.

Senator Doody: Shame!

Senator Stewart: It will cost Prince Edward Island, Senator Macquarrie's home province, $29 million.

Senator Nurgitz: Well said; he ran out the back.

Senator Frith: We got to him.

Senator Stewart: He saw that figure coming. It will cost Nova Scotia $197 million; it will cost New Brunswick $159 million.

Senator Barootes spoke about the bill a moment ago. In order to satisfy him, let me tell him that this bill will cost the province of Saskatchewan $229 million over the next five years. This is how much worse off the government of the province of Saskatchewan will be if Bill C-96 passes than it would be under the flawed legislation to which he referred.

In the case of the province of Quebec, it will cost that province $1,457,000,000 in the five-year period—

Senator Denis: Shame!

Senator Stewart: —for which we have been given figures. That is as far as the projection provided by the government goes.

The Government of Canada is cutting its total contribution to all the provinces and territories by some $5,689,000,000 over the five-year period. Honourable senators, I find it very difficult to think that that is a policy neutral cut.

On the one hand, that is what has happened, but, on the other hand, in two budgets the government has changed the federal basic tax on both persons and corporations. As a result of these changes, some of the provincial governments, probably all those with tax collection agreements, will reap new revenues. The effects of the two Wilson budgets on the revenues of those provinces with tax collection agreements with the Government of Canada were discussed in the Standing Senate Committee on National Finance, and we were told that those effects would be positive. In the year 1986-87 the May 1985 budget would produce an overall negative result. It would cost the provinces $75 million, but in that same year the February 1986 budget would give the provinces a positive result of $125 million, so that taking the two budgets together for that one year the result would be that the provincial governments, taken together, would be $50 million ahead. In 1987 the May 1985 budget would produce $170 million more for the provincial governments, and in that same year the February 1986 budget would produce $310 million more for the provincial governments, for a total in that year of $480 million.

● (1540)

We were not given projections for the revenues of the provincial governments beyond those two years. So, on the one hand, we have projections of the costs of Bill C-96, but, on the other, we do not have projections of the revenues flowing to those provincial governments with tax collection agreements beyond 1987-88.

We ought to look at what took place in the legislative committee on this bill in the other place. On June 9, 1986, representatives of the Government of Manitoba appeared before the House of Commons legislative committee to oppose this legislation vigorously. At that time the Honourable Jerry Storie, the Minister of Education in the province of Manitoba, said that the member—and I quote:

> —makes the point that the Manitoba government makes before this committee. That is what we are asking for. We do not know, and I challenge the federal government to put on the table, its study of and its assessment of the implications of this bill. It has not been done. It should have been done and we are asking that it be done before the bill proceeds.

That was on June 9, 1986, notwithstanding those many conferences to which Senator Macquarrie referred.

If the Government of Manitoba does not know the implications of the bill, how are members of the Senate to vote on it with confidence when we have not had the benefit of those prolonged consultations?

Then Mr. Don Blenkarn, a member of Parliament, intervened to put, as he said, "some tax implications on the table." He went on to say:

> Just to give you a breakdown of that, our figures are that the effect, the impact of our budgetary changes on provincial revenues were at least $200 million in 1986-87, and will be at least $450 million in 1987-88.

To him, the Deputy Minister of Finance for the Province of Manitoba replied:

> I guess the first question raised by the member has to do with the numbers regarding the impact of the federal budget on provinces, and I think he quoted a $200 million annual number for 1987. I have that number on a table provided by federal finance to provincial governments on May 23, 1985.

The question I immediately ask is: Why do we not have that table? Why was a table available to provincial governments on May 23, 1985, relative to the impact of those tax changes and yet it is not available to the Senate of Canada?

The assistant deputy minister went on to make other points based on that table, and Mr. Blenkarn disagreed with his interpretation of the table.

Mr. Gannon said:

> In 1990, the federal estimate of the impact of the May budget changes on provincial income taxes is to add $1.1 billion to provincial income tax revenues, reduce federal cash payment obligations under health and higher educa-

> tion financing by $650 million, reduce equalization payments to the have-not provinces by $6 million. Now, the net total that one can arrive at from the impact of that 1985 federal budget is positive to the tune of $470 million on provincial revenues by 1990—before the $2 billion cut back.

Mr. Blenkarn replied that the Deputy Minister of Finance of Manitoba did not know what he was talking about when he said there was a small positive result before the $2 billion was subtracted.

Honourable senators, since this is a bill which was introduced in Parliament as a financial measure, I think we should know what the truth of the matter is in this regard.

Mr. Blenkarn went on to say to the representatives of the province of Manitoba—and he speaks with the kind of authority one could have only if one had had access to the financial calculations—that Manitoba had not even mentioned the 1986 budget; then he went on to state:

> For example, the change in the personal income tax calculations, as a result of the February budget, increases personal income taxes in the 1986-87 year by $80 million, and in the 1987-88 year by $230 million. It increases the corporate revenue to the provinces by $25 million in 1986-87, and a further $30 million in 1987-88.

Now, I would ask honourable senators to listen to this next statement from Mr. Blenkarn. He said:

> What we are really saying to you is that you are getting every bit of cash you are, except what we are trying to do is recapture some of our tax increases so that we can put it toward our deficit.

There we have the cat out of the bag. The Minister of Finance wanted to increase federal revenues, but because of the tax collection agreements with certain provinces, this inevitably meant that those provinces would have increases in their revenues.

Well, he could not allow that to happen. He immediately became covetous—"How am I going to take those increases away from them?"

Senator Frith: "Get my hand back into their pockets."

Senator Stewart: "How are those net increases to be prevented?" Instead of trying to deal with the increases in a direct manner, he decided to attack them through the post-secondary education institutions, the hospitals and the doctors of this country. These are the institutions, these are the people—along with those people who enjoy their services—who are going to pay the costs of recovering from the provincial governments at least a large part of the money that will go to those provinces with tax collection agreements as a result of the tax increase changes brought about by the Minister of Finance. That, honourable senators, is what is really happening here. This is not simply a measure to decrease the deficit so much as it is a means by which to withdraw money from the provincial governments, money which went to them because of the tax collection agreements. Instead of attacking it directly, the Minister of Finance and the government are cutting the cash for health services and education. That is what is happening.

• (1550)

Let us imagine that there is a province in which the balance is perfect, in which the money that goes to the province because of the tax changes is exactly the same as the amount that is taken away because of the reduction made through this bill in the cash transfers for established program financing. The Minister of Finance, the provincial treasurer of that province, may be entirely happy. In fact, he may be quite happy, because he can say to the Minister of Education, "I am sorry, but there has been a cut in the money that you would have got under the previous legislation from Ottawa, and you will just have to do with what you have. It is true that because of the increase in taxation which flowed from the Wilson budgets we are going to have some more money, but we have other things to do with that." So, the money moves from the hospitals, doctors, universities and the beneficiaries of those services to various other provincial programs. That is what is happening under this legislation.

I am surprised that Senator Macquarrie is not on his feet protesting vehemently against this legislation. Indeed, I expect that he will rise and do just that as soon as I have concluded.

Honourable senators, Mr. Storie, the Minister of Education from Manitoba, after these exchanges in committee in the other place, said:

> Mr. Chairperson, I am reluctant to enter this debate, but I think the points Mr. Blenkarn is making illustrate the need for further dialogue. The fact is, there are clearly diverse points of view in terms of what is actually happening in terms of transfers to the province.

He is absolutely right. We have been told pretty explicitly what the cost to the provincial treasuries of Bill C-96 will be. But we have not been told, except in very general terms and then for only two years, what the provincial governments with tax agreements—I do not mention Quebec—will get by way of benefit from the two Wilson budgets. As I have said, this legislation has been brought before Parliament as a financial measure. It is defended on the ground that it helps to reduce the deficit. If it is indeed a financial measure, then we ought to be told all the financial facts. We ought to be told the amount of money that will flow to the provinces as a result of the two Wilson budgets, as well as the amount that will be taken away from them as a result of Bill C-96. That is the reason, honourable senators, for my view that we ought to give the government another chance to come clean, another chance to be explicit in the Committee on National Finance.

I will mention the situation of the province of Quebec only in a very general way. The government of the province of Quebec is going to lose $1 billion and more over the next five years; yet, because it does not have a tax collection agreement with the Government of Canada, there will be no direct change in its tax revenues as a result of the two Wilson budgets. That situation has to be explored. I am sure that Senator Macquarrie will join us in the committee in trying to get to the root of

this matter. Thus far the government has not put all the facts on the table so that we can know whether this is, indeed, a fair and reasonable bill.

Hon. Hazen Argue: Honourable senators, I believe that all honourable senators would agree that this is an important debate and that some very valuable contributions have been made to it. It does seem to me that representatives of those areas of Canada that do not share the general wealth of the nation to the extent to which it is shared by residents in the central provinces are most upset about the provisions of this legislation. While the figures can be argued about a little one way or another, I think that those placed on the record by Senator Stewart indicate that there will be a major loss in revenue for post-secondary education and health services for all of the provinces over the next few years.

Honourable senators, it seems to me that the government has placed far too much emphasis on reducing the deficit. The deficit is part of our problem, but surely a major part of the problem is the fact that we have unused resources and widespread unemployment in this country. Surely there is no substitute for real wealth and for real production. I think that what we need to have in place is a plan for expansion, a plan for growth, a plan for development, a plan for an increase in export markets and a vision for the country in terms of improvement rather than what we are now having to do because of the initiative taken by the government to cut back in expenditures on post-secondary education and on health.

As has already been said, in addition to cutting back expenditures at the university level, we are also cutting back expenditures on research and development. It seems to me that this is a false saving, because, as we cut back from our universities, we are going to pay very dearly in terms of real production and growth because of the falling off in the training that universities can and do provide to Canadians.

It also seems to me that with regard to health care services, this legislation embodies a major move in the wrong direction. Instead of cutting back on expenditures for health, which puts pressure on the provinces to cut back on health expenditures or to increase taxes in a way that might not be helpful to their economies, the emphasis should be directed towards maintaining our contributions to the health care services of this country and to improving the efficiency and effectiveness of the delivery of those health care services.

Honourable senators, I think there is a growing body of public opinion in Canada that takes the view that we are imprisoned by an emphasis upon therapy based on drugs, surgery and hospitalization; that we depend on that sort of therapy to a far greater extent than is warranted. Practitioners in the medical profession in this country have the people as their captives. Their assumption is that they have a near monopoly on the health services that are effective in Canada. Too many of them seem to think that if they can make $100,000 per year, the most important thing is to open it up so that they can make much more than $100,000 per year.

Senator Phillips: Did you check that with Senator Bonnell?

Senator Argue: I suppose that I do not check many things that I say with many people—I wouldn't dare, sometimes. I believe that the evidence put before the House of Commons committee inquiring into this bill demonstrates that there is vast room for change, improvement and increased effectiveness of our health care services.

• (1600)

I believe that some of the best testimony was put on the record by the Canadian Health Association and the Canadian Nurses Association. The Canadian Health Association is a group of Canadian organizations that have banded together to take an interest in the health care field. Its membership includes representatives of health, education, the co-operative movement, the church, social development, labour, consumers, senior citizens, women and agricultural groups, totalling some two and a half million Canadians. The Canadian Nurses Association has a membership of 127,000. Therefore, when they come with proposals to improve the effectiveness of our health care system, they warrant a good deal of attention. They have made many points, two of which are significant. They protest the reduction in moneys for health services, and they put forward suggestions on how the moneys that are there can be spent more effectively.

They have emphasized—and I also emphasized this in a speech I made in the Senate in March of this year—that there needs to be far greater emphasis on preventive health services; that we need to try to keep Canadians healthy, and we need to endeavour to restore their health on a long-term basis, without their being so tied to prescriptions of one drug after another.

Another suggestion is that there should be community health centres. When I was a member of the cabinet I had the honour to propose, and to have accepted, the setting up of a task force to inquire into the present role of co-operatives and their future role, on how they might render improved services to the nation in the years ahead. That task force found that among other things there was much room for co-operatives to play a role in the dispensing of health services on a community basis.

Those organizations further recommend that there should be community or home care programs for the elderly, disabled and post-psychiatric patients, which would improve their lot, their health and their well-being. They also recommend that there should be a cost-shared funding of research programs into the whole medical care system.

It has been advocated that health care professionals—not just medical doctors but a very wide range of health care professionals—should have a role to play, and that health care professionals should include nurses, physiotherapists, nutritionists, psychologists—and, I would add, people dispensing acupuncture, acupressure, meditation, adjustments, massage, nutrition counselling, naturopathy and so on. Those are the kinds of health services that do not always carry a high price tag, but they can be effective in preventing ill health and in restoring the health of many people. Therefore, I believe they should have much greater recognition than they have at present. I would say that those types of procedures are not only

efficient in improving the health, longevity and the happiness of Canadians but they can also be dispensed at lower cost.

There should be emphasis on changing life styles, on improved nutrition, and the whole field of improved health services.

There is a growing body of opinion that health services should be increased, that there should be a wider range of health services generally available to the public. There is promotion of health clinics where a wide range of services would be available. There is a growing demand that Medicare should provide coverage for health services of a very wide nature.

During the Easter recess I had the privilege of visiting Whitehorse in the Yukon and discussing this broad question of how health care services could be improved and extended. While I was there I was honoured to learn that a resolution was brought to the Yukon legislature—if we want to use labels—by a Liberal MLA. It was amended by a representative of the NDP government. It was also supported by the Conservatives in the legislature, and so the resolution was passed unanimously. It was framed in such a way as to indicate support of the Yukon legislature for a broadening of health care services in the Yukon over a wide basis. I believe it to be a major first step by one legislative body in this country to make a wide range of health services more readily available.

Dr. Donald Branigan, the Mayor of Whitehorse, was in trouble with the Yukon medical profession because of the type of medical practice in which he was and is engaged. Charges of malpractice, or whatever, were brought against him, and some months ago the first board that dealt with the case was ruled by a judge to be ineligible or unfit to hear the case because, I believe, of a conflict of interest. Therefore, a new board was set up comprising medical people from the province of Alberta, and on June 9 the case was heard in court before a judge, a deputy justice of the Supreme Court of the Yukon Territory. The result is that Dr. Branigan's licence has now been restored. The judge, Judge Stephen Borins, stated that the members of the Yukon Medical Council—I believe three particular members—had a conflict of interest and their accusations fell by the wayside because of that conflict of interest. It was stated also that the Medical Review Board, comprising medical people from the province of Alberta, did not have any jurisdiction over the laws of the Yukon and therefore it was incompetent to hear the case; and the case was dismissed. Dr. Branigan's licence has now been restored. Since that time I have read in the press that the three doctors named by the judge and three additional members of the Yukon Medical Council have resigned.

So, the Yukon Medical Council itself is in rather a sad state of disarray, and my information from sources within the Yukon government is that it is felt that because of the wide-ranging judgment in favour of Dr. Branigan, there is unlikely to be new charges against the type of medical services that Dr. Branigan has been giving. He has the largest practice in the Yukon. Dozens of people have said to me that the kind of health services he dispensed were very effective in improving their health, that when his licence was suspended they had to go back to the regular procedures, involving many prescriptions for drugs, and as a result their health deteriorated. In addition to normal medical practice, this doctor—and he is a full-fledged medical doctor again as of June 9—provides treatment by manipulation, adjustments of the same type given by a chiropractor—and he has his chiropractic certificate—acupuncture, meditation, hypnosis and nutrition. He treats people for candida albicans with nutrition and the drug nystatin. It is the general attitude of many in the medical profession, including medical associations, that this drug has not been scientifically proven for treatment and that doctors who dare treat for candida albicans should have their medical licences suspended. One target of such harassment is Dr. Christopher Scott in Saskatoon.

• (1610)

If I may say so as a layman, I think that there is a lot of very learned medical evidence to the effect that yeast infections destroy the natural immunity system to the point where people suffer and are attacked by various diseases, that there are almost countless people suffering from allergies, yeast infections and this kind of affliction or difficulty which can be treated in very large measure by nutrition, by the administration of one drug instead of many drugs, and that people who have been seriously ill and incapacitated—almost total invalids—for many years often improve miraculously because of this treatment. I am not in any way downgrading, belittling, undercutting or demeaning the major accomplishments of the medical profession of this country. The doctors of this country perform miracles literally every day, and we need their services. However, I do think that the time has arrived for this nation to change or extend its emphasis to promote and provide a wider range of health services to give the consumer a choice, services that in my judgment are preventive of disease and ill-health and that in many ways will restore good health to countless Canadians. All of this can be done under current expenditures and will be more effective on a cost basis than what we are doing today.

This bill is a retrograde bill. It should be opposed. It has been opposed generally by Canadians, and I hope that in the future the mistakes that are made in it will be corrected.

Hon. Gildas L. Molgat: Honourable senators, I rise as well as a representative of a have-not province to deplore the actions of the government in regard to this bill. I feel very sorry for the mover of this bill, Senator Macquarrie, who, I believe, shares the concerns of those of us who come from provinces that need the kind of equalization support which followed as a result of the great depression. At that time the Rowell-Sirois Commission proceeded to analyze the finances of all Canadian governments and realized that many of the provinces simply did not have the taxation base to provide the kinds of services which Canadian citizens across the country had the right to expect. The development of federal government grants to provide this equality across Canada was an essential part of keeping this country together. I am surprised when I see some of my colleagues on the other side taking the

[Senator Argue.]

position that they have taken. For example, there is Senator Doody who was a minister of finance for the province of Newfoundland and who must share the same concerns that we have, knowing the financial situation of his province and the dire needs there. Yet, we see this kind of legislation coming forward.

I am sorry that Senator Roblin is not here, because I have had the opportunity in past years to discuss with him frequently the matter of equalization payments to the provinces. When Senator Roblin was the Premier of the province of Manitoba, he fully understood the absolute necessity of that kind of sharing. Yet, here we are putting the weaker provinces back into a more difficult position. I know that it is said that they will be getting more money, more dollars, but the dollars will not match the needs, because the needs are ever increasing. They are increasing at a more rapid pace than what some provinces can fairly collect from their own sources, and that is the big problem.

Once again we have legislation that protects central Canada to the detriment of the provinces that need help the most. That comment is not made only by people in opposition to the government.

[*Translation*]

On March 11, 1986, the President of the National Research Council of Canada, Dr. Larkin Kerwin, said the following in the newspaper *Le Droit*, and I quote:

> Canada is on the verge of bankruptcy—
>
> If it keeps going the way it is now, Canada may be bankrupt before the end of the next decade.
>
> —the situation in our universities and research laboratories is not a rosy one and equipment is often obsolete.
>
> "I visited my alma mater last week, and I saw students using the same equipment I used when I was a student 30 years ago"—

[*English*]

That is the head of the Research Council stating the needs and the problems of the universities. Yet, we find the government withdrawing assistance. The former Minister of State for Science and Technology, the Honourable Tom Siddon, said in an article in the *Toronto Star* on February 11, 1985, headed "Science Minister Warns of Research Gap":

> "The rest of the world is moving ahead of us," said Tom Siddon. "If our economy remains dependent on our major primary resource industries, we're going to go down the tube."

Then he went on to stress the importance of research. Where does much of our initial research begin? In the universities. Research that is not done in the universities is done by the products of the universities, the students who come from the university system. Yet, here we are reducing the national input into those areas. We are reducing it particularly in those provinces that need help the most, the have-not provinces. This course of action is contrary to the real needs of this country.

I understand the problems of the government insofar as the deficit is concerned, but this is not an area in which the government should be trying to recover dollars, because in the long run the cost of what it is doing will be much greater in that it will prevent and retard future development in this country.

Therefore, it seems to me that the senators on the other side of this chamber should at this time be putting pressure on their caucus to ensure that in this particularly vital field of research and university development the poorer provinces shall not be placed in a worse position than they already are.

• (1620)

Therefore, Senator Macquarrie, I do not envy your position. I note that yesterday in your comments you indicated that there had been discussions with the provinces. In fact, I believe you said that there had been six meetings with the provincial ministers of finance. However, if my memory serves me correctly, those provincial ministers of finance did not support this measure. It may be that there were meetings held with them, but I do not think that they were in favour of what is being done. You also stated that the premiers of the provinces had been consulted at the last federal-provincial conference. There again, I do not think that there was support from those premiers.

This government, which stated that one of its great purposes was better understanding with the provinces and better dealing with the provinces, is now doing the very reverse of what they said they would do.

Therefore, I appeal to my friends opposite not to proceed with this legislation. It does not need to be passed today. Let us give it some further thought.

[*Translation*]

Hon. Eymard G. Corbin: Honourable senators, I have no intention of unduly delaying adopting the second reading stage of Bill C-96.

However, I feel I must say what I think of the government's decision to adopt this measure that provides for tax transfers to the provinces.

I come from a part of New Brunswick that is certainly not the most developed area of that province, and New Brunswick is certainly not the most developed province in Canada. I do not say this as an excuse for our poor economic performance on the national level, because there are all kinds of historical factors involved, many of them beyond our control. However, at least as legislators we can exercise some control by speaking out against the kind of measures contained in Bill C-96 in its present form.

Earlier, Senator Norbert Thériault referred to a letter he received from the Minister of Finance of New Brunswick. The Minister had, if I am not mistaken, written to all members and senators from that province, because I also have a copy of his letter containing some material that very explicitly supports the position he was taking on behalf of the province of New Brunswick.

Senator Thériault also referred briefly to the precarious financial situation of our French-speaking Acadian university in New Brunswick, the University of Moncton. He could have gone even further, although I am not blaming him for not having done so, but he could have said that the impact of this measure will not stop at the University of Moncton, Moncton as such, because the University also has campuses in Shippegan, in the Acadian peninsula in northeastern New Brunswick. It has another campus at Edmundston, usually referred to as St-Louis-Maillet, because it was the result of a merger of two colleges, one the erstwhile St-Louis University and the other a girls' school called the Collège Maillet.

Therefore the University of Moncton whose main facilities are located in the city of Moncton itself will certainly feel the negative impact of this bill and, needless to say, the consequences will be even more serious on these campuses which, since the university was established about twenty years ago, have been trying to acquire adequate facilities so as to be in a position to provide education for the young francophones of these two regions with a large Acadian or French-Canadian population, as the case may be.

New Brunswick francophones are in a more difficult situation because we do not have access to the financial resources which most English unviersities in Canada have received through donations and foundations; they have other income that what is available only through governments. We are a young university and, over the past 20-odd years, we have been unable to collect enough trust funds to secure our monetary basis, eventually to be able to have the required facilities, faculty, etc. to compete in the university world.

More than that, Moncton University graduates, like those of the two campuses—Shippegan and Edmundston, because I include them in Moncton University—must compete to earn the few rare places made available to them in Quebec universities. Our young Moncton University graduates—if I may use the term—can only attend Quebec institutions to continue their studies for master or doctorate degrees in particular, although in certain cases the University of Moncton does award such degrees.

Without going into great detail, Quebec universities have set quotas on the number of Acadians or French Canadians that may be admitted to Laval University and the Universities of Sherbrooke, Quebec and Montreal. This situation has been in existence for some time. We can't do anything about this decision, because the Government of Quebec tries to serve its own population first, the young men and women of the Province of Quebec, before opening the doors of its universities even wider to Francophones from other Canadian provinces.

This Bill has a double impact on the remote campuses of the University of Moncton. In very specific terms, this means even less money for facilities on the campuses at Shippegan and Edmundston, less money for the teaching staff, less money for the library; everything is connected. The multiplier effect of this measure may have a devastating effect on the poorest areas in our country. They may never recover.

It is absolutely unacceptable that the eastern provinces should be in the situation they are in now and that they should suffer the brunt of the attack. And that is why I want to speak out on their behalf. The government is making a serious mistake, as my colleague, Senator Molgat, said earlier. The impact may not be felt right away, but over the years, we will see a reduction in the student population and university graduates, especially in the poorest areas. A serious lack of funding will be reflected in a drop in the number of people who will be able to get post-secondary training. This is a very cruel way to strike at less fortunate regions. We realize we are not as prosperous.

We joined Confederation to be able to benefit from the advantages of a national union where the rich provinces give more to the poor provinces. The formula suggested by the government does nothing to fulfil the mandate contained in the Confederation agreement.

Another area we have reason to complain about is that of transportation. We survive by the skin of our teeth. It is difficult to produce goods in the Atlantic region when one first has to bring in the raw materials and then ship out the finished product to the markets in central Canada or elsewhere. Despite the relative generosity of the federal Government—we survive thanks to subsidies—we have a very serious problem with transportation.

Some people are going to say: There is another senator from eastern Canada who is holding up his hands to Ottawa. To put this kind of interpretation on my words shows no understanding at all for the desperate economic situation today in New Brunswick, Prince Edward Island, Nova Scotia and Newfoundland. The government has no right to strike this harshly. For this reason, I oppose this legislation, and I thank you, honourable senators.

• (1630)

[*English*]

Hon. Heath Macquarrie: Honourable senators—

The Hon. the Speaker: I wish to inform the Senate that if the Honourable Senator Macquarrie speaks now, his speech will have the effect of closing the debate on the motion for second reading of this bill.

Senator Macquarrie: Honourable senators, as one reaches one's anecdote age, if not one's dotage, there are some things that are somewhat amusing. I have always been amused by the warning which Speakers in both houses give about, "If so-and-so stands up, he closes the debate." I have never heard a member say, "Oh, for God's sake, don't let that happen." In any event, shall we say it is a very gentle warning?

I take it that some of my colleagues, notably those who spoke, have certain reservations about my oration of yesterday. If I were docile and easily led, I might take a vow. "After this, it is ad lib all the way." But I am not going to go quite so far. I do sense what is being said. In the olden days when we told jokes they were clean jokes, and the cleanest person you could think of was a clergyman. One of the standard jokes was about the poor old fellow who came to the pulpit and who had left his

notes at home. As he floundered, he said: "My dear congregation, today I have left my notes at home. I must depend on God, but I promise you that next Sunday I will be better prepared." With me it is just the opposite. Yesterday I was fully prepared and massively briefed. I am sorry that not all of you were enthusiastic about what I had to say.

I have always thought that Senator Hicks was a man who made short speeches, but was never short on logic and intelligent contribution. I was interested in what he had to say and appreciated very much his comments.

Senator Thériault, with that experience he picked up in New Brunswick and that verve which makes Maritimers what they are, I think also made a great contribution. In a moment or two I may deal with one or two aspects of his eloquent comments.

My old friend, Senator Bonnell, with that sharp partisanship that only Island Liberals really raise to the ultimate in perfection, almost said that because I had surrendered my notes I could not answer Senator Stewart's questions. Now, that was an exaggeration, honourable senators, but not a massive one, if I may say so.

Senator Stewart is a most—I won't say aggressive, because that does not go with his personality—persistent, constant questioner in all of the committees on which I have the honour of sharing membership with him. He is in good form again today. I suppose I could say to him, if I were a man of nasty bent and inclination, that some of his questions might have been processed in the many committee meetings we held. I remember the evening the Honourable Barbara McDougall was before the committee. Questions were asked and answered fully. We adjourned early, I thought, even for an old timer like myself. We could have gone on for two or three more hours. She had a battery of officials with her. All of these things might have been entered into. I could not possibly have been expected to come in yesterday with all of the formulae and all of the great projections in what my colleagues here would say was the ante-penultimate day of this session. That is not the kind of thing you do when you feel the clammy hand of adjournment getting close to you, so I did not do that. If I am remiss, I am also remorseful.

Senator Argue talked about a very interesting trip he had to a place I have never been, the Yukon. I do not know about the value of meditation, but some people think it is a good thing, and some people think massage is a good thing, but I am much too old for that. I believe that his suggestion of enlarging the bounds, to use John A. Macdonald's words about another subject, might be the kind of thing which could be considered. But perhaps not under Bill C-96.

Senator Molgat also made an interesting and short speech. I agree with him about the Rowell-Sirois Report. I do not know of any document that has been more productive and conducive to the development of this country than the outpourings of those excellent people, but, my God, there was nothing in that document that even approached the enormous figures involved in this bill. We have enhanced our generosity and our concern for education, health, and so forth, far beyond those careful days of my fellow Presbyterian, Mackenzie King. But I want to say to Senator Molgat, who is a very skilled reasoner and debater, that I am not upset nor surprised that at all these meetings between the two levels of government the provincial people did not come out and say, "Oh, my God, they are wonderful. We got exactly what we wanted." If you ever hear of a group of provincial politicians coming out from a federal-provincial meeting saying that, you are either dreaming in technicolour or they are talking about something highly unimportant. They always want more, honourable senators; they always want more. Isn't that the nature of the system? As the former Prime Minister used to say, "Isn't that the domestic countervail? Isn't that what makes a federal system work?" Of course they want more. It would surprise me if they went back to their people and said that they were totally satisfied.

I did not say that I believed that the participants at these six meetings were unanimous. But, surely, you cannot say the issue was not canvassed if there were six meetings. They were all there to talk and ask questions. Nobody was taken by surprise. Respecting all of the meetings held over yonder in the other place, I have not suggested everyone thought they were a great thing, but somehow something must have happened to bring about the numerical support of the people in the other place. So, something must have been discussed, something must have been agreed upon and, I guess, something must have been accepted.

• (1640)

Of course, as I said in a recent speech, I would have liked to have more. I do not remember a single curtailment that ever went before either this house or the other that I thought was a good thing. I am, shall we say, an economic expansionist. I like more for the wharves of Prince Edward Island and for the provinces of the west, of course I do.

Senator Olson: You used to support them.

Senator Macquarrie: I would like more for environment, but we cannot really, if we are going to be candid about this, say that "deficit management is a good thing, but not here, and not there, and not there." If everybody advances his particular close-to-the-heart project and says, "Do everything else but that," and of course that applies to us, too, since no one likes salary curtailment, then we will not have a massive effort to bring the finances of this country into order.

After what has happened, surely, whether you are an orthodox economist or unorthodox or nonorthodox, or whether you do not have any belief at all but are just an economist, I do not think that you can make a strong case that it is a bad thing to put the finances of the country in order. I think that every sector must accept that. That is why, after having said that, I believe that it is of enormous importance to remember what—if I may be so immodest to say—I said yesterday, namely, that of all the sectors this part of our economic expenditure in these fields has been sustained to a very high degree.

My good friend, Senator Bonnell, suggests, laughingly of course, that I should be in sackcloth and ashes when I go to

Prince Edward Island. As a—I will not say old-time educator—long-time educator, I have had some figures extracted, and it seems to me that they are not all that bad. The figure for Prince Edward Island spent in education in the year 1984 was $21.1 million. That is quite a little sum in P.E.I. In 1985-86 does it go down? No, it is $22.7 million. And, then, the figure for 1987-88—and I am not going to weary anyone by continuing for years and years, we will stop there—is $25.5 million. You cannot say that we are being tied down, harassed, pushed in penury. Is it that bad? I think not.

Senator Thériault is in the category we used to call a "tub thumper", and that is what we need—a good rousing speaker. He talked about the Atlantic provinces. The Atlantic provinces are far dearer to me than the Conservative Party, although I like it pretty well, too, but I have no hesitation in defending the grand old party of John A. Macdonald, because I have lived long enough to see a Conservative government or two in—although they are never in too long.

The government that brought new hope, new spirit to Atlantic Canada was the government of John Diefenbaker. Senator Thériault mentioned the Atlantic Development Board; I would say first the Atlantic Provinces Adjustment Act. If anyone wants to think of reviving those, they will have one here who is all in favour of it.

We were given an inspiration, because someone up here saw that injustices had crept into the working of the system, and we benefited from many measures of that time, such as the Roads to Resources and the tremendous assistance to our technical schools. Then by—I will not say devious—interesting ways, we were assisted through other forms of education. Our provinces were moved forward and given a chance to move themselves forward. So, I do not believe that this PC government is one which has a hard attitude toward the needs of my part of the country, and I will never feel that it is necessary for me to apologize for them.

To indicate, honourable senators, that I took very seriously Senator Stewart's question, I sent the inquiry up on high—well only as high as the Department of Finance; this is not a sermon on the mount—and I have a tremendously good answer for him. The memorandum reads:

> As prescribed in the legislation, the total contribution under EPF consists of a cash and tax transfer. The provinces and the territories are expected to receive over $9 billion from the federal government in EPF cash payments in 1986-87, and $7.7 billion in tax transfers.
>
> The tax portion of the EPF contribution represents the value of taxes which the federal government reduced at various times in the past in order to allow provinces to increase their taxes to finance these programs without increasing the total burden on the taxpayer.

The final paragraph states:

> The cash transfer is the difference between the total entitlement and the currently estimated value of 13.5 points of personal income tax and 1.0 points of corporate income tax plus the equalization associated with these tax points which is paid under the general equalization formula.

Senator Frith: Divided by item A.

Senator Macquarrie:

> Quebec's tax transfer is 16.5 points, which is proportionately larger than other provinces, because this province took advantage of contracting-out arrangements in the mid-1960s.

That is the end the memorandum, for which I am somewhat thankful.

Senator Frith: After that it gets complicated.

Senator Macquarrie: I conclude by restating my appreciation of the excellent addresses I have heard, and for the generous, and I am sure sincere, commiseration that was extended to me, and by repeating what I said yesterday: Despite the fact that we would like more, it seems to me that in the realities of the situation in mid-summer 1986, perhaps there is not much better we can do than expedite the passage of this reasonable, equitable, fair—

Senator Frith: Steady.

Senator Macquarrie: —piece of legislation.

Hon. Senators: Hear, hear!

Senator Frith: Honourable senators, will Senator Macquarrie answer a question? If the bill receives second reading, does he propose before third reading to send it for reconsideration by a committee, namely, the Standing Senate Committee on National Finance?

Senator Macquarrie: I will refer this to someone higher up again; but I think that is what we will do.

Senator Doody: Honourable senators, if I may take advantage of the opportunity to stand, the committee is certainly willing to accept the legislation and look at it a second time. However, I had hoped that Senator Macquarrie's very brilliant and informative address would have solved all the problems and stilled all the questions that honourable senators might have had.

Senator Muir: He was very convincing.

Senator Doody: That's right. He certainly convinced me. I was starting to get a bit worried about Newfoundland's position, having heard from Senator Molgat, but Senator Macquarrie stilled that fear and I am much more relaxed right now.

If it is the Senate's wish to re-examine the bill, a room has been provided in which the committee can meet at 8 o'clock this evening. If he so wishes, Senator Macquarrie can refer the bill to committee rather than move third reading.

● (1650)

Hon. Orville H. Phillips: Honourable senators, following the remarks of Senator Doody, I would point out that although a room has been provided for 8 o'clock, the committee does not have authority to sit while the Senate is sitting. If the Senate is

still sitting at 8 o'clock, that matter will have to be considered at that time.

Senator Doody: I have a motion which would cover that, if necessary.

Motion agreed to and bill read second time, on division.

REFERRED TO COMMITTEE

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

On motion of Senator Doody, bill referred to Standing Senate Committee on National Finance.

MARINE ATLANTIC INC. ACQUISITION AUTHORIZATION BILL

SECOND READING

On the Order:

> Resuming the debate on the motion of the Honourable Senator Macdonald (*Cape Breton*), seconded by the Honourable Senator Doody, for the second reading of the Bill C-88, intituled: "An Act to authorize the acquisition of Marine Atlantic Inc. and to provide for other matters in relation thereto".—(*Honourable Senator Rowe*).

Hon. Frederick W. Rowe: Honourable senators, I hope no one is intimidated by the fact that I have a batch of notes, because I will not be using all of them. I recognize that we all have an obligation at this particular time to try to expedite our business—without, of course, taking too drastic measures.

I want to extend my congratulations to Senators Macdonald and LeBlanc, who have spoken on this matter and who, indeed, drew attention to certain points which I intended to deal with when my turn came. I will proceed with one or two others which I think need to be dealt with at this particular time.

I do not think there is any need to go into any great detail in this matter, because that has already been done by the Newfoundland representatives and by other representatives from eastern Canada in the other place.

I do want to say a few words about Canada's obligations under the Terms of Union. Some reference has already been made to that and I want to go into that further. The Terms of Union, which came into force on March 31, 1949, contain a direct clause dealing with this matter which is embraced by this legislation and also contain an indirect obligation which was inferential or implicit rather than direct.

One of the direct clauses or statements was that the Government of Canada would undertake to put into service between North Sydney, Cape Breton, and Port aux Basques, Newfoundland, a ferry when the Government of Newfoundland had completed a modern, paved highway from Port aux Basques to Corner Brook. That, by the way, although it was not recognized as such, was the real reason that in the initial building of the TransCanada Highway in Newfoundland concentration was put on the west coast of Newfoundland where there was a relatively small population at that time. Corner Brook, of course, was an exception. The reason for that was quite obvious: If you were going to have a transinsular highway, then you had to start at the point where the ferry from the mainland of Canada reached Newfoundland. Canada had the obligation to build that ferry and put it in service. This was stipulated in the Terms of Union. It was to be a ferry that would, in addition to carrying passengers, be capable of carrying a reasonable number of motor vehicles.

The other implication in the Terms of Union—and I have to be careful with my words, because lawyers have already spent hours arguing about this point—was that Canada would take over the new railway and would operate it. The words were, "that Canada will assume the responsibility for the operation of the Newfoundland railway."

There was never any doubt in the minds of Newfoundlanders that implicit in that clause the operation of the railway would be continual. I will make a statement here right now which I may have made before, and it is this: If on March 31, 1949, the people of Newfoundland had known that the Newfoundland railway was going to be closed down or seriously curtailed, then I can state without any qualification whatsoever that, number one, Newfoundland would not have become a province of Canada and, number two, it would today be a state of the United States of America.

I will make a few further comments on the matter of the ferry services. I and many others from Newfoundland have been pretty critical of Canada's approach to Newfoundland. The railway is only one example of my criticism, but there are others. For some reason—and I do not know what it is but I think most Newfoundlanders would agree with me—the Government of Canada has always leaned over backwards to try to give Newfoundland a good ferry and coastal service. Yesterday Senator Macdonald referred to one ferry service from North Sydney to Port aux Basques. He also referred to one that is still in operation from North Sydney to Argentia, which is in the southeast portion of Newfoundland and which is a much longer route than the one to Port aux Basques. In addition to that, Newfoundland has had to and still does rely to a great extent upon a coastal service. I think I am only being fair when I say that Canada's general attitude towards a coastal service has been a good one. I would go so far as to say that it is almost beyond reproach.

• (1700)

Honourable senators, one reason for my view that this bill should be given a chance—and I think that most of the Liberal members of the Senate are likely to vote for it—is that it will give the Government of Canada an opportunity to rectify some of its errors, some of its mistakes of omission and commission, particularly of omission. The legislation, if implemented, will give Canada an opportunity to do what it should have done several decades ago.

I believe that in an earlier speech I referred to the MacPherson Royal Commission on Transportation, which was carried out in the early 1950s. That commission drew to the attention of the people of Canada and the Government of Canada the uniqueness of Newfoundland. I will not go into great detail,

because I think that most senators are familiar with its findings, but the commission stated without any equivocation that Newfoundland required and was entitled to special treatment in respect of transportation, not just in respect of a ferry service. It was pointed out that there was no way in which Newfoundland could ever play its potential role in terms of its resources—the fisheries, forests, water power and minerals—unless special consideration were given to Newfoundland's development.

Honourable senators, beginning in the early part of this century, Newfoundland has suffered a great emigration to the United States and, to some extent, to Canada. As a matter of fact, the Governor of Massachusetts once told me that the biggest group in that state—and this was some years ago—was made up of Newfoundlanders and their descendants. One might ask the question: Why would this be so? Why would there be such a tremendous emigration over the years? The reason is very simple: The opportunities did not exist in Newfoundland, and people left to pursue those opportunities elsewhere, particularly in the area around Boston. As a matter of fact, save during the two world wars, there has never been any period during which there has not been a relatively vast emigration of Newfoundlanders to New England. Apart from the two wars, there has always been this haemorrhage of Newfoundland talent and ability to the United States and to other areas of Canada—Toronto in particular. Honourable senators, that haemorrhage is going on again right now. Newfoundland has the highest unemployment rate in Canada. Thousands are being turned out by its great university, and these students, many of them with graduate degrees, have no opportunities in Newfoundland so they take off. I am sure that most Newfoundlanders and most Canadians hope that they would remain, but the opportunities are just not there.

The charge has been made that apart from changing the name and one or two other minor things, this proposed legislation will not accomplish anything. Perhaps that is a slightly harsh criticism. The least we can do is to give it a chance to work. I do not know what its effect upon Newfoundland will be if it becomes law—the effect may be negative. One or two of the speakers in the other place expressed their fears in that regard. The effect may be purely innocuous; the legislation may mean nothing one way or the other.

I regret that I am concluding on a negative note, but I have to do so. I say again that if the ultimate effect is to leave Newfoundland with fewer jobs, as has been charged, and with higher transportation costs, then the people of that province will once again be baffled, disappointed and frustrated. If that happens, honourable senators, I do not know what it could lead to, but I fear that it could bring about far more undesirable developments than we have seen in the past.

Hon. John M. Macdonald: Honourable senators—

The Hon. the Speaker: I wish to inform the Senate that if the Honourable Senator Macdonald (Cape Breton) speaks now, his speech will have the effect of closing the debate on the motion for second reading of this bill.

[Senator Rowe.]

Senator Macdonald: Honourable senators, I do not think there is much I can usefully add at this point. I have listened with a great deal of interest to the remarks of Senator Rowe, just as I did to those of Senator LeBlanc yesterday. Senator LeBlanc was especially concerned with two points. One was that the management might change the location of the head office without prior consultation with government or anybody else. And that is a concern, because when you are dealing with a crown corporation in these matters you are in a very delicate position. If you tell them that they must do this or that, you are criticized for using political influence; if you do not do so, the people who are affected criticize you for not doing something about it. So, we shall have to wait and see what we can do. If such a thing might happen, then we may see whether it can be prevented. I do not believe there will be any change from the present setup. At one time they located the Marine office in Moncton and it operated out of there for a good many years. I might say that I was somewhat surprised myself when I found that it was operating out of St. John's. In those days I was more active in politics than I am now and I sent a letter to CN Marine. I received a most courteous answer, but that reply came from St. John's whereas I had sent the letter to Moncton.

• (1710)

I listened to Senator Rowe with a great deal of interest, because certainly he has a vast knowledge of Newfoundland, its history, its present circumstances and its hope for future development. I do not believe that this bill will have much effect on Newfoundland. It merely changes the name to Marine Atlantic Inc., making it a crown corporation rather than a subsidiary of the CNR, and I do not expect that there will be much difference in the present situation. Certainly it should not affect the employment situation adversely.

However, on the other side of the picture, I should like to add that I hope that if and when it becomes a crown corporation it will retain its close connection with the CNR, and that the CNR will continue to put most of its freight through the port of North Sydney rather than through some other port in Nova Scotia or the Atlantic provinces.

Of course, the bill has little to do with the railway system in Newfoundland. I fully agree with Senator Rowe that under the Terms of Union Canada is obligated to maintain the railway as a going concern. Recently I was glad to see that the Minister of Transport had provided funds to upgrade the railway and to keep it in operation.

Senator Hastings: For how many years?

Senator Macdonald: For five years, or something like that. I hope that if the bill becomes law there will be no adverse effect on either Newfoundland or Nova Scotia.

Senator LeBlanc expressed his concern that user fees might be put into effect through this legislation or through some other proposed legislation. I believe he is right that there should be no question of user fees in connection with any of these ferries, particularly those that have been set up because of constitutional obligations assumed by Canada. Certainly the

Atlantic provinces would be opposed to any kind of user fees in connection with these ferries.

In conclusion I wish to thank those honourable senators who have spoken to the bill, and particularly Senator Rowe for his contribution to this debate. He is always interesting. He is a knowledgeable person who readily shares his knowledge with us.

With those few remarks, I recommend second reading of this bill.

Motion agreed to and bill read second time.

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

Senator Macdonald: Honourable senators, we are, of course, pressed for time. I believe the subject matter of the bill has been well covered and, unless Senator Rowe insists, I suggest that we not send the bill to committee but that we give it third reading at the next sitting of the Senate.

On motion of Senator Macdonald (Cape Breton), bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

PARLIAMENTARY EMPLOYMENT AND STAFF RELATIONS BILL

SECOND READING

Hon. Robert Muir moved the second reading of Bill C-45, respecting employment and employer and employee relations in the Senate, the House of Commons and the Library of Parliament.

He said: Honourable senators, I am rather pleased to introduce the second reading of Bill C-45, respecting employment and employer and employee relations in the Senate, the House of Commons and the Library of Parliament, because it is a progressive step toward reforming the labour relations process on Parliament Hill. It is based on legislation that was first proposed by the Standing Committee on Management and Member Services of the House of Commons and unanimously supported by all three political parties. It is an historical step in that for the first time parliamentary employees will be able to enjoy a modern and responsible statutory framework within which a positive approach to labour management relations can be achieved.

Given the subject matter of the bill, I think it only appropriate that I begin my remarks by acknowledging the tremendous contribution of all parliamentary employees, for it is their professionalism and dedication that makes this institution function.

• (1720)

Hon. Senators: Hear, hear!

Senator Muir: Each employee, whether he or she is employed in the Senate, the House of Commons or the Library of Parliament, plays a unique and vital role in the effective operation of this institution. I refer to the *Hansard* reporters, to those who polish the brass and wax the floors, to the security staff, the messengers and all others involved in the many facets of employment on the Hill. I am unable to refer to all of them at this moment, but they can rest assured that I feel toward them as I have indicated.

If I may, I would like to relate a short anecdote. Some years ago, while walking through the tunnel to the West Block to a committee hearing with a member of my party from the Toronto area, various people passing us, whether a security guard, a messenger or someone from Public Works or whoever, would say, "Hi, Mr. Muir," and I would respond. After a while, this sharp young man from Toronto turned to me and said, "You talk to everybody. Who are they?" I said, "Some of them I know and some of them I do not." He said, "You are like the village idiot; you talk to everyone." I said, "Hold on. Let's stop right here. Just a moment. You are a newly elected member. These people who have been passing by are just as important as you will ever be, and as any senator or elected member, because they do a job for people and they do it well. I trust and hope that you do not act like that in your riding, because if you have that attitude you are a 'one-termer'." He did not appreciate my comment. I went on to tell him that where I come from we talk to everyone; we appreciate what people do for us and we try to do what we can for them. But I told him that he would be a "one-termer", and I am happy to report that he was defeated in the next election.

Honourable senators, Parliament has grown rapidly over the past several years. It is now a large and complex institution. Unfortunately, this growth has not been paralleled by the creation of a modern system of labour relations. As a result, parliamentary employees do not enjoy the benefits of a contemporary labour relations regime tailored to the special circumstances of Parliament. This bill will resolve that problem in a fashion.

I would like at this time to review some of the history that has led us to this important moment, for it is that history that provides the context for the action we are taking today. The subject of collective bargaining rights for employees of Parliament has been under discussion for some time. In the formal sense the subject was first considered in 1967 by the Special Joint Committee of the Senate and the House of Commons on Employer-Employee Relations in the Public Service during the committee's deliberations on Bill C-170, the Public Service Staff Relations Act. In its report of February 3, 1967, the committee stated:

> Your committee recommends that consideration be given to the introduction of legislation to amend the Senate and House of Commons Act and the Library of Parliament Act to extend to the employees thereunder advantages and rights similar to those provided public servants under Bill C-170.

Unfortunately, no further action was taken with respect to this recommendation.

On a number of occasions since 1967, private members have tabled bills in the other place that would have provided a legislative framework for collective bargaining by parliamen-

tary employees, and questions have also been raised in the other place. One such question prompted the undertaking of a study on this matter in 1982. The report that followed, known as the Weir Report after its author Robert Weir, was tabled in the House of Commons in February 1983. That report analyzed the issue and outlined a number of options, but made no recommendations.

The Weir Report was referred to the Standing Committee on Management and Member Services of the House of Commons for further study in February of the same year. In late 1983 that committee, with the assistance of the Privy Council Office, developed draft legislation on this subject. Events leading up to the election in 1984 and the change of government which resulted precluded immediate action on this matter, even though the then President of the Privy Council, the Honourable André Ouellet, promised to move swiftly in the new Parliament with such legislation.

Honourable senators, Bill C-45 has three principal aspects. First, it provides a collective bargaining framework for parliamentary employees that is very similar to that contained in the Public Service Staff Relations Act. Second, it makes Part III of the Canada Labour Code applicable to parliamentary employees, whether or not they are organized. Part III regulates labour standards, including such items as vacations and hours of work. Finally, the bill makes Part IV of the Canada Labour Code applicable to all employees. As most of you know, Part IV regulates such items as occupational and safety standards.

As indicated, the bill itself is based very closely on the Public Service Staff Relations Act. The logic of this parallelism is readily apparent. Notwithstanding the special place Parliament occupies in our governmental system, the role of parliamentary employees is similar to that of public servants generally. It is my view that the labour relations framework that governs the Public Service commends itself very strongly to the parliamentary scene because of this fact. With specific exceptions, the bill provides that parliamentary employees are entitled to organize and bargain collectively. The exceptions are with respect to persons employed in a managerial or confidential capacity, to persons employed in the offices of senators and members of the House of Commons, all of whom are members of Parliament, and to caucus research groups. They will not have access to the bargaining provisions set out in Part I. These exceptions are in line with the all-party recommendations of the House Standing Committee on Management and Member Services, based on its assessment that such persons occupy positions of particular trust and sensitivity. However, I wish to emphasize that in an effort to protect employees excluded from collective bargaining, we have included additional provisions to those included in the all-party recommendations to which I have just referred.

Parts III and IV of the Canada Labour Code will be made applicable to all parliamentary employees, whether they are organized or not. In this way, honourable senators, minimum protection with respect to working conditions and labour standards will be available to all.

[Senator Muir.]

• (1730)

Part I closely resembles the Public Service Staff Relations Act which presently governs labour relations in the federal public service. The Public Service Staff Relations Board is established as the advisory body to administer this legislation.

Parliamentary employees will now have the right to present a grievance concerning various matters relating to the terms and conditions of their employment, and Part I provides that certain of these grievances may be pursued through to adjudication.

The certification process under Bill C-45, which is also located in Part I, will be very similar to that which exists under any modern labour relations statute. Certification applications will be made to the Public Service Staff Relations Board. The PSSRB will conduct hearings and have the power to determine the appropriateness of the bargaining units and the certification of bargaining agents.

Honourable senators, this bill has undergone careful study in the other place and has been amended following representations made in that all-party committee. What we have before us today is a fair and progressive piece of legislation, as far as it goes—and I will go further into that a little later—that addresses the concerns of Parliament Hill employees in the area of labour relations. As my colleague, the President of the Privy Council, stated when he introduced this bill:

> The government believes that this legislation strikes a careful balance between the legitimate expectations and aspirations of parliamentary employees with the public expectation that the central institutions of government be able to function without disruption.

Honourable senators, parliamentary employees have waited long enough—indeed, as far as I am concerned, they have waited far too long. They have been more than patient and they continue to serve us with the same spirit of co-operation and dedication. If I may, I would like to refer to what was said in the legislative committee on this bill. During a wind-up session Mr. Lewis from the Conservative Party had this to say when referring to this bill coming before the committee:

> I think the system has worked and I think we have come out of here with a much better bill than we came in with, as a result of the system working.

Madam Mailly of the Conservative Party had this to say:

> I would also like to congratulate my constituents who work in the House of Commons, and particularly the clerks of the House as well as the two library employees who have done such a thorough job on this and helped us to come up with a bill which, I believe, will provide our employees with the protection they have needed for a long time.

Mr. Cassidy from the New Democratic Party said:

> Mr. Chairman, I would like to echo the comments made by Mr. Lewis and by yourself and by the members, and thank you for chairing the committee. While I think members know I have still my party reservations about the bill, it is certainly improved a good deal from what

was there before. Even if it is far from perfect, at least it gives a start on something that should have been done many, many years ago.

Ms. Copps of the Liberal Party said:

> ... I would like to say that although everybody has reservations about everything, I have certainly enjoyed the experience.

I listened to the debate in the other place last night until approximately 8.45 and there were many amendments proposed and different discussions that took place. However, the bill passed in the other place and I, personally, would like to commend Senator MacEachen for his comments earlier this afternoon, which were most important. I bow to the wisdom of a person who has been the Minister of Labour and has held many portfolios in government. This afternoon he brought up an extremely important point that had previously been discussed with our Deputy House Leader, Senator Doody, and with Senator Frith. I have personally discussed this bill with different employees and they seem to feel that we are moving in the right direction. However, as Senator Frith said yesterday during another debate, and said it as eloquently as he does so many things in the course of debate—and I am paraphrasing: "Politics makes strange bedfellows." Situations make strange bedfellows.

I find myself in the situation of a person who has been involved in the labour movement for many years, as Senator MacEachen knows. I have helped organize unions; I have organized the signing of cards; I have been on strikes—legal and illegal; I have been on wildcat strikes, picket duty and so on. Throughout my activities in the labour field the one thing I always opposed was compulsory arbitration. In this instance, as you all know, for many different reasons there is no right to strike contained in this bill and all disputes shall finally be settled by compulsory arbitration. That creates a bit of a dilemma for me, but as Senator Frith said: "Situations make strange bedfellows."

Honourable senators, I have done a great deal of soulsearching and I do believe that this bill is the best that can be achieved at the moment. I therefore urge all honourable senators to support this bill and to give it speedy passage through the Senate so that the collective bargaining process on the Hill can begin without further delay.

To repeat again, I understand that arrangements are being made to have this bill considered in committee. I hope that that takes place as soon as possible, because we should not waste any more time in passing this most important bill. Therefore, honourable senators, when the bill comes back from the committee, where I am sure it will be gone into very thoroughly, I will commend its passage to all honourable senators.

With those few words, I move second reading of this bill.

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, it has been suggested that it might be convenient for the Senate to ignore or stop the clock before it reaches six o'clock so that we can attempt to dispose of some of the business we have before us this evening. If we do that, perhaps we can manage at least to introduce the second readings of the bills that have reached us this afternoon.

Therefore, if it is agreeable to honourable senators, we will move on with our work and stop the clock at six o'clock.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, politics may make strange bedfellows, but certainly the choice of Senator Muir to sponsor this bill on behalf of the government was not an example of the operation of that maxim as far as competence and appropriateness are concerned. Perhaps on the issue of compulsory arbitration, which was the point upon which Senator Muir raised the principle, it may be "strange bedfellows," but otherwise it was an excellent choice. I found his intervention straightforward, informative and impressive, and I mean that sincerely. When Senator Muir speaks on labour matters, he speaks from a great deal of experience—experience that commands respect and support—and we on this side of the house mean to support him on his motion.

• (1740)

If I can just make one parenthetical comment about politics making strange bedfellows, I do not know how many of you remember when Governor Wallace was prevented by the Constitution of his state from running for a third term. So, he nominated his wife. She in fact won. When he nominated her, the story in *Time* magazine was headed, "Bedfellows Make Strange Politics".

Honourable senators, the reservations that we have with respect to the immediate passage of this bill were expressed by Senator MacEachen when leave was sought earlier this day to proceed with second reading later today. Those reservations can be given attention if this bill is referred to committee. I understand that the committee prepared to accept the bill—and I think it is the appropriate committee—is the Standing Senate Committee on Legal and Constitutional Affairs, since the legal status of the employees of the Senate can best be explained by the members of that committee.

Honourable senators, with the assurance from Senator Muir that this bill will be referred to the said committee before receiving third reading, we should immediately give it second reading for all of the reasons he has explained, and which I support. The committee can then consider the bill tomorrow morning and report to the Senate when it meets later in the morning.

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE

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

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

CUSTOMS TARIFF

BILL TO AMEND—SECOND READING

Hon. Jean-Maurice Simard moved the second reading of Bill C-111, to amend the Customs Tariff and to amend an Act to amend the Customs Tariff.

He said: Honourable senators, amendments contained in Bill C-111 fall into three categories: first, provisions which provide for preferential duty-free entry for goods imported from the Commonwealth Caribbean; second, miscellaneous amendments to tariff nomenclature and rates to respond to recommendations from the Tariff Board and the needs of the private sector; third, an amendment to Bill C-38, an act to amend the Customs Tariff relating to the prohibition on the importation of obscene material and hate propaganda.

Honourable senators are aware that Canada has an important role to play in assisting developing countries to meet their economic development goals.

[*Translation*]

As honourable senators also know, Canada's external policy acknowledges the existence of a "special relationship" between Canada and Caribbean Commonwealth members countries. The commercial and economic ties between Canada and those countries date back to the days before the advent of Canadian Confederation. These historic ties are re-inforced by the fact that Canada and the Caribbean countries share a common language, that their democratic institutions are similar, and that they are members of the Commonwealth.

[*English*]

Because of this "special relationship" this government has responded positively to a request made to the Prime Minister. The Commonwealth Caribbean heads of Government asked Canada to institute a package of trade, development assistance and double taxation measures to assist them in their economic development efforts.

This bill makes provision for the cornerstone of Caribcan, as these measures are to be known. It provides for the duty-free entry of the vast majority of imports from these countries.

In deciding on the scope and coverage of the duty-free provisions of Caribcan, Canada had to balance its foreign policy objectives to assist developing countries with the interests of certain sensitive sectors in our economy.

Generally, our consultations with Canadian industry revealed that there was broad support for this initiative among Canadian manufacturers, provided that certain safeguard mechanisms were integrated into the Caribcan duty-free provisions. Specifically, manufacturers wished the government to ensure that only goods which were actually produced in the Commonwealth Caribbean qualified for duty-free entry. They also wished to be able to make their case to have duty-free rates withdrawn should imports of particular products under Caribcan cause Canadian-produced goods to become uncompetitive in the domestic market.

This bill responds to these concerns by providing for "rules of origin" to be established and by allowing the Governor in Council to withdraw duty-free rates in cases of injury, or threat of injury, to domestic producers.

[*Translation*]

The Tariff Board will be asked to accept and examine applications for the withdrawal of duty-free entry from Canadian manufacturers. All parties concerned, including manufacturers from the countries involved—Caribbean Commonwealth members countries and (or) their governments—will have an opportunity to make representations to the Tariff Board when it holds public hearings to consider these applications.

[*English*]

Although there was, as I have mentioned, broad support for providing duty-free entry under Caribcan, there were some manufacturers, however—notably in the textile and clothing, luggage and handbag and leather garment sectors, and in two sub-sectors of the petroleum industry—that expressed strong reservations. They felt that duty-free imports from the Commonwealth Caribbean could cause them injury. In view of this concern, these sectors are excluded from duty-free entry under Caribcan.

With the exception of these exclusions, duty-free access is being extended to all other imports, including a large number of goods which currently are not manufactured in or exported to Canada from the Commonwealth Caribbean. When combined with other aspects of Caribcan—for example, training seminars for the trade commissioners of these countries—there will be an opportunity for Commonwealth Caribbean countries to identify new opportunities in the Canadian market and to increase their export earnings over the medium term.

[*Translation*]

Since the Caribcan duty-free provisions stray from the basic GATT principle of non-discriminatory treatment—or the most favoured nation clause—Canada is now seeking an exemption from this GATT commitment so as to be able to follow up on this initiative. There are precedents for this kind of preferential trade agreement, so we are confident that our endeavours will be successful.

[*English*]

The Prime Minister gave an undertaking to his Commonwealth Caribbean counterparts that trade would begin to flow under Caribcan by mid-1986. Therefore, these provisions of Bill C-111 are effective as of June 15, 1986.

Honourable senators, I should like to turn now to other provisions of this bill which make a number of amendments to the Customs Tariff, most of which were effective as of February 27, 1986. The most important of these I will now outline:

[*Translation*]

Honourable senators are also aware of the importance this government attaches to the removal of barriers which hinder disabled citizens. Consequently, this bill provides for the duty-free entry of articles specially designed for guide-dogs for the blind. Similarly, to ensure that Canadians of all religious denominations are treated equally, religious ancestral shrines will also enter the country duty free, as was already the case

for previously identified religious articles not available from Canadian producers.

The Customs Tariff is also amended to implement a number of recommendations in Phase II of the Tariff Board's report on tariff items applicable to goods not manufactured in Canada.

• (1750)

[*English*]

Furthermore, a technical amendment to section 15 of the act is being proposed to ensure that the government can respond quickly to the needs of the agriculture community in the implementation of seasonal rates of duty on imports of fresh fruits and vegetables.

Several other amendments take action on representations received from the private sector for tariff changes which respond to evolving needs.

For example, Canadian tourists returning from the United States who are entitled to the annual $300 duty and tax free "tourist exemption" will now be able to ship goods and claim them as part of their exemptions. Previously, only Canadian tourists returning from countries beyond the continental limits of North America were entitled to claim shipped goods.

Large size off-highway tires will be accorded duty free entry, as will backhoes and power shovels used in mining operations, none of which is available from Canadian production.

Honourable senators, when this bill was introduced into the House it contained provisions to provide for duty-free entry for certain semiconductor devices and computer parts. These amendments were proposed as part of an agreement between Canada, the United States and Japan to eliminate tariffs on these goods effective January 20, 1986, but as was announced in the House on June 2 by the Minister of Finance, these provisions were deleted during the consideration of this bill by the House and the previous rates of duties on these goods were reinstated as part of the measures taken in response to the U.S. tariff action affecting Canadian exports of red cedar shakes and shingles.

[*Translation*]

Honourable senators, you have in your possession the Eighteenth Report of the Standing Senate Committee on Banking, Trade and Commerce which was tabled yesterday. This report mentions a number of apprehensions on the part of the Canadian manufacturing sector, which objects to the measure I referred to earlier, namely, the re-imposition of a 3.9 per cent and 5.4 per cent tariff on semiconductors and computer parts.

I will go into this very briefly, and in fact, I quote:

> In testimony before the Committee, the Canadian Business Equipment Manufacturers Association and the Canadian Advanced Technology Association strongly opposed the decision to reinstate tariffs on semiconductor devices and computer parts. Both organizations expressed support for freer trade with the United States . . .

That makes at least two major associations who are speaking out in favour of free trade, and we are delighted. However, both associations voiced concern that the move may set back recent initiatives for trade liberalisation between our two countries.

They also argued that the reimposition of the tariffs would cause more harm to Canada than to the United States, against which it is directed. The tariffs will not divert purchases of computer parts and semiconductors from the United States, since purchase decisions concerning these items are based overwhelmingly on technical performance specifications and availability, not price. Canadian producers of computer parts and semiconductor devices, therefore, will not be helped.

However, the departmental witnesses admitted that the reinstatement of duties would have some effect on Canadian producers and consumers, but explained that the choice of measures to use in response to the U.S. imposition of tariffs on Canadian shakes and shingles was severely circumscribed by provisions of the General Agreement on Tariffs and Trade.

In concluding, the committee recognizes that, having made the policy decision to respond to the U.S. tariffs, the Government had to resort to this narrow range of products. I insist, the effect will be minimal. This is indeed a very small range of products, semiconductor and computer parts being principal among them.

[*English*]

Finally, honourable senators, this bill extends the period of effect of Bill C-38, to amend the Customs Tariff. This bill came into force on April 3, 1985, as an interim measure to allow customs officials to continue to intercept obscene material and hate propaganda.

As members of the Senate are aware, on March 14, 1985, the Federal Court of Appeal ruled that, and I quote:

> Tariff Item 99201-1 is not a reasonable limitation upon the freedoms guaranteed by section 2(B) of the Charter of Rights and Freedoms and is of no force or effect.

That tariff item had been worded ambiguously. So, in response to this ruling and to ensure that the Canadian market would not be flooded with obscene material, the government moved quickly to amend the Customs Tariff to provide more specific definitions of what constitutes obscene material and hate propaganda by tying these to existing definitions in the Criminal Code. This measure was rapidly, you will also recall, and unanimously agreed to by the House of Commons and by the Senate last year.

These amendments were to remain in effect until the 1986 summer recess of Parliament, since it had been anticipated that new legislation relating to pornography would be developed and would be law by this time.

As honourable senators are aware, this proposed legislation was introduced into the House on June 10 by the Minister of Justice.

While this legislation is being considered, the government wishes to ensure that customs officials will continue to have the powers that they possessed prior to and following the Federal Court of Appeal ruling.

This bill, therefore, introduces a technical amendment, the sole purpose of which is to extend the period of effect of Bill C-38, to amend the Customs Tariff until December 1987.

In conclusion, honourable senators, this bill takes action to assist those countries of the Commonwealth Caribbean with which Canada has a special relationship by providing them with duty free-access to the Canadian market for the vast majority of their exports.

Second, this bill also responds to the evolving needs of Canadian manufacturers and identifiable groups in Canadian society.

Third, it ensures that custom officials will continue to intercept obscene material and hate propaganda at the border. As such, in my opinion and in the opinion of honourable senators on this side, Bill C-111 deserves the support and timely consideration of all honourable senators.

Hon. Senators: Hear, hear!

Hon. Henry D. Hicks: Honourable senators, may I direct a question to the mover of second reading of this bill? I understand the intention was that duties would be removed from semiconductors and certain computer parts as of January 1 of this year, but that as a result of the action of the Government of Canada following the American tariff on shakes and shingles, the duties are to be re-imposed. Therefore, there must have been a period when these items were allowed in duty free, and I should like to know as of what date the duty is to be re-imposed. I should also like to know what happened to these goods during the period—though the legislation was never passed—when they would have been duty free. Has that matter been looked after in the bill?

● (1800)

Perhaps the matter is too complicated and ought to be taken up in committee. I wonder, however, if the mover can answer.

Senator Simard: I do not want to take too long to answer. Although I will give the honourable senator my own view at this time, I will check and give him a complete answer before third reading.

As yet I have not received another answer which I expected to receive, although I have been promised that I will have it in my hands by 9 o'clock tomorrow morning. That answer relates to the additional revenue involved. When I bring in that answer, I also hope to have an answer to my friend's question.

However, to the best of my knowledge, the goods were exempted sometime in February of this year, and the minister introduced the legislation to re-impose this tariff in the middle of June. The minister may wish to collect revenues from the time he introduced the legislation in June, and to the best of my knowledge that date was June 6. At that time he served notice on Canadians that the tariff would be re-imposed on imports after that date.

Senator Hicks: I will be happy to wait for the answer. My reasoning was that duties under the present law are payable on these items, and that this legislation originally intended to remove the duties and then the minister changed his mind and re-imposed them. I wondered if there was a period when there was uncertainty. Senator Simard has given me reasonable assurances, and I am satisfied.

I have one other question. Can he, without too much difficulty, tell me where in this bill is contained the explanation of the provisions against the importation of obscene material which, my honourable friend tells us, has now been extended from the rising of this Parliament until December 31, 1987?

Hon. A. Irvine Barrow: Honourable senators, I should like to thank Senator Simard for his clear explanation of Bill C-111, to amend the Customs Tariff and to amend an act to amend the Customs Tariff. The title is a bit confusing, but I do not take any objection.

Perhaps I might in my explanation give Senator Hicks the information he was seeking. I realize that the original bill, as Senator Simard has mentioned, has been before the Standing Senate Committee on Banking, Trade and Commerce for pre-study, and that committee has filed a report commenting on just one aspect, namely, the matter of the elimination of duty on imports of semiconductor devices and computer parts which had been agreed to by the Governments of Canada, the United States and Japan, effective January 20, 1986. Further, it pointed out that as a result of the imposition of a duty by the United States on red cedar shingles and shakes on June 1, 1986, the Government of Canada unilaterally decided to re-impose the duty which had been in place prior to January 20, 1986. The only reason for this, as far as I can determine, is that it is a knee-jerk response, because there was little else that could be done to inform the United States that the Government of Canada was annoyed.

In my humble opinion this reaction hurts nobody but Canadian businesses and the Canadian consumer. It re-imposes a tax on Canadian consumers by making them pay the extra duty, and it puts Canadian businesses at a disadvantage by requiring them, that is, the importers of semiconductor devices and computer parts, to file for refunds on these materials when they are exported in the form of assembled machines and to carry the extra costs until the refunds are received. It also puts the Canadian manufacturer at a disadvantage vis-à-vis competitive imports. In other words, some Canadians were hurt by the imposition of duty by the United States, and the Canadian response is to penalize other Canadians. To me and to many others it does not make sense, but apparently this is government policy.

The other two items which should be mentioned are the elimination of tariffs on items imported from the Caribbean countries, the duty on which, based on current imports, would amount to $500,000 forgone. This would appear to be, however, a step in the right direction, and I believe there is sufficient protection, as Senator Simard has said, for Canadian businesses in the event of demonstrated unfair competition.

Lastly, the bill extends to December 31, 1987, the effect of existing customs tariff provisions to intercept imports of obscene material and hate literature. That is found in clause

10. These provisions came into force on April 3, 1985, through the enactment of Bill C-38, and are scheduled to expire on June 30, 1986, that is, the end of this month. They were adopted in order to meet objections of the Federal Court of Appeal. The provisions of Bill C-38 were introduced as an interim measure while new legislation dealing with pornography and hate literature was being prepared.

As the bill has had pre-study by the Standing Senate Committee on Banking, Trade and Commerce, I see no need to refer it to a committee and I am prepared to support it as it is.

Hon. Senators: Hear, hear!

Motion agreed to and bill read second time.

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

On motion of Senator Doody, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

• (1810)

[*Translation*]

CANADA PENSION PLAN FEDERAL COURT ACT

BILL TO AMEND—SECOND READING

Hon. Arthur Tremblay moved the second reading of Bill C-116, an Act to amend the Canada Pension Plan and the Federal Court Act.

He said: Honourable senators, the legislation I have the privilege of bringing forth today concerns the well-publicized matter of pension reform in Canada.

In a way, it is the end product of a long negotiation process with the provinces. It is in a sense the crowning of a whole series of measures that have been or are being enacted by Parliament. I would therefore like, if I may, to recall some of those measures.

I have in mind for instance the broadening of the Old Age Security Act which since September 1985 has extended the coverage of the spouses allowance to all low-income widowers and widows aged 60 to 64.

I also have in mind the introduction of tax measures to promote retirement savings through registered retirement savings plans.

And there are the amendments to the Pension Benefits Standards Act that alone involve a significant number of participants in private and public pension plans and that provide for better pension portability, increased spouse coverage, equal benefits for men and women and coverage for part-time workers. There are other measures I could mention, but I will stop there.

With respect to Bill C-116 itself, it is a protracted piece of legislation that adds up to 76 pages and 63 clauses. Its language is relatively abstruse. Repeated readings are needed to understand the exact meaning of its wording. Finally, what we have here is a bill that is technical in its wording and its approach, if not its content. As far as contents are concerned, I will attempt to outline its main points in light of the objectives pursued by this government in proposing a bill such as this one, in the terms in which it is written.

The first of those goals is to ensure the financial stability and soundness of the Canada Pension Plan. To that end, contribution rates to the plan will be gradually increased over the next 25 years.

Let me emphasize in passing that such increases in contribution rates were originally considered. It was expected that at a certain stage, which would be around this point in time, increased contributions would most probably have to be put into effect in order to have the financial health of the plan on a solid footing. This therefore is not a novel idea having been there at its very outset. The time has now come to implement that change.

Also, funds in the plan would be maintained at the approximate level of two years of benefits, which should be sufficient to cover economic and population changes, at least over the short or medium term. I have difficulty in choosing between those two terms, because under this legislation contribution rates will be reviewed every five years. This means that every five years, the situation will be reviewed and conditions adjusted based on studies included from time to time in the Auditor General of Canada's report and on longer term projections. So much for the first goal.

In order to achieve the second goal, improving the plan benefits, the legislation comes up with the following changes:

First, there is the provision for greater flexibility in the plan, at least as far as the age of retirement is concerned.

This means, for instance, that a contributor will be able to receive his retirement benefits at any time between the ages of 60 and 70, while the amount will depend of course on actuarial adjustments.

There is also the improvement made to the disability benefits, first because the benefits will increase, and second, because the requirements related to disability protection will be relaxed.

The third improvement is that survivor benefits will remain payable upon re-marriage, with the possibility for former recipients whose benefits had been withdrawn to have them restored on application. Finally, there is the improvement of children's benefits, especially as concerns eligibility requirements. This is the second objective of the bill, to improve or enrich the benefits of the system.

The third objective is perhaps not as far-reaching, but it remains important for certain groups and it certainly deserves mention. This objective is to facilitate the sharing of pension credits between former spouses.

• (1820)

Hon. Royce Frith (Deputy Leader of the Opposition): What term are you using?

Senator Tremblay: Former spouses, after a divorce, a separation or the breakup of a common-law union, or interruption of the real pensions.

Senator Frith: Is this an amendment?

Senator Tremblay: I did not hear your comment.

Senator Frith: Was this the object of an amendment in the other place?

Senator Tremblay: These are all basically modifications.

The fourth objective which I mentioned in the beginning was perhaps not exactly an objective as such, but more the result of the first three objectives being reached, namely that there will be better harmonization between the Canada Pension Plan and the Quebec Pension Plan. If I may say a few words in this regard, since I am a representative of Quebec in this assembly, this aspect seems to deserve some comment. In the history of federal-provincial relations in this country, honourable senators will recall the laborious negotiations which took place at the time of the Lesage government during what was called the "Quiet Revolution", in the early sixties. Following the very difficult negotiations held at the time, it was finally decided that a province could establish its own pension plan on the condition that it would respect certain general principles such as transferability, public financing, the contributory system, and so on. I forget the details, but there were three or four principles, I think. The Quebec Pension Plan or the pension plan of any province had to comply with these principles.

As far as I know, Quebec was the only province to make use of the possibility provided by the legislation. Quebec therefore gained a certain freedom which the other provinces did not have and did not want to have. This was the freedom to improve its own system.

Naturally, Quebec was not free to change benefits by reducing them. But it could make improvements such as those contained in the legislation introduced by the Federal Government; in other words, it could make its own system better.

And so with the passage of time some improvements were made to the Quebec Pension Plan, to such an extent that the Canada Pension Plan gradually fell behind the Quebec Pension Plan. Naturally this fact was of some concern not only to the federal government but also to the governments of the other provinces.

It so happens that the main amendments I mentioned will change the federal system along the lines of improvements made to the Quebec Pension Plan in recent years. As of January 1987, for example, the date the proposed legislation will come into force, for all practical purposes similarity and correlation between the Canada Pension Plan and the Quebec Pension Plan will be achieved, at least with respect to the following points.

Certainly, the rates of contribution will be the same for the next five years. As I emphasized earlier, they will be reviewed every five years and this might change the situation.

Both plans will offer more flexible retirement provisions to contributors. We have in mind the question of age, as I said a moment ago. Such flexibility has been a fact since January 1984 in Quebec, for example.

[Senator Tremblay.]

The period during which premiums are payable will be the same under both plans, as will the actuarial adjustment factor.

With respect to disability benefits, by 1987 the federal plan will offer the same amount as that offered under the Quebec plan. In both cases the survivor's benefits will continue to be paid even after the remarriage of beneficiaries.

In short, as a result of amendments proposed in the bill, in a way we will be back to the original situation. At the beginning both plans were practically the same, but over the years, because Quebec gained more leeway thanks to the flexibility allowed under the federal legislation, some improvements were made. They will now apply to Canada as a whole.

On the other hand, I wonder whether it is necessary to point this out in a concluding remark, but nowadays . . .

Senator Frith: You are still referring to the fourth point?

Senator Tremblay: No. I have covered the four points.

Senator Frith: Concerning the fourth?

Senator Tremblay: No, I'm through. This is something else.

On the other hand, as far as these objectives are concerned, including the fourth one, perhaps I may add that the cost of funding the plan and any costs connected with the proposed amendments will have no impact on the deficit because they do not appear in the budget. All payments will be made using the Canada Pension Plan Fund, not the Consolidated Revenue Fund.

Honourable senators, I have tried to give a very brief summary of the principal objectives and issues concerned by the amendments proposed in Bill C-116. I think this bill will greatly improve the Canada Pension Plan, especially where it brings the CPP and the Quebec Pension Plan into line with each other.

Honourable senators, I trust that you will give this bill the support it deserves and that you will adopt it expeditiously, thereby giving the provinces enough time to confirm their concurrence. Following the adoption of this legislation, they will be called upon to express officially their agreement with the amendments. I do not remember exactly just how many provinces are required to reach a consensus. Let us note only that the acceptance of a number of provinces is required. We must therefore allow them the necessary time to confirm their concurrence, because they had already indicated during the negotiations that they agreed. Yet, they have to indicate officially their agreement. We have to consider also the time necessary for the federal administration to set up the administrative mechanism required to implement the legislation by January 1, 1987.

Honourable senators, such are the reasons for which I feel justified in moving without hesitation the second reading of this bill.

Senator Frith: Honourable senators, we congratulate Senator Tremblay for his presentation of the provisions, purposes and characteristics of this bill.

He is so well-versed in this subject that he certainly deserves to be considered as an "expert" in the fourth purpose, which is to harmonize the Quebec and federal plans.

As I just said, he has described perfectly the provisions and purposes of this bill. We support it, and we do so without hesitation, as Senator Tremblay who has sponsored this bill himself has said. Of course, like a number of Canadian men and women, some of our colleagues would have preferred a 100 per cent enhancement of benefits at age 60. If I have understood him well, however, it is now 70 per cent at age 60, 100 per cent at age 65, and 130 per cent at age 70.

In the final analysis, it is a case where half of a good thing, while not perfect, is better than nothing. The principle is certainly desirable, but we feel that the steps taken, in our opinion and in the opinion of a number of our colleagues here and in the other place, are not enough. Just the same, it is much better than nothing; for these reasons, we support the second reading of this bill.

Motion agreed to and bill read second time.

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

Senator Frith: Concerning the motion for third reading, honourable senators, I also want to congratulate Senator Tremblay and emphasize some of the comments he made as he was about to conclude. He has persuaded me that we have to expedite the adoption of this bill, considering that there must be a period of time between the moment a bill is passed by Parliament and the implementation of its provisions following their acceptance by the provinces.

There is also the fact there must be an administrative process following this acceptance. For all these reasons, I feel that it would not be useful to refer this bill to the committee; we could then proceed to the third reading of this bill at the next sitting of the Senate tomorrow.

On motion of Senator Tremblay, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

• (1830)

[*English*]

ENERGY ADMINISTRATION ACT

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-112, to amend the Energy Administration Act and provide for certain matters in relation thereto.

Bill read first time.

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

Hon. C. William Doody (Deputy Leader of the Government): With leave, now.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

SECOND READING

Hon. Efstathios William Barootes, with leave of the Senate and notwithstanding rule 44(1)(*f*), moved second reading of the bill.

He said: Honourable senators, I rise in support of the amendments to the Energy Administration Act regarding natural gas pricing, Bill C-112. This is essentially a housekeeping bill and does not involve any change from the policy presently in effect.

On October 31, 1985, the federal government and the oil and gas producing provinces of Alberta, Saskatchewan and British Columbia signed an agreement on natural gas markets and prices. The objective is to make an orderly transition to a competitive market for natural gas by November 1, 1986. Since 1975 the wholesale price for natural gas sold in interprovincial trade has been set by government under the federal-provincial energy agreements. The provincial governments are now working assiduously to amend legislation required to meet the objectives of market sensitive pricing by November 1, 1986. Alberta, for example, has prepared extensive amendments to its legislation to ensure that the objective of the agreement is met in that province.

Provincial governments have also taken the steps necessary to facilitate direct sales between producers and consumers or, if you will, end users, and have undertaken competitive marketing programs during this transition year. In both Ontario and Quebec the provincial regulatory boards have taken major steps to ensure that large consumers of natural gas can have open access to distribution systems. The bill to amend the Energy Administration Act is needed to fulfil the Government of Canada's commitments under the Natural Gas Agreement of October 31, 1985. The bill will permit the Governor in Council to continue to approve negotiated domestic natural gas prices during this transition period. It will also remove any ambiguity surrounding natural gas pricing and arrangments that have already been negotiated. Without these amendments, the agreement on Natural Gas Markets and Prices could be in jeopardy. Without these amendments, the policy of negotiated prices for domestic gas prices could be impeded and, indeed, these agreements could even be halted. Without negotiated prices, western natural gas producers could not effectively compete in the marketplace and could lose sales to competing fuels, especially imported oil.

Loss of sales, particularly in the key industrial market segment, would create economic hardships for the west. Large eastern Canadian consumers of gas would be denied access to attractively priced domestic natural gas supplies. To date the large petrochemical, manufacturing, mining and forest product companies have negotiated natural gas cost savings which are in excess of $100 million.

• (1840)

The industry, together with the producing and consuming provinces, wants the ambiguities removed and the regulatory process streamlined. These amendments will meet their concerns.

Honourable senators, this bill does not introduce any new policy initiatives, and its passage is important to all Canadians. I respectfully request the approval of the chamber for this bill today.

Hon. H. A. Olson: Honourable senators, I want to congratulate Senator Barootes for the clear and concise way in which he has just described the provisions of Bill C-112. I have no objection to his explanation, nor indeed to the provisions in Bill C-112. However, I must say immediately that I object very strenuously to the policy that gives rise to the need for these amendments to the Energy Administration Act which is, of course, heading us down the same road in natural gas pricing in Canada that has already proven to be so disastrous with respect to oil prices paid to Canadian producers. I predict that the same kind of disastrous effects will be felt by the producers of natural gas, and perhaps even more severely, honourable senators, because what will happen as a result of that policy is that Canadian producers of natural gas will be subjected to the lowest common denominator of all competitive fuels from anywhere in the world.

We know what has happened to the prices that are paid by a number of purchasers or refiners of oil. We know that we have received anywhere from $3 to $6 per barrel less than even the domestic producers of oil in the United States. This is because the so-called deregulation is a farce.

It is true that the government is withdrawing from setting the rules under which this source of energy is priced, as far as the producers are concerned. But what they have done is they have allowed some major multinationals to move in, make the rules and then set the price, and that has been a disaster. It is a phony policy base on which it is made, and that is why I must say a few words about Bill C-112, because now Senator Barootes, notwithstanding a good explanation of what is asked for, is asking for the amendments to the legal base on which these policy changes have taken place for the transitional period from November 1, 1985, to November 1, 1986.

Honourable senators, I believe that that policy will be a disaster for all the people who are involved in the natural gas production industry, and far beyond November 1, 1986, which is the projected date on which this so-called deregulation is to take place. For example, honourable senators, we know that there is enough so-called surplus gas in Canada now—and by that I mean surplus to Canadian requirements—for many years to come—probably a 25 or 30-year supply. As far as I am concerned, for the federal government to completely move away from having any influence on what the prices will be is really a cop-out. It means that this government intends to stand by and watch. I have asked many questions with respect to this matter and the Leader of the Government has answered my questions. They have a watching brief, whatever that means. In the early stages when oil prices started to fall that had some validity, but now, six or eight months later, they are still watching while the losses accumulate in the oil industry; while there are shut-downs of exploration, lay-offs of crews and the loss of employment not only in Alberta and Saskatchewan or in the great western sedimentary basin but also on the east coast and every other place in Canada, including the Beaufort Sea. In all of these places production is almost down to zero. That is a result of this government's policy, and we still hear them say that they are holding a watching brief.

Honourable senators, I do not intend to speak for a particularly long period of time on this matter, although there is a great deal of detail that could be put on the record as to what we can expect from this deregulation of the gas industry. As I said, one result is that after this so-called deregulation comes into effect we can expect the lowest possible price, because this gas will be put in a competitive position with the lowest competitive fuel that can be imported from anywhere in the world. That means that our natural gas will be up against residual bunker sea oil that is usually the first component of crude oil that falls in price. However, we know that a great deal of the natural gas that is being produced is competitive and, indeed, there are a great many firms that require fuel for space heating that can use either residual oil or natural gas for that purpose. That, honourable senators, will be the lowest priced oil in the world.

Another thing that is wrong with this bill is that the government and the industry have failed to come up with a comprehensive policy that will make this so-called free market work. A free market means that someone can offer their production—in this case, natural gas—for sale and that there is someone who can receive it. However, that natural gas must be carried for a distance of 2,000 to 4,000 miles between the producer and the consumer, and a plan has not yet been agreed on with respect to that. What we have at the moment is a monopoly, namely, TransCanada Pipelines, that takes all of that gas from the producer to the consumer in eastern Canada and, indeed, a very large portion of that which is exported to the U.S. as well, although there are some other pipelines that carry the gas into export positions.

Therefore, honourable senators, what will happen is that we will see Alberta selling off one of its primary resources, one of the most important resources that Alberta and British Columbia have, and that is the natural gas reserves that have been 'proved up' at the lowest possible prices for the longest period of time. To put it bluntly, that is stupid. That means that the gas companies and this government are setting up the arrangements for this to be done and thereby they will start to act like farmers. For a long time farmers have depended on a so-called free international market to set the price of their products, particularly cereal grains. The reason I say particularly cereal grains is because that is one of the farm products that can be produced that is dry and storable and can be kept and shipped all over the world. That, honourable senators, is what we are facing, and I for one hope that it is not going to happen. However, I am not the only one who is of the opinion that it will. The Director General or Research Director of the Canadian Petroleum Association predicted within the last few days that the price of natural gas at the wellhead will go down by at least 30 per cent as soon as the so-called deregulation of prices comes into effect.

• (1850)

There are many people, including other experts in the industry, who agree with my observation that 30 per cent may be modest. I think that natural gas prices will decline by as much as 40 or 50 per cent, for the very simple reason that there is a surplus. There is now a desperate need for cash flow or revenue by a number of these oil and gas companies. In many cases they are the same companies, because in most fields there is both natural gas and oil. Therefore, in desperate need to increase their cash flow and revenue, they will be offering natural gas at lower and lower prices. I think the mover of second reading of this bill understands all that.

Why this government clings to a philosophy and policy that is going to guarantee the lowest possible returns for the next number of years, whether that be five years or twenty years, completely escapes me. This government ought to do what a government is supposed to do, that is, govern the country in the interest of all sectors. That is not what this policy is going to do. I hope that some attempt will be made by this government to take its responsibility seriously and to start governing this country.

What is going to happen is that some oil exporting countries—and I am not sure whether they will be members of OPEC; as a matter of fact, members of OPEC cannot agree now on their own interests—are going to determine the price of natural gas in Canada, and that price will be the lowest possible one, if there is a repetition of what happened in the crude oil industry, and I have every reason to believe that that is exactly what is going to happen.

As I have said, honourable senators, I hope that this kind of foolishness can be stopped, but holding up Bill C-112 is not going to do that, because what I have been describing is the policy of this government. Bill C-112, of course, gives the government some authority to legalize, if that is the right word, deals that have already been made since November 1, 1985. I understand that and will not stand in the way of passage of the bill, but I hope that Senator Barootes will use the good sense that I know he has—I know he is a pragmatic person—to try to persuade his colleagues in government to get off this phony Conservative deregulation policy, because he can plainly see what the results will be. I ask him to persuade his colleagues to start doing what they ought to do, and that is govern this country in the interest of all Canadians.

Senator Barootes: Honourable senators—

The Hon. the Speaker: Honourable senators, if the honourable Senator Barootes speaks now, his speech will have the effect of closing debate on second reading of this bill.

Senator Frith: A very desirable result.

Senator Barootes: A very desirable result. Thank you.

Honourable senators, I want to thank Senator Olson for his usual analytical and thoughtful consideration of those matters that affect western Canada with which he has been so closely associated for so many years in so many capacities. He is afraid that this policy, which he is quick to criticize, is a road to disaster because he feels it will result in extremely low prices for western Canadian gas producers. It may result in lower prices, but we did try bucking the world trend in oil not too many years ago. We tried to resist world market forces in oil, and what did that do for us? It resulted in an even more serious disaster for our producers in western Canada who sold their oil at a price well below the world price. If our industries are going to produce, and if they are going to compete in world markets, it is obvious that we must go with the flow. We are too small, we are not powerful enough to resist and buck everything that is going on in the world.

I agree with Senator Olson when he says that if we do not seek energy that we can produce at world and competitive prices we are going to end up having other people export to us, and we will import cheap oil and other types of fuel in the energy cycle. If we wish our gas to be competitive in Canada and to be competitive elsewhere, that is what we have to do.

I regret to say on behalf of the people of western Canada that we would, indeed, like to have much higher regulated, if you will, or fixed, or legislated, prices for our gas. That is fine, but if we do that we will have to keep it in the ground, because no one will want to buy it. They will substitute the kinds of fuels my honourable colleague spoke of, such as hydro energy—which is even cheaper in some instances—and we are not going to do very well with our producing gas companies out west or with our producing oil companies out west. So, we cannot have it both ways. We cannot have cheap energy for the domestic users and for the industries that use gas and, at the same time, ask for high prices for producers. We cannot have it both ways; we have to go one way or the other, and the only way we should go is to have competitive market prices in Canada and elsewhere. It is axiomatic that you cannot have a high price here and a low price there; you have to go in the modern scheme of competition.

I should also add that although the price for gas may fall and may become competitive, there are some benefits not only for the domestic users of gas, but benefits relating to the production of jobs in the rest of Canada. Industries are high users of this energy, and that may make us competitive in the international field for the export of our products. We cannot continue to subsidize this type of thing. We cannot continue to make one side of the country poor while making the other side of the country rich. It is for that reason, honourable senators, that I say we do not want to cripple Canada with the kinds of policies that existed a few years ago and which, as a matter of fact, were such that they were artificial. We must go with the flow, and I urge honourable senators to give speedy passage to Bill C-112.

Motion agreed to and bill read second time.

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

On motion of Senator Doody, bill placed on the orders of the day for third reading at the next sitting of the Senate.

PENSION BENEFITS STANDARDS BILL, 1985

FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-90, respecting pension plans organized and administered for the benefit of persons employed in connection with certain federal works, undertakings and businesses.

Bill read first time.

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

Hon. C. William Doody (Deputy Leader of the Government): With leave, now.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

SECOND READING—DEBATE ADJOURNED

Hon. Richard J. Doyle, with leave of the Senate and notwithstanding rule 44(1)(*f*), moved second reading of the bill.

• (1900)

He said: Honourable senators, it should never be the fate of a junior senator in this house to have to follow Senator Tremblay, who has already spoken today on pensions and so eloquently that he makes my words seem inadequate to the chore; but I am enthusiastic about the chore, sir, and I say that to all senators.

I am pleased today to move the second reading of Bill C-90, a bill which reforms the Federal Pension Benefits Standards Act in a fundamental and far-reaching manner.

I am proud to be able to say that the legislation before us today is based on consensus—a consensus involving compromise to be sure, but a genuine consensus.

Honourable senators, this government has acted decisively to improve pension benefits, a key component of the quality of life of Canadians not only in their retirement years but in their years of anticipation of retirement, which for so many for such a long time have been periods of frustration and concern.

The Pension Benefits Standards Act sets basic standards which pension plans subject to federal jurisdiction must meet. We are proposing to improve those standards in so many fundamental ways that the existing legislation has been completely rewritten. Since the act was passed 20 years ago, social standards have changed, the economy has changed, and the Charter of Rights and Freedoms has established a new legal touchstone. Bill C-90 reflects those changes.

Before describing the main features of the bill, I want to situate the place of employer-sponsored pensions in Canada's pension system and the principles which underline that system.

First, we share a collective obligation to ensure that Canada's elderly do not live out their lives in poverty. This is our social responsibility, a responsibility which this government accepts as fundamental. Old age security benefits combined with the Guaranteed Income Supplement provide their basic security to those over 65. Spouses' allowance help others in need who have not yet reached 65. Only last year the government extended such help to all widows and widowers between the ages of 60 and 64; one of the very first actions of this government.

On this base is built the Canada Pension Plan, and its parallel in Quebec, the Quebec Pension Plan. These are compulsory plans to which all Canadians in the paid labour force must belong. But beyond these basic building stones of the pension system, Canadians retain the freedom to decide for themselves, individually or collectively, what additional amount of income will satisfy their needs in retirement. This freedom, of course, means that Canadians must accept the responsibility to see that they are building enough pension savings to maintain their chosen standard of living.

What the government can do is encourage additional retirement savings. We are taking significant steps of this kind. As you know, the scope of tax assistance for retirement savings is being significantly extended. And with this new Pension Benefits Standards Act that I am speaking about here today, pension plans provided by employers will have to meet basic standards that are higher and fairer than has been the case in the past. As a result, many more Canadians will be eligible to join such plans, and will want to do so. And many more Canadians and their spouses will receive better pensions from the plans they already belong to.

I want to emphasize that this legislation sets basic standards in what is essentially a voluntary system, not a compulsory system. Employers are not compelled by this legislation to offer pension plans. But if plans do exist, they must meet standards of fairness and adequacy. Employers are free to exceed these standards, and indeed, many already do. Unions are free to negotiate better benefits and, indeed, many already have done so. The system is a flexible one in which employers, employees and unions can work out specific arrangements which best suit their circumstances and their expectations.

The government recognizes, of course, that what Canadians consider adequate today will change as society itself changes. For this reason, there may be a need in the years to come to review the legislation again. The changes being proposed now, however, reflect today's realities. Honourable senators, they will put an end to the uncertainty of the past several years that has caused many employers to delay reforming their plans and others to delay introducing plans. Employers and employees will know where they stand.

The changes being proposed to the Pension Benefits Standards Act reflect extensive consultations with the general public, with employers, labour, womens' groups, pensioners, and with the pension industry. The changes reflect lengthy and close consultation with provincial governments.

The federal pension standards legislation applies directly to some 650 employer sponsored plans covering 500,000 people. Indirectly, the terms of the legislation will apply to a further

500,000 public servants, because the government has undertaken to see, in consultation with the public service unions, that public servants' pensions will generally meet these standards. Provincial legislation applies to more than 14,000 employer sponsored plans covering some 3.5 million people.

For pension reform to serve the needs of Canadians—both employers and workers—we and the provinces must enact similar pension standards. Fundamental to our efforts has been our view that Canadians, no matter where they live, should have the same opportunities to build pensions. They must not be deterred from moving freely between provinces because of concerns about their pensions, and companies operating in more than one jurisdiction should not face needless and costly administrative burdens having to conform to different pension standards.

• (1910)

In view of the importance of having a high degree of uniformity across the country, I am particularly gratified that many provinces are planning to implement parallel legislation at an early date. This government will continue to work closely with the provinces until pension reform is translated into reality.

It is estimated that for employers the proposals in this legislation will increase the costs of average pension plans by about 5 per cent to 10 per cent. This, in turn, will increase payroll costs by about one-half of 1 per cent. We have taken great care to avoid imposing retroactive costs.

Let me now outline the key changes contained in this bill. This will illustrate clearly to this chamber that the government's proposals are indeed significant.

Current pension standards on vesting specify that persons do not acquire rights to the part of their pensions contributed by their employers until they reach 45 years of age and have ten years' service or membership in their pension plan. This is clearly a Draconian standard. Although many employer sponsored plans have not been that rigid, the standard, nonetheless, has deprived many young people and people who left the labour force or changed jobs even after considerable time with employers of a good part of their pension benefits.

Employees will now be entitled to vested benefits two years after joining a pension plan. They will then be able to leave their jobs if they wish without jeopardizing their pensions. As a result, the amount of pension which today's mobile Canadians can accumulate over their working lives will be significantly increased. Because women tend to move in and out of the paid labour force more often than men, the proportion of women benefiting from this change will be particularly high.

Vested benefits will also be locked in after two years of participation in a pension plan. This means the funds will remain in a pension fund or be transferred to a locked-in RRSP to provide for retirement income as they are intended.

Early vesting and locking-in will, therefore, result in more persons having private pension coverage at retirement and many persons having increased pension coverage at retirement.

Pensions will be portable in the future, allowing Canadians who change jobs the option of leaving their pension entitlements with their former employer; transferring them to their new employer; or locking them into an RRSP. Very few pension plans in the private sector now have portability features.

This long-awaited pension reform will remove a major obstacle that has stood in the way of many Canadians making significant career changes. Also, by encouraging a more mobile labour force, portability will enhance the competitiveness of our economy and the country's prosperity. People will be more willing to move to where job opportunities open up.

The new legislation will require for the first time that in all circumstances employers pay for at least 50 per cent of the value of pensions earned by their employees. This usually happens now with long-service employees, but not with those who spend shorter periods with an employer. This change will, once again, particularly benefit young workers and mobile workers, many of whom are women.

In the case of pension entitlements which employees have earned when they change jobs, the same objective can be met by indexing these deferred entitlements. This alternative provision will encourage pension plans to provide inflation protection.

The government's proposed amendments will also ensure that more workers will have the opportunity to join plans.

Of major importance are the provisions which will require employers to allow part-time workers to join pension plans currently available only to full-time workers, provided they have earned at least 35 per cent of average wages or met an equivalent hours-related criterion for two consecutive years. As you know, increasing numbers of people, especially women, are taking part-time jobs. For the first time, many of them will be able to build up pensions.

Also important is the provision that all full-time workers in any group for which a pension plan exists will now be eligible to join the plan at any time provided they have at least two years of service. At present some plans have more restrictive eligibility requirements.

The new standards being proposed in the legislation before us will permit employees more choice in deciding when to retire. Canadians will be able to elect early retirement any time within a ten-year period before the normal retirement age specified in their pension plan. Should they do so, their pension will be appropriately adjusted to reflect the longer period over which the benefits will be paid.

This change is in keeping with evolving patterns of retirement and may be particularly attractive to many working women who are younger than their retired husbands and who may wish to join them in retirement.

Another major thrust of the amendments is to encourage pension plan members to be more knowledgeable about their plans.

Since I always throw in a complimentary remark to the press of this country when I have the opportunity to speak in

this chamber, I must say that I have never seen a story that was given poorer coverage from coast to coast. My remark includes the coverage of the National Defence Committee which, I think, struck rock-bottom.

The amendments will require pension plan sponsors to provide members and their spouses with regular information about the amount of benefits earned, their accumulated contributions, and the plan's financial situation. This will help them to plan responsibly and knowledgeably for retirement.

As well, representation of plan members will be required on pension committees if the plan has 50 or more members and if a majority of the members request representation. In a similar manner, pensioners will also be able to elect a representative to sit on pension committees.

In Canada today pension policy must recognize that working patterns for many women have changed dramatically and will continue to change. At the same time, pension policy must recognize that many women will continue to choose more traditional family roles. The pension needs of both must be met.

● (1920)

In describing the foregoing changes I have mentioned that while they are designed to deal with fundamental shortcomings affecting everyone, several of them will be of particular significance to women, because women on average change jobs more often than men and hold more part-time employment than men. There are a number of other changes, however, which are explicitly intended to remedy the failures of present standards to meet women's pension needs.

One such change will ensure that women and men who retire under similar circumstances will receive the same monthly pensions. Many plans meet this standard now. But others pay lower monthly benefits to women than to men because a woman's life expectancy is longer than a man's. The change is fair, because it costs women just as much to live month by month as it does men.

The new provisions concerning survivor benefits are of major significance to women. Many women now find themselves totally unprovided for, or inadequately provided for, by their husband's pension plan if he dies. The new standards will require pension plans to offer survivor benefits that will provide surviving spouses with at least 60 per cent of the pension that would have been paid had the retired plan member lived. And these benefits will not be ended if the survivor remarries, as has been the case in the past. If the plan member dies before being eligible to retire, the full value of the pension that has been earned will be transferred to a locked-in RRSP for the spouse.

The new standards will also ensure that women do not lose their share of pensions or pension savings if their marriage breaks down. Pensions already being paid, or the value of pensions earned during marriage, will become part of the family assets to be divided on breakdown of the marriage, according to the provisions of provincial family law legislation. This new provision is in step with the new family law practices.

[Senator Doyle.]

The government has also addresssed—there is that lovely word again, "addressed"—the issue of employers' rights to withdraw surplus funds from defined benefit pension plans. This bill, for the first time, clearly establishes the government's authority to regulate withdrawals—to set the terms and conditions under which funds which are truly surplus to the needs of such pension plans can be withdrawn.

Because it is important that standards in this area be as uniform as possible across Canada, the Minister of Finance is discussing with his provincial counterparts exactly what the standards should be. The overriding objective will be to ensure that workers' pensions are never put at risk—that funds will be available to pay the pensions they have been promised when they come to retire.

Finally, I would like to deal with the question of inflation protection. As honourable senators well know, it is a question which over the years has been of persistent concern to the architects of pension reform. Indeed, no other issue has been such a source of disagreement and such an obstacle to reform.

The government recognizes the need to maintain the purchasing power of pensions provided by employer sponsored pension plans. However, many business groups continue to be opposed to mandatory inflation protection because they do not believe that it can be afforded. There is no provincial consensus on this matter, either. We therefore must acknowledge that to mandate inflation protection at this time could have serious negative repercussions on the willingness of businesses to establish or to continue pension plans for their employees. This outcome would certainly not be in the interests of employees. As well, it has proved impossible to achieve any agreement on what method or formula might be appropriate for providing inflation protection.

We cannot delay pension reform solely for want of agreement on mandatory inflation protection when there is agreement in so many other areas and when the need for reform is so great. We have, therefore, adopted a voluntary approach to inflation protection. I want to stress that the majority of large pension plans already provide inflation adjustments which amount to about 40 per cent of the increase in the consumer price index. We will build on this by encouraging all firms under the jurisdiction of the federal government—especially crown corporations—to provide such inflation adjustments both to pensioners and to the pension savings of persons still working.

These firms will be required to report regularly on the adjustments they make and the source of the funds they use for these purposes. Information on both the inflation adjustments and the sources of funds will be submitted to the Superintendent of Insurance, and resulting statistical information will be made public.

The government will be monitoring closely the response of pension plans to this voluntary approach. As we gain a clear picture of how well this approach is working, we will be consulting with the provinces, with business, and with other groups with interests in effective pension arrangements to

determine what further action is necessary. Clearly, there will be a need to review the question of inflation protection on an on-going basis, and that is just what we will be doing.

Honourable senators, Bill C-90 will increase the workload of the Department of Insurance, which supervises private plans in the federal jurisdiction. The resource requirements of the Department of Insurance will therefore be reviewed to ascertain if additional staff are required. I can assure honourable senators that the government will take every step necessary to ensure that pension plans in the federal jurisdiction continue to be adequately monitored.

Canadians have been awaiting reform of the pension system for a long time. A consensus has finally been reached—a consensus which reflects the realities and values of the Canada of today. I believe that all Canadians will welcome the significant achievement which this bill represents and will be anxious to see the changes take effect. I am proud to present this bill, and I hope that all senators will support it wholeheartedly so it can receive speedy passage. Canadians will be eager to see this legislation take effect at the beginning of 1987, as proposed, and this can only happen if the measures are in place in sufficient time before that date for employers to make the substantial adjustments in their plans that may be required.

• (1930)

Hon. Charles McElman: Honourable senators, it is not my intention to speak at any length on this bill this evening or tomorrow. I would first like to congratulate Senator Doyle, who has done an excellent job of explaining a rather intricate and detailed bill. It is one that has been in the process of study for approximately ten years. Since it required a consensus of the federal authority with the provinces, it has had a difficult road. However, that consensus has been reached.

Today there have been some amendments made to the bill on the floor of the other place. I would like to have an opportunity to study those amendments and their effect before continuing my remarks further on the bill. I should say immediately that it will not be my intention to ask that the bill be referred to committee. It has already had pre-study and there has been extensive questioning of departmental and other witnesses. Therefore, I feel that probably tomorrow morning, with very little further discussion, it could have second and third reading. At this point I would like to adjourn the debate.

On motion of Senator McElman, debate adjourned.

NATIONAL FINANCE

COMMITTEE AUTHORIZED TO MEET DURING SITTING OF THE SENATE

Leave having been given to revert to Motions:

Hon. C. William Doody (Deputy Leader of the Government), with leave of the Senate and notwithstanding rule 45(1)(*a*), moved:

> That the Standing Senate Committee on National Finance have power to sit at 8 p.m. today, even though the Senate may then be sitting, and that rule 76(4) be suspended in relation thereto.

Motion agreed to.

FARM DEBT REVIEW BILL

FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-117, to facilitate financial arrangements between farmers and their creditors.

Bill read first time.

SECOND READING—DEBATE ADJOURNED

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

Hon. Cyril B. Sherwood: Honourable senators, with leave of the Senate and notwithstanding rule 44(1)(*f*), I move that this bill be read the second time now.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Eymard G. Corbin: Honourable senators, I rise on a point of order. I do not believe that the bill has been distributed. I certainly do not have it. Is it the intention of the powers that be to make the bill available to us immediately?

Hon. C. William Doody (Deputy Leader of the Government): Is the bill not yet ready for distribution?

Hon. Hazen Argue: I have the original of Bill C-117.

Senator Corbin: I do not have it.

Senator Argue: I have the original bill, but I do not have the amendment.

Senator Corbin: Where did you get it?

Senator Doody: Are copies of the bill available?

Hon. Royce Frith (Deputy Leader of the Opposition): I do not have it in my stack.

Senator Corbin: It is not in my stack of bills.

Senator Doody: I do not have it either. If it is the wish of the Senate that we stand this until tomorrow morning, then I have no objection. On the other hand, honourable senators may wish to go ahead with it this evening.

Senator Frith: Honourable senators, perhaps it would be a good idea to have it understood that we will continue second reading debate tomorrow, but that we should have Senator Sherwood explain the bill to us this evening. When we do get copies, that will help us to understand it. Senator Sherwood could proceed and we could then adjourn the debate until tomorrow.

Senator Sherwood: Thank you, honourable senators. During the past century our farmers have made an enormous contribution to the nation's wealth and economic development. As a

result of their hard work and determination, Canada is one of the great food producing nations in the world. Today, however, a number of circumstances—most beyond the individual farmer's control—have dealt serious blows to this country's agriculture industry. Indeed, the legislation now before us comes at a crucial and very difficult point in time for our farmers. Heavy financing for expansion in the 1970s, followed by very high interest rates in the early 1980s, combined to force many producers off the land. In addition, many farmers have been pushed to the brink of insolvency by low world prices for a wide range of agricultural commodities and tough international competition in some of our traditional export markets.

This responsible piece of legislation offers financially troubled farmers an opportunity to pull back from the edge, to seek footing on more solid financial ground. The act will provide for the establishment of at least one Farm Debt Review Board in each of the provinces. The legislation provides that before debt-recovery actions against an insolvent producer can be initiated, secured creditors must give notice to the farm family of their right to appeal to the Farm Debt Review Board. Immediately after an insolvent farmer applies, a 30-day stay of proceedings will take effect, thus preventing any action by creditors against the farmer. The stay can be extended should more time be required to deal with the case.

The review board chairperson will establish a three-member local review panel headed by a board member. Both the board and the panels will include people from the agri-business sector—farmers and farm management specialists. The farm family, after all, is in a very sensitive situation, and I am sure that they will appreciate the presence and involvement of people from backgrounds similar to their own.

A field staff person will be hired to talk with the farm family and the creditors, to make an independent assessment of the farm operation and to report back to the panel. The panel, in turn, will make every effort to bring about a meaningful arrangement between the farm family and their creditors. Any negotiated settlement becomes legally binding.

As a major farm lender in this country, the Farm Credit Corporation holds a number of loans that could be involved in the process. Therefore the FCC will be provided with funds to participate without having to pass on the cost of negotiated settlements to other FCC borrowers in the form of higher interest rates.

● (1940)

In September of last year the Minister of Agriculture placed a moratorium on all FCC foreclosure actions. It will remain in effect not only until the Debt Review Boards are in place but also until the Rural Transition Program is operating. Details of this program will be announced soon. It has been estimated that anywhere from 4,000 to 8,000 farmers who are in financial difficulty could benefit from the Farm Debt Review Board process over the next two years. In addition, farm families who are not insolvent but who feel they can benefit from a review of their operations can also apply to a board for assistance. Of course, no stay of proceedings will be issued in these cases, but the panels will provide advice and attempt to arrive at arrangements between a farm family and their creditors to prevent deterioration of the family's financial position.

For these types of farmers and for those facing insolvency, the legislation before us today offers hope. It strikes a responsible balance between two vital requirements in the farm community—the need for a strong debt review process and the need for a secure, continuing line of credit. The act will open new options for highly indebted farmers without jeopardizing the future availability of farm credit. In Saskatchewan, where a voluntary debt review process is in place, both farmers and creditors are generally receptive. Even on their own, farmers and creditors have often been able to reach reasonable settlements. This gives me good reason to believe that a voluntary process can and will work across Canada.

But the Minister of Agriculture has offered an additional assurance. The Debt Review Boards will be closely monitored. If the process is not meeting the need, changes will be implemented to make it work. Certainly these boards will not correct every problem in agriculture. Rather, they will target a specific need, a need to help farmers with the potential to be viable, to remain in business.

Many other initiatives introduced by the Government of Canada have effectively targeted other programs in agriculture. For example, special drought assistance for the last two crop years was extended to western crop and livestock producers, an interest rate reduction program assisted about 5,600 FCC borrowers who had been locked into high-interest loans, amendments to the Western Grain Stabilization Act allowed for record spring payments in two consecutive years, all federal sales and excise taxes on farm gas and diesel fuel were effectively removed under a system of rebate, grain freight rates were frozen at current levels for the 1986-87 crop year, farmers have been given more flexible credit options through new FCC programs, crop insurance has been improved to increase coverage for producers faced by successive years of losses, and responsible economic policies by the Government of Canada have led to lower interest rates for farmers. In fact, the rate on a five year FCC mortgage is down from 14 per cent in September 1984 to 10.75 per cent today.

This act represents one in a series of important initiatives taken by the federal government on behalf of our farmers. Timing is of the utmost importance now. The farm community needs a review process to be put in place as soon as possible. I am advised that within a month of this legislation's being enacted, Farm Debt Review Boards can indeed be put in place. Therefore, I strongly support this legislation, and I would urge its passage.

Hon. Hazen Argue: Honourable senators, I would like to congratulate Senator Sherwood on his very lucid explanation of the provisions of this bill. Senator Sherwood brings to this house a great knowledge of agriculture. I had the experience of working with him when he was the distinguished deputy chairman of a committee of which I had the honour to be the chairman. Senator Sherwood has enunciated a long list of things that the government says it has done in the interests of agricultural producers. The minister has said, after listing that

long series of iniatives which the government says it has taken, that the farmers are worse off now than they were a year ago. So, the rate of decline or the decline is still there.

This bill leaves much to be desired. It is a bill with virtually no teeth. It provides no power to any board to roll back debts or to put in place settlements in the interests of the farmers and by which creditors must abide. The minister said this afternoon in the other place, as I was watching him on television, that probably 25 per cent of the farmers of this country are in serious financial difficulty. The federal government has provided a moratorium on farm credit loans. I appreciate this effort and I am glad it was done. The same kind of moratorium should have been applied to other creditors. I am very pleased that the Leader of the Liberal Party of Canada, the Right Honourable John Turner, has stated that he feels the government should provide a moratorium on all farm foreclosures until the end of the current crisis. That widespread action would help solve in a very major way the financial problems of those farmers who are in difficulty.

I have read the House of Commons *Debates* of last Friday. The honourable member for Algoma, Maurice Foster, has had a very major impact on the bill that is now before us. Because of his tenacity, the bill was amended to extend from 5 days to 15 days the amount of time that a farmer has to launch an appeal once he receives notice from his creditors that they are going to take action against him. Because that amendment refers to business days, it works out to about 21 days, which is quite a bit better than the original 5 days. Senator Sherwood has said that there is a provision to delay before the review board the foreclosure proceedings for up to 30 days. It is possible under the act to have further extensions. My understanding is that because Mr. Foster's ideas were accepted by the minister the maximum extension has been increased to 120 days.

Conditions out there amongst the farmers are very difficult indeed. The figure of 25 per cent with respect to the number of farmers who are in financial difficulty is probably a conservative one indeed. One of the saddest things about the whole situation is that some of the best, most productive and technologically most efficient farmers are in the greatest trouble. These are the farmers in their 30s and early 40s who are well trained, well qualified and great producers. I am sure that when you look back, you will see that many of them entered their farming operations at the worst possible time. The stress out there is tremendous. I read the other day that on this continent the most frequent cause of farm death is suicide. Suicide is now a more frequent cause of death than farm accidents, and farming is one of the most hazardous occupations in the country in that the death rate because of accidents amongst farmers exceeds the death rate because of accidents in our police force.

• (1950)

It is important that action be taken. I understand the Minister of Agriculture, the Honourable John Wise, has agreed to appear before the Committee of the Whole at 10.30 tomorrow morning, and I think his presence will be most welcome.

Speaking as a person from Saskatchewan who knows our situation out there very well indeed, I can tell you that there is one break. I think it is just a beginning crack, but it could develop into a very major break for many farm families. Up until now the Canada Assistance Plan has virtually been unavailable to farmers. There has been no Unemployment Insurance for a self-employed farmer, and farmers asking for assistance under the Canada Assistance Plan have been told: "Spend your last year's income; use this year's crop insurance cheque instead of paying your creditors, or sell your farm." Up until recently the same test has not been applied as is applied to city persons who ask for help under the Canada Assistance Plan, namely: "Do you have any money? Are you short of cash? Have you money for essential services for your family?" These are not the criteria that have been used for farmers.

However, as I say, there is a break and it is beginning to be said now that if a farmer does not have cash to meet his or her obligations, then the Canada Assistance Plan can be made available, and in some cases is being made available. That plan will pay a family anywhere from $600 to $1200 a month in cash, and that is a very major benefit. It is my opinion that rural people should have access to the same kind of benefits under the same kind of rules as are available to people in the cities.

As I have said, this bill lacks teeth. It provides for a delaying process; it may or may not have very much success. Like the experience we have had in Saskatchewan, it will perhaps have a 50 per cent rate of success or a 50 per cent rate of failure, and I think that is far too high. I hope that the boards will take an attitude that it is different from the attitude that I have perceived as being taken in at least some instances by the board in Saskatchewan, namely, the attitude that the solution to your problem, Mr. Farmer, is to sign off and give up rather than to have your debt written down and rescheduled on a fair basis.

Honourable senators, I move the adjournment of the debate.

On motion of Senator Argue, debate adjourned.

JUDGES ACT AND RELATED ACTS

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-128, to amend the Judges Act and other acts in relation to judicial matters.

Bill read first time.

SECOND READING

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

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, we have the same problem with this bill as we had with the previous bill in that the bill has not

yet been printed or distributed. If it is agreeable to honourable senators, I would suggest that Senator Nurgitz introduce the bill at second reading in order to acquaint us with the content and in order that the bill can be studied tomorrow morning by the Standing Senate Committee on Legal and Constitutional Affairs.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, Senator Lewis will be speaking for our side and I think it is his intention to suggest that the bill go to committee, because the committee is ready to receive it tomorrow morning along with Bill C-45. Therefore, I think that in this case we should complete second reading and send it to the committee, because the same purposes will be served with relation to this bill as were served previously in that the committee can explain to us what the bill is about. Then, if we have something to say about it, it can be said on third reading.

Hon. Nathan Nurgitz: Honourable senators, with leave of the Senate and notwithstanding rule 44(1)(*f*), I move that this bill be read the second time now.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Senator Nurgitz: Honourable senators, I will attempt to be brief, although not quite as brief as has been suggested by my whip. His suggestion was that the short title would suffice!

Senator Frith: That is a good start.

Senator Nurgitz: With that in mind, I should point out that I believe that Senator Lewis, who will be responding, does have a copy of the bill and he and I have had several discussions with respect to this matter.

However, I will be very brief and point out that this government is committed to making the judicial system in Canada more efficient and to that end the federal government is co-operating with two provinces, namely, the province of Prince Edward Island and the province of Newfoundland, to improve the administration of justice in those regions of Canada. One example of that commitment is the government's policy of responding positively to the initiatives and requests of those two provincial governments to re-organize their provincial superior, district and county courts to best suit and improve the administration of justice in those provinces.

Having said that, I would like to point out that there are six features to the bill, honourable senators. First of all, I should point out that the bill in itself not only amends the Judges Act but it amends the Canada Pension Plan, the Northwest Territories Act, the Yukon Act and Statute Law, being the Canadian Charter of Rights and Freedoms Amendment Act and, in fact, several other acts. For example, in statutes such as the Criminal Code and the Divorce Act, when reference is made to certain courts, this bill has some ancillary types of amendments where the proper phraseology would be used.

In brief, the bill first gives effect to the decision of the Government of Prince Edward Island to divide the Supreme Court of that province into an appeal division and a trial division. That makes the court structure in that province more similar to that of all other provinces in Canada.

Second, this bill gives effect to the decision of the Government of Newfoundland to merge the province's District Court and the Supreme Court, trial division.

Third, this bill removes the authority of the Governor in Council to suspend the salary of a judge.

Fourth, the bill permits the appointment to the Pension Appeals Board of temporary members to be drawn from the serving or retired judges of the Federal Court of Canada and provincial superior, district and county courts.

Next, this bill provides for the varying of tenure of office of deputy judges of the Northwest Territories and the Yukon Territory from that of termination at the pleasure of the Governor in Council to that of holding office during good behaviour, but removable by the Governor General on address of the Senate and the House of Commons.

Last, this bill ensures conformity between the English and French versions of the name of the Court Martial Appeal Court of Canada.

Honourable senators, that explanation, in brief, covers the purpose of this bill. I do not think I could have been any more brief—

Senator Barootes: I think you have done very well.

Senator Nurgitz: I wish you could have followed that example.

Senator Doody: You should have been on before Senator Barootes.

Senator Nurgitz: With that, honourable senators, I want to say that none of these provisions is very complex or, in fact, major. All of the provisions might be described as technical, yet each contributes to the more effective functioning of our legal system in those provinces.

Therefore, honourable senators, I urge upon you, as I said as briefly as I can—and I think in keeping under four minutes I have been very brief indeed—to give this bill second reading in order that we might give some consideration to it at the meeting of the Standing Senate Committee on Legal and Constitutional Affairs tomorrow morning.

Hon. P. Derek Lewis: Honourable senators, I did not realize that Senator Nurgitz would be quite as brief as he has been. However, I think that the short explanation he has made has been followed by all honourable senators.

This bill is quite important in certain areas of the country as it deals with consequences to the composition or recomposition of certain of the courts in some of our provinces. It is quite important. Senator Nurgitz has explained briefly the points that are contained in the bill. I do not intend to go over them. I will be supporting the bill. I think it should be enacted as quickly as possible, particularly from the point of view of my own province of Newfoundland. We now have ten District Court Judges there. Under provincial legislation regarding the courts, those district courts are to be merged into the Supreme Court of Newfoundland. As a consequence, the District Court

Judges will become Supreme Court Judges. Of course, this bill provides for and covers this situation. I believe that the legislation is to come into effect on September 1. So, I believe it is important that this bill be enacted to provide for that.

● (2000)

As I said, there are ten District Court Judges in Newfoundland, including the Chief Judge who has the burden of the administration of the district courts. As a consequence of that, he is paid slightly more than the other District Court Judges. With the merger, of course, under the present act he would receive a reduction in his salary. I am pleased to see that under this bill his salary will be protected. The Chief Judge's salary will stay the same until the other judges' salaries reach that level.

There are only two other things I should like to say. It seems to have become the habit that in the final days of a session we have amendments to the Judges Act. I do not know why that is; perhaps Senator Nurgitz will be able to explain that to the members of the committee tomorrow.

I suggest that the bill be referred to the Standing Senate Committee on Legal and Constitutional Affairs. The committee has planned to hold a meeting tomorrow morning to consider Bill C-45. I believe the members of the committee can deal with this bill at that time. Although I recommend that the bill be referred to the Legal and Constitutional Affairs Committee, in actual fact most of the provisions of the bill deal with financial matters, but I believe that committee can deal with the bill.

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE

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

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

ENERGY AND NATURAL RESOURCES

CONSIDERATION OF FIFTH REPORT OF COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the fifth report of the Standing Senate Committee on Energy and Natural Resources entitled: "Oil Marketing: 1986", tabled in the Senate on Wednesday, June 25, 1986.

Hon. Dan Hays: Honourable senators, I should like to speak to the fifth report of the Standing Senate Committee on Energy and Natural Resources entitled: "Oil Marketing: 1986". In view of the late hour, I wish I could undertake to speak tomorrow; however, I will be unable to be present tomorrow. I consider this to be an important matter, so I will proceed now.

Since March 28, 1985, the date of signing of the Western Accord, unexpected and remarkable changes have occurred in the energy business. What I have to say is a criticism of the present government's failure to vary its energy policy in light of these changes so as to provide in a timely way for the short and long term needs of the petroleum industry, for the oil and gas producing provinces and for Canada as a whole. Before proceeding, however, let me first acknowledge that the problems our country encounters in the energy sector are difficult and solutions not easy to discover or implement.

This government's energy policy has some objectives in common with the policy of the previous Liberal administration. Both policies have been concerned with Canada's energy security, for example, although the approaches to achieving that security are very different. The old policy called for a major government role as manager of the energy economy; the present policy calls for a minor role and, most significantly, no role whatsoever with respect to the pricing of crude oil. This government's policy bets everything on the world market as the only regulator of the price of oil—that we will meet our objectives of a high degree of Canadian self-sufficiency in oil and gas with majority Canadian ownership in the industry by doing nothing about prices.

I think both approaches are wrong. The two extremes are not our only choices. Let me add that I do believe that a free and fair market is the preferable determinant of price. There are circumstances, however, that call for intervention by the government, and the fall by more than 50 per cent in the price of oil within four months, with those low prices persisting, is just such a circumstance.

Regrettably, and notwithstanding the fact that we are some months into the crisis, we do not have a response from the Minister of Energy to the serious problems created by the collapse in oil prices. Certain problems for all of Canada will occur if nothing is done.

Speaking as an Albertan, I am shocked that this government takes its political support from Alberta so much for granted that we have yet to receive a response to the cry of distress from our energy sector. Albertans have elected almost nothing but Conservatives to the Parliament of Canada for 30 years. It is obviously considered so politically secure, symbolized by the single visit to Alberta by the Prime Minister since the election, that it can be virtually ignored. I believe that the Conservative Party support is at risk, and their failure to deal with the collapse of the oil price will see the huge majorities of Alberta Progressive Conservative MPs melt away and, in some, if not many, cases, disappear. The Pembina by-election, which must be called as a result of the resignation from Parliament of Peter Elzinga, will be an important early test of this view.

There are many ways of quantifying the problem we face, but for me the most vivid is to think of it in terms of the study by Woods Gordon, commissioned by the Independent Petroleum Association of Canada, and dated January 1985. That study concluded that for every billion dollars spent on exploration and development in the conventional oil-producing area, there would be 30,000 person-years of work created in Canada. You may recall that this study was the basis for the "engine-of-growth" view which maintained that new spending on oil and gas exploration and development could create

200,000 to 250,000 new jobs by early in the next decade. All of us hoped for that result.

The government fashioned an energy policy for the then relatively stable and high-priced world crude market. The problem is that the policy is designed only for that scenario and the government refuses to adjust its policy to our present circumstance.

What we are in fact facing, due to the remarkable decline in prices, is an estimated reduction in capital and exploration expenditures in 1986 of about $4.5 billion compared with 1985, and a potential loss of 135,000 jobs within a few years, using the Woods Gordon study as a guide. Of these, 11,000 jobs have been lost in western Canada's oil well service industry alone since the end of March, adding to the rapidly growing number of jobless in the industry as a whole.

Our need is for a policy that accommodates the abrupt changes we experienced first in the 1970s, and now in the mid-1980s, to provide some stability in times of rapidly changing prices. The problem is the abrupt change in price as much as the price itself, because this change leads to the uncertainty which is today so damaging the industry.

This being my complaint, the government's position that it does not want to alter policy until prices stabilize is most disconcerting.

To me, this is an unacceptable failure to address the most damaging aspect of the problem, the instability in price itself. This unstable commodity price causes equity investors to lose confidence, and bankers and others financing that business to believe they are not capable of valuing security or assessing credit risks.

What should have been included in the government policy is not only the commitment to consult, contained in Part 1, Clause 9 of the Western Accord, but a commitment to act quickly if "a sharp change to crude oil prices" occurred.

For example, if the price of crude oil lost or gained more than, say, 30 per cent of its value over a period of three months, the government would intervene. In any event, oil lost half its value in four months—a sharp decline in price, I submit, in anyone's opinion. This is a suggestion only, and an appropriate triggering mechanism would have to be determined with additional consultation.

● (2010)

As it is, neither producers nor consumers know whether there will be a revision to policy in response to the current crisis, when a response might be announced, or what kind of response we might expect.

What Canada deserves, needs and wants is an energy policy which takes into consideration inputs from all components of that economic sector and a policy which best serves the full spectrum of interests involved. In this context, I would like to emphasize that I think it is wrong to suggest that consumer interests are necessarily contrary to producer interests.

The policy we have today seems to have been in response only to the disenchanted large-producer sector and the producing provinces objecting to the National Energy Program. Not enough attention was paid to the overall Canadian interest and what might happen to our objectives of secure energy supplies to meet our long-term needs and of majority Canadian ownership in the resource sector, in the kind of situation in which we now find ourselves.

The problem is one of failing small energy companies, as well as some large Canadian companies who were favoured under the National Energy Program, who have not had sufficient opportunity to adjust to the level playing field of the Western Accord in combination with current low price levels. Large companies with potential for increased exploration in development activity are seriously hampered by the petroleum and gas revenue tax, a gross revenue tax at the production level, and by high provincial royalties which were justified only in the former high energy price environment. The Energy Committee has not recommended a change in the phase-out period for the PGRT. My own view is that that should be looked at very carefully, and immediate consideration should be given by the government to accelerating the phase-out on the basis of, and conditional upon, the provinces correspondingly lowering their high royalties. The government increase in the amount of production income exempt from the PGRT, from $500,000 to $2 million, was a welcome step in that direction.

For reasons ranging from severe financial stress to prudent decisions to proceed only with minimal exploration and development activity in this pricing environment, energy companies are not attempting to replace oil reserves being exploited. This is a threat to our security of oil supply. At the same time, Canadian ownership of the industry is jeopardized because previously favoured companies need time and some help to adjust to lower prices.

The oil and gas producer organizations have been calling for immediate action, although not necessarily the same action. There are independent agencies, such as the C.D. Howe Institute, calling for extraordinary government financial assistance to the oil industry, as well as the agriculture sector, on grounds that enormous and long-lasting economic harm is inevitable if the west's two largest industries are in dire straits simultaneously.

We now have the report of the Standing Senate Committee on Energy and Natural Resources, tabled yesterday, which recommends government action to deal with both producer and consumer problems arising out of the dramatic decline in oil prices.

The report presents four recommendations: First, that financial assistance, limited in amount and duration, be extended to producers of conventional oil through a program which will ensure that smaller producers receive the principal benefit; second, that financial assistance be extended to producers of nonconventional oil. This assistance could take the form of a floor price for all existing production and limited loan guarantees for new projects; third, that the federal government monitor Canadian posted prices to identify any significant deviations from Chicago postings. If Canadian producers consistently receive lower values for their oil, the government

should consider instituting an administered price; fourth, that a monitoring group be charged with scrutinizing petroleum product prices in the interest of maximizing competition and minimizing costs to the consumer. Findings should be made public on a regular basis.

The report justifies its recommendations of federal intervention on the sharing nature of our country, exemplified when prices moved up rapidly and the cost of oil was held down, allowing consumers across Canada an opportunity to adjust. There are no figures in the report, but numbers, I understand and have heard, range from $20 billion to $60 billion in forgone revenues to producer interests to the benefit of consumers.

The most important justification for the recommendations, however, is that if Canada wants to avoid being lured into the trap of becoming dependent on imported oil with the attendant risk that exporters of that oil will once again exploit that situation to our detriment, we must have a policy designed to provide us with as secure a supply of oil into the future as we can reasonably afford.

We must have a policy which takes into account that while we in Canada and the United States have about a ten-year supply of oil at current rates of production, the Saudi Arabians and several other Gulf producers have over a 100-year supply. They have demonstrated through the rapid price decline we are now addressing, and through earlier rapid increases in price, that they have the power to manipulate the market.

We must recognize the fact that we live in a world of unpredictable energy prices. The premium price recommended by the Standing Senate Committee on Energy and Natural Resources for the first 1,000 barrels per day of production for two years would help the smaller oil companies adapt to lower world prices. If prices rise, the program would, of course, end. If the price remains low, the time to adjust provided by the program can be used to consider and develop an adequate program within the discipline of lower prices.

An important comment to be made on this aid to the industry is that it should be administered so as to ensure that the expenditure will in fact achieve the results sought, which is additional exploration and development activity. The aid program should not become simply a conduit for government aid to banks through the energy industries.

The recommendation for tar sands and heavy oil is to provide an incentive adequate to ensure production from existing facilities and provide reasons for the industry to continue working on plans to bring into production more oil from these sources. This new oil production is essential to replace production from our declining conventional reserves.

My own feeling regarding the tar sands, heavy oil and frontier production is that we should concentrate more on direct expenditures, and/or indirect tax expenditures to ensure that we do not lose our technical and engineering ability to discover and develop these high-cost reserves quickly, if necessary, in response to an energy crisis such as the one we experienced in the 1970s. I am not sure that we can afford a program at this time which provides enough incentives through price support to bring on this type of oil production. I am sure, however, that we must do what we can within our means to maintain as much momentum as possible to ensure production in the long term from these sources.

The report's recommendation on the price-to-producer problem is of great importance, and I gather from recent reports of Canadian posted price that it is quite possible that the airing of the issue has helped alleviate some of the difficulty oil marketers are having in a market that is now decontrolled for the first time in more than ten years. The reference to the Chicago market for a formula determination of the price range outside of which the Government of Canada should consider implementing an administered price is a good choice. As the report states, Chicago is a market supplied by many sources of oil and in which there are many refiners with a substantial market for refined products.

Addressing consumer problems was a difficult task for the committee. Unlike the price-to-producer problem, product retail marketing has been on the basis of a free market for as long as I can remember. The concerns consumers have about price reduction in response to lower crude oil costs is a real one; monitoring and publishing prices with all taxes excluded will provide an opportunity for informed consumers to make the best judgment on what problems exist in the pricing of transportation fuels and heating oil.

For the reasons stated earlier, I find the government's lack of vigilance and sensitivity surprising and of great concern. The government is implementing what I guess it thought would be a carefree policy for energy. The market would govern. Buyers would be buyers and sellers would be sellers, the Minister of Energy told us. There seemed to be no thought at the time of developing their policy of the price collapse that we have experienced.

The Western Accord states that:

> In the event of international oil market disturbances that result in sharp changes to crude oil prices with potentially negative impacts on Canada, the Government of Canada will take appropriate measures following consultation with the provinces to protect the Canadian interest.

We have had a sharp decline in prices. The Canadian interest is at risk, but we have had no response from the government.

● (2020)

It did not occur to me at the time of first reading that provision of the Western Accord that the government had in mind only a sharp increase in price. On re-reading the press release which accompanied the Western Accord, however, there may be an indication of that position on the part of the government. It states:

> Canadian consumers will be protected from the volatility of the international markets. If world prices escalate rapidly, or if security of supply is threatened, the Federal Government, in consultation with the producing prov-

inces, would take appropriate measures to protect Canadian interests.

No reference is made to a rapid decline in prices.

The most concrete evidence of the government's intention seems to be its lack of response to the request for help from the industry. We are seeing an abandonment of the Canadian pragmatism that we have been able to rely on in the past. We have a government which apparently feels the solution to the crisis is to stick to the letter of the non-interventionist ideology from which its policy originated.

Westerners are becoming increasingly frustrated, anxious and annoyed at the government's lack of commitment for action within a stated time frame. The government must awaken to the reality that its work is never done. To carry on with the household analogy, the energy policy kitchen is in a mess; it is a danger to our health; and it is time to clean it up.

Some Hon. Senators: Hear, hear!

Hon. H. A. Olson: I rise, honourable senators will be pleased to hear, to support briefly what Senator Hays has just said about the report that was brought in and, more particularly, about the government's policy with respect to the energy sector since it took office.

I spoke earlier about what I am sure is going to happen to the natural gas industry as a result of that policy. Senator Hays has just outlined what the committee found as the result of the deregulation of the oil industry and the disastrous consequences, if I may put it in another way, associated with that.

I think what Senator Hays has said is accurate, but he has said it too softly. This government has copped out as far as governing this country with respect to energy policy is concerned. I think it is a despicable display of dereliction of duty, if you like, because they simply have not faced up to the necessity of keeping that industry viable in this country. It is not good enough to say that we will watch it while it collapses, until it stabilizes, and so on, because, honourable senators, there are a whole lot of people in western Canada, and particularly in Alberta, who are being severely hurt because of this. Their jobs are being lost at the rate of about 200 per day. Some of them have absolutely no other skills. Yet, Canada needs the energy sector to stay in place. Therefore, there is no hope of their finding another job reasonably equal to what they had.

There are Canadian companies going into bankruptcy regularly and the prospect of that accelerating is high indeed unless this government takes its responsibility to set up rules so that that part of our economy is not going to be sacrificed.

I just want to add to what Senator Hays has said so well, but I think it should be put in far more blunt language and perhaps, somehow, we can get the message across to this government that they have a responsibility to the people in Alberta even though, as he said, they have been sending Conservatives down here for 25 or 30 years. That is going to change and change dramatically when they find out how callous this government is towards the economic depression in Alberta.

On motion of Senator Hastings, debate adjourned.

The Senate adjourned until tomorrow at 10 a.m.

APPENDIX

(*See p. 2698*)

FISHERIES

FIRST REPORT OF STANDING SENATE COMMITTEE

THURSDAY, June 26, 1986

The Standing Senate Committee on Fisheries has the honour to present its

FIRST REPORT

Your Committee, which was authorized by the Senate on February 6, 1985, to examine and report upon all aspects of the marketing of fish in Canada and all implications thereof, respectfully requests that it be empowered to adjourn from place to place outside Canada for the purpose of such study.

Pursuant to Section 2:07 of the "Procedural Guidelines for the Financial Operation of Senate Committees", the budget submitted to the Standing Committee on Internal Economy, Budgets and Administration and the report thereon of that Committee are appended to this report.

Respectfully submitted,

JACK MARSHALL,
Chairman.

APPENDIX (A)
TO REPORT

THE STANDING SENATE COMMITTEE ON FISHERIES

APPLICATION FOR BUDGET AUTHORIZATION FOR THE FISCAL YEAR APRIL 1, 1986—MARCH 31, 1987

Authority

1. Extract from the *Minutes of the Proceedings of the Senate,* Wednesday, February 6, 1985:

"Pursuant to the Order of the Day, the Senate resumed debate on the motion of the Honourable Senator Marshall, seconded by the Honourable Senator Bielish:

That the Standing Senate Committee on Agriculture, Fisheries and Forestry be authorized to examine and report upon all aspects of the marketing of fish in Canada, and all implications thereof;

That the Committee have power to travel from place to place in Canada; and

That the Committee be empowered to engage the services of such counsel and technical, clerical and other personnel as may be required for the purpose of the said examination.

After debate, and—
The question being put on the motion, it was—
Resolved in the affirmative."

CHARLES A. LUSSIER,
The Clerk of the Senate.

---

2. Extract from the *Minutes of the Proceedings of the Senate* on Thursday, June 12, 1986:

"With leave of the Senate,
The Honourable Senator Marshall moved, seconded by the Honourable Senator Bonnell:

That the Order of Reference of the Standing Senate Committee on Agriculture, Fisheries and Forestry, dated February 6, 1985, pertaining to a study on the marketing of fish in Canada and all implications thereof, be deemed to have been referred to the Standing Senate Committee on Fisheries; ...

The question being put on the motion, it was—
Resolved in the affirmative."

CHARLES A. LUSSIER,
The Clerk of the Senate.

Transportation and Communications	$16,800

The foregoing budget was approved by the Committee on May 6, 1986.

The undersigned or their alternates will be in attendance on the date that this budget is being considered.

May 6, 1986	The Honourable Jack Marshall, Senator
Date	Chairman of the Standing Senate Committee on Fisheries

Remarks:

Approved by:

June 5, 1986 The Honourable Guy Charbonneau, Senator

Date Chairman of the Standing Senate Committee on Internal Economy, Budgets and Administration

Explanation of Costs

Transporation and Communications Outside Canada

Seafood Trade Show

Boston/Dallas/Los Angeles or Orlando

a) Air Transportation Ottawa-Boston/Dallas/Los Angeles or Orlando-Ottawa Air fare to 1 city at approximately $700 for: —8 Senators —1 Clerk —2 Research Officers —1 Secretary —1 Messenger 13	$9,100
b) Hotel Accommodations i) 13 persons, 2 days at $150 each	3,900
c) Per Diem Allowance 13 persons, 2 days at $50 each	1,300
d) Ground Transportation By limousine, taxi and bus for 13 persons	1,500
e) Contingency	1,000
TOTAL	**$16,800**

APPENDIX (B)
TO REPORT

THURSDAY, June 5, 1986

The Standing Committee on Internal Economy, Budgets and Administration has examined and approved the supplementary budget presented to it by the Chairman of the Standing Senate Committee on Fisheries (formerly entitled the Standing Senate Committee on Agriculture, Fisheries and Forestry) for the proposed expenditures of the said Committee with respect to its proposed trip to the Seafood Trade Show in the United States in connection with the Committee's examination of all aspects of the marketing of fish in Canada, as authorized by the Senate on February 6, 1985. The said supplementary budget is as follows:

Transportation and Communications	$16,800

ATTEST:

GUY CHARBONNEAU,
Chairman.

THE SENATE

Friday, June 27, 1986

The Senate met at 10 a.m., the Speaker in the Chair.

Prayers.

PAROLE ACT
PENITENTIARY ACT

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-67, to amend the Parole Act and the Penitentiary Act.

Bill read first time.

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

Hon. C. William Doody (Deputy Leader of the Government): With leave, later this day.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Earl A. Hastings: No.

Hon. Duff Roblin (Leader of the Government): Honourable senators, I want to make sure that I heard correctly. Is my friend, Senator Hastings, declining to grant leave to proceed with this bill?

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I feel constrained to explain, speaking for my colleagues on this side of the house, that Senator Hastings' reservations, to put them mildly, about this bill find a good deal of support on our side. I personally support, for example, his concern that the so-called "gating" should not be left to the Parole Board but that it should be a judicial process. He has other reservations that are well known, because he has taken his position for a matter of—I guess years rather than months.

However, I must explain that, notwithstanding our support for his position on the bill, we would not have refused leave to proceed with second reading at this stage and we would have entered into the debate and supported him in that way on the points that I assume he would have made.

Therefore, I want to make it clear that this is not a Liberal caucus or opposition caucus initiative, but is Senator Hastings' initiative insofar as the question of leave is concerned.

Senator Hastings: Honourable senators, briefly I wish to assure the Leader of the Government that he did hear me quite correctly, that I am refusing to grant leave for second reading of this bill later today.

This bill is one year old today. It was presented in the House of Commons on June 27, 1985. It received second reading on September 23 and was referred to the legislative committee. It came back to the House on January 29; the report stage was on June 17; third reading was moved on June 18, and it was passed as the last order of business of this session, I presume, last night in the House of Commons.

So the bill is a year old today. But during all that time when it was under consideration in the House of Commons there was absolutely no concern for haste. It was not a priority bill throughout all of that time. Yet in the dying moments of this session it becomes a bill of prime importance. During the third reading stage, in the other place, just before coming to the Senate, the Solicitor General stated:

> Every further day of delay jeopardizes innocent people. When we continue to talk, it is their safety that is at risk.

Was their safety at risk for the past year? Was their safety at risk for 139 days when it was at the report stage and not called in the House of Commons? Does their safety become at risk simply when it comes to this chamber, with two or three hours to give three readings and to hold a committee meeting?

Honourable senators, the overpowering evidence that was given to our committee does not support that view. In fact, Mr. Outerbridge, the then Chairman of the National Parole Board, stated before the committee:

> —the action we are taking is not going to have long-term or substantial impact on the incidence of violent crime in the community.

No evidence supports the view of the Solicitor General that public safety is endangered should this bill not be passed.

Senator Flynn: What about next week?

Senator Hastings: Let the legislation take its course and let it be considered by the committee, if for no other reason than for the primary fact that this bill deals with the freedom of the subject.

Senator Flynn: You have been dealing with it for months and months.

Hon. Gildas L. Molgat: Honourable senators, is Senator Flynn speaking on a point of order?

Senator Flynn: Yes, I could.

Senator Molgat: I wish Senator Flynn would get up, ask to raise a point of order, be recognized and then speak, instead of interrupting speakers constantly.

Senator Flynn: Did the honourable senator mention when he rose himself that he was raising a point of order? I did not hear him.

Senator Molgat: I asked a question.

Senator Hastings: Honourable senators, the objectionable feature of this bill has to do with the freedom of Her Majesty's subjects. It is for that reason that I think it is worthy of this house to give further consideration to the impact of this bill and the authority which we grant to the National Parole Board to keep an individual in custody, notwithstanding the fact that according to the laws of this Parliament he or she is entitled to be released. We have granted this authority to a board, and this chamber has explained its opposition to this procedure. Senator Flynn was present at the committee meeting when we agreed that this should not occur.

Senator Flynn: I was.

Senator Hastings: The Senate has not been consistent in this matter. In 1974 the Legal and Constitutional Affairs Committee, under the chairmanship of Senator Carl Goldenberg, said in its report that the Parole Board should not be the sole decision maker when it comes to dealing with violent offenders. When a similar bill was presented in this house in 1983, we amended it to provide for judicial resolution of any continuance of an individual sentence in custody. We repeated it again, for the third time, in the report of the Legal and Constitutional Affairs Committee dated May 14, 1986. It says in part:

> The first issue has to do with the question of what is the appropriate body to make decisions with respect to the detention of allegedly "dangerous" inmates beyond the date of their eligibility for release on mandatory supervision. It is the opinion of the Committee that the legislation should reflect the principle approved by the Senate when it adopted Bill S-32, *An Act to amend the Penitentiary Act and the Parole Act* (on June 6, 1983 . . .), namely, that the courts, rather than the National Parole Board, should make decisions respecting the continued incarceration of inmates who would otherwise be eligible for release on mandatory supervision. We have heard the comments of the Solicitor General with respect to the appropriateness of the Board taking on this responsibility, but with respect we must disagree.

Senator Flynn was a member of the committee that made that report.

It is for these reasons, which deal with the freedom and liberty of the individual citizen, Her Majesty's subjects, that this bill is worthy of more consideration than three or four hours today to satisfy the government. I must be loyal to my convictions, loyal to my conscience and deny unanimous consent to proceed.

Senator Roblin: Honourable senators, I think that I should make a comment to explain the stand that the government takes on this matter in view of the rather extended explanation given by my honourable friend.

The first thing I have to say is that I respect his right to refuse consent for any deviation from the regular procedure in this house. It is the right of any member, and it is there to protect members' interests. Nobody on the government side is interested in trying to abrogate that right in any way. However, I think I should explain to the house why I take a different view of the time constraints that have been referred to. The suggestion has been made that the government is interested in passing this bill without proper debate or discussion, or in too short a period of time. I do not see it that way because I am aware that this bill received what is called pre-study, and it went to the committee approximately six months ago. I know that the committee has had very extensive hearings on the whole matter. It has had numerous meetings and has spent a lot of time on it, and the points that have just been raised were all very thoroughly ventilated. The committee received the testimony of ministers. Not only that but, if I am correctly informed, the committee went on various inspection trips that bore on the subject matter of the bill, to some extent at any rate, in order to get a first-hand view of what was going on. Therefore, it seems to me that with that very considerable study, perhaps a more extensive study than I can recall for most bills, there has been a pretty thorough ventilation of the issues involved, which of course is the whole aim and object of pre-study.

We do pre-studies because we, on this side, have no more taste for being asked to pass bills in a hurry than does anyone else and, in order to make sure that that does not happen, we have pre-studies so that we do have a substantial grasp of the issues involved.

We on this side recognize that governments produce legislation in the other place, but they do not dispose of it. It is only disposed of by the opposition, so that we cannot deal with it in any official way until the opposition in the other place have dealt with it. They, too, had distinctive views on this bill and spoke on it at some length, and I know that my honourable friend, Senator Hastings, is aware of some of those debates. Therefore, it is a fact that a bill only comes to us when the people on the other side in the other place agree that that should happen.

I merely want to say that there is no intention on our part to act in a hurried or unseemly manner. That is why we have had the pre-study; that is why we have spent six months on it, off and on; that is why there have been the most extensive discussions in the committee. We felt that it would not be trespassing on the rights of this house, or indeed on common sense and good order, to proceed with the matter in the way that has been suggested by my colleague, the deputy leader.

However, we have been told that unanimous consent is not available. We accept that and we will just proceed in the normal way.

The Hon. the Speaker: Honourable senators, since unanimous consent has not been granted, the bill will be placed on the order paper for two sitting days hence, namely, July 2 next.

Senator Frith: I suppose, strictly speaking, we should merely say two days hence, since we do not know yet whether or not we will be sitting on July 2.

Senator Doody: That is two days hence.

Senator Frith: I agree that it is in sitting days, excluding July 1. But I suppose that for the sake of the record it should be two sitting days when you make your adjournment motion. In any event, it is a small point.

On motion of Senator Doody, bill placed on the Orders of the Day for second reading on Wednesday, July 2, 1986.

PAROLE ACT AND RELATED STATUTES

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-68, to amend the Parole Act and related statutes.

Bill read first time.

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

Hon. C. William Doody (Deputy Leader of the Government): With leave, honourable senators, later this day.

The Hon. the Speaker: Honourable senators, is leave granted?

Hon. Earl A. Hastings: No.

The Hon. the Speaker: Honourable senators, since leave is not granted, this bill will be placed on the Orders of the Day for second reading two days hence, which should be Wednesday, July 2 next.

On motion of Senator Doody, bill placed on the Orders of the Day for second reading on Wednesday, July 2, 1986.

• (1010)

FARM DEBT REVIEW BILL

SECOND READING

On the Order:

> Resuming the debate on the motion of the Honourable Senator Sherwood, seconded by the Honourable Senator Marshall, for the second reading of the Bill C-117, intituled: "An Act to facilitate financial arrangements between farmers and their creditors".—(*Honourable Senator Argue, P.C.*).

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I recognize the fact that this is not a great day for asking for leave. Nevertheless, I would ask for leave to proceed to Order No. 6 respecting Bill C-117, since the minister is present.

Hon. Hazen Argue: Honourable senators, do we have available to us a copy of the bill as passed by the House of Commons?

Hon. Duff Roblin (Leader of the Government): A copy of the bill, as passed by the House of Commons, was distributed last evening.

Senator Argue: I do not have a copy in my hands.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Senator Argue: Honourable senators, I spoke on second reading of this bill last evening. I will have some further remarks to make when the minister arrives. Are we going to hear from the minister now?

Senator Roblin: We have to have second reading before we go into Committee of the Whole to hear the minister. The minister is present. If we have approval for second reading, I will escort him to his seat.

Senator Argue: I am very much in agreement with that procedure.

Hon. Eymard G. Corbin: Honourable senators, I had indicated last evening—at least to the leadership of my party—that I wanted to say a few words regarding this legislation.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, Senator Corbin is quite right; he did indicate last evening that he wanted to speak on this order. If he wishes to proceed now, he should do so, but before that he may want to know that Senator Argue also wants to make further observations on the matter. I believe that he intends to make those further observations at the third reading stage, after he has had an opportunity to question the minister. I wonder if Senator Corbin also would like to make his observations on third reading, after he has heard the minister. Of course, if he prefers to proceed before he hears the minister, he will do so.

• (1015)

Senator Corbin: Well, I am quite open to Senator Frith's suggestions, honourable senators. I have a number of questions I wish to put to the minister as well, but there are comments of a general nature that I feel I should make. I do not want to make them at the last stage of the bill because when we reach that stage things are pretty well tied up in a package with ribbons and what-have-you. There is no point in making remarks on third reading following examination of the bill in detail, but if the house will bear with me I can make those general remarks in Committee of the Whole, so I do not see any problem.

Motion agreed to and bill read second time.

CONSIDERED IN COMMITTEE OF THE WHOLE

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

Hon. C William Doody (Deputy Leader of the Government): Honourable senators, I move that the bill be referred to Committee of the Whole, and that the Senate do now resolve itself into a Committee of the Whole for that purpose.

The Hon. the Speaker: It is moved by the Honourable Senator Doody, seconded by the Honourable Senator Flynn, P.C., that this bill be now referred to Committee of the Whole.

Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to.

Hon. Hazen Argue: I wonder if the bill with the amendments can be made available. I do not have it; nobody else has it that I know of.

Senator Doody: Will the Clerk please tell us if Bill C-117 is available with the amendments, and can he have it distributed, please?

The Hon. the Speaker: I understand that we will have the amendments in about five minutes, but first reading copies are being distributed now.

● (1020)

The Senate was accordingly adjourned during pleasure and put into a Committee of the Whole on the bill, the Honourable Senator Rhéal Bélisle in the Chair.

Pursuant to rule 18 of the Rules of the Senate, the Honourable John Wise, P.C., Minister of Agriculture, was escorted to a seat in the Senate Chamber.

Hon. Duff Roblin (Leader of the Government): Honourable senators, now that we are prepared to proceed in Committee of the Whole, I know that I am entitled, on behalf of the chamber, to welcome to our proceedings the Honourable the Minister of Agriculture.

Hon. Senators: Hear, hear.

Senator Roblin: One of the very practical rules of the Senate, dear colleague, is that, when we see fit, we have the right to invite ministers from the other place to join our proceedings, where they will be not only cordially welcomed but also entitled to take full part in the proceedings of the Committee of the Whole—although, I would point out to the minister, you will not be able to vote. Mind you, you do not have to come when you are invited, but we are pleased to see that you have decided to attend and we are happy to see you here.

I believe the minister has some officials with him and, with the permission of the Committee of the Whole, I would ask that those officials be seated in front of the minister so that if he needs expert advice he will have it close at hand.

With those few words of introduction and welcome, we can now proceed with the Committee of the Whole procedure.

Senator Argue: I should like to add my words to those of Senator Roblin in welcoming our distinguished Minister of Agriculture, the Honourable John Wise, who this morning is going to give us his position and information regarding Bill C-117.

I made my contribution last night at the second reading stage. I know from experience in the past that it is customary in the House of Commons, on clause 1, to have a somewhat wide-ranging debate. For my own part, if my colleagues would agree, I think it would be in order to invite the minister to make a general statement immediately and to inform us of the amendments that have been made. I am sure he will appreciate that we have just been handed them. Following that, I know some of my colleagues may wish to make a brief general statement on clause 1, if that is agreeable.

Hon. Senators: Agreed.

The Chairman: Honourable senators, before the honourable minister makes a brief statement, should we proceed in the normal fashion?

Hon. Senators: Agreed.

The Chairman: Honourable senators, the Senate is now in Committee of the Whole to take into consideration Bill C-117 intituled: "An Act to facilitate financial arrangements between farmers and their creditors."

Shall consideration of the title of the bill be postponed?

Hon. Senators: Agreed.

The Chairman: Shall consideration of clause 1 of the short title be postponed?

Hon. Senators: Agreed.

Senator Argue: Perhaps Senator Olson and I are following old procedures but our understanding is that in regard to clause 1 there should be a general discussion and, after the general discussion, the practice in the past has been to call each clause.

The Chairman: I am merely asking if it should be postponed. Clause 2 is the clause the minister will be speaking to. I would ask the honourable minister to make a short statement.

Hon. John Wise, P.C., Minister of Agriculture: Thank you very much, honourable senators. First, I want to tell you that it is a great pleasure and, indeed, an honour to be invited to this chamber. As well, it is a unique occasion for me because, although I have come to the Senate from time to time with visitors—since I think it is one of the most beautiful spots in Ottawa to which we can take visitors from across the country and, particularly, from our constituencies—previously I have either been seated in the gallery or have stood on the other side of the bar. This is the first opportunity I have had to step beyond the bar.

Senator Frith: There is a seat open in Ontario, Mr. Minister!

Mr. Wise: They tell me that my competition is pretty keen there, senator.

In any event, I deem it an honour to have the opportunity to appear before this chamber this morning. Many senators who have served in the other place and who represent those regions of the country that have an agricultural component within them will fully appreciate that 1985 was one of the toughest years the Canadian agricultural sector has experienced in over 50 years.

To understand why that came about, I think that we have to look into history. We need not go back very far—not to the turn of the century or anything of that nature. If we were just

to go back to the early and mid-'70s, we would find that all of the so-called experts in this country, the U.S. and, indeed, around the world, in financial and agricultural communities and from every other walk of life were meeting together and making predictions about what the future might hold in terms of world agriculture and North American agriculture. We were always interested in the reports of their recommendations in respect of the future of Canadian agriculture.

It is interesting to note that most of those studies that looked into the future were sending out very positive signals. They indicated that interest rates in the '80s would remain stable. Well, they were wrong—dead wrong. They indicated that input costs in terms of farm production would also remain level. Of course, they were dead wrong there. They indicated that energy prices would remain stable throughout the '80s. Indeed, they were dead wrong there. They indicated that the demand for food production around the world would be greater than the supply, and they were dead wrong there. They concluded that we would be going through a period of shortages, not surpluses, and, indeed, they were dead wrong there. Governments, provincial governments as well, were introducing production incentive measures and programs, sending out into the farm community signals to produce to beat the band, because they believed in some of the predictions and findings that were made by the so-called experts of the day, and of course they were dead wrong there.

There was another problem, too—I think that the financial community has to bear some responsibility here: farmers were listening to those so-called experts whose studies seemed to be fine; they were reacting to the positive signals and were following those directions. They thought that there was no tomorrow in the primary sector of the agricultural industry, so they went to the financial institutions. Those institutions were interested in expanding their lending portfolios in the agriculture community during that period of time. I suppose that they were caught up in the same observations and reacting to the same recommendations. At the risk of some criticism, which I will accept, I am going to say that during that period of time the financial institutions made available too much credit to the primary sector of the agricultural industry.

Where are we today and where have we been over the last two years? Statistics Canada indicates that there are about 318,000 farmers in this country. Many honourable senators will recognize how Statistics Canada defines a farmer. There are some farmers in this chamber. If we put our definition on how many farmers there are in this country, I believe we would agree that there are about 200,000. We have to recognize that about one third of those farmers have no debt at all. We have to realize also that about another third have at least 74 per cent of equity in their operations; and the remaining third will be taken up in the group from 73 per cent equity in their operation down to about 2 per cent to 3 per cent—one cannot really get an accurate handle on it here, but let us be safe and say that it is probably around 5 per cent—whose debts exceed their equity, and I believe that is slightly high.

• (1030)

There are then a number of producers, probably about 20 per cent of the nation's farmers, who are in trouble. But probably between 5 per cent and 10 per cent are in serious trouble, and, more than likely, about 5 per cent will come forward today to use this piece of legislation.

We have to be optimistic, but, on the other hand, we have to be realistic. Some people tell me that they can see some light at the end of the tunnel. They might have better eyesight than I do. I am asking those people if they can tell me whether they can define whether that really is a light or whether it is a light in front of a freight train. I would like to know. So I am not very optimistic—I am realistic—when I look at factors on which I may comment a little later.

As we look down the road for the next two years—and no one has a licence for accuracy in crystal ball gazing—I would think that more than likely over the next 24 months more farmers rather than fewer farmers will go into this farm debt review process and will utilize the rural transition program. More than likely we could reach 10 per cent.

The purpose of the bill is as follows: It establishes a provision where we can set up farm debt review boards. There will be at least one farm debt review board in each province. If the workload and the region, in conjunction with the federal government and the provinces, determine that we can establish more within a province, then the legislation will allow us to do that. For a variety of reasons, I hope that it is not necessary. I do not like to talk about my own province—I would rather talk about another province—but I will do so in this case. Honourable senators will realize that there is quite a marked difference between northern Ontario and southern Ontario; that there is a difference between southwestern and eastern Ontario. The northern part of Ontario is much different. So it might well be that there could be a decision to establish, for an interim period, a second farm debt review board to deal with conditions in northern Ontario. If that is the case, then the legislation will allow us to do that.

The provincial review boards will be made up of 10 members plus a chairman. They will be order-in-council appointees. Each review board will have a small secretarial staff to be hired by the board, and each review board will also have some field staff—not many, but whatever is required—and they will be hired by contract.

In addition to the review board, I have invited farm organizations and all members of the House of Commons—and I extend the same invitation to all honourable senators—to forward to us the names of people competent in financial management, knowledgeable of the special conditions that we find in the agriculture industry, that we do not find in other industries in this country, who, upon request, can serve from time to time on the individual review panels; and I hope that I will receive a positive response.

We have made a few changes in the bill—and Senator Argue has referred to them—in co-operation with the two opposition parties. At present there is a lot of unfairness and

inequity across the country. The way that the individual farmer is used now depends largely on where he or she might be located. There is a difference in the way that two almost identical farm cases are dealt with, given the absence of any legislation, within a distance of two or three miles. In fact, they could share a line fence, but one may deal with the bank of "X" in "Y" village and the other may deal with bank "A" in village "B" or urban area "B." The cases are almost the same. That is what exists at present, and we want to avoid that.

What will now happen is that if a creditor wants to serve a foreclosure notice on a farmer, he will be required to serve notice to that farmer in writing, explaining the farmer's rights—that is, the right that he has to appeal to the review board; and the farmer will have to do that. We first suggested five days. The matter was discussed in our negotiating meeting and a recommendation came forth from the honourable member for Algoma. He presented what I thought was a legitimate argument of a case in his region of northern Ontario and suggested that five days was perhaps inadequate for that area as well as for many other areas, such as western Canada and elsewhere. He suggested that five days was far too inadequate. I asked him whether 15 days would do and he said, "Yes, it would." I could not see any harm in that, so we accepted it, because I thought it made sense.

Nothing can happen within that 15-day period. The farmer has the option of not applying to the review panel; but more than likely he will. So he will have a 15-day period within which to make application to the review board.

There will automatically be a 30-day stay of proceedings. We had recommended that a 90-day stay of proceedings should be the maximum. However, we have watched quite closely the Saskatchewan experience, which provides for a 120-day stay of proceedings. Again, we thought that seemed to make sense.

During that period of time a review panel will be appointed. It will assess the individual's financial position. It will attempt to reach an arrangement on a voluntary basis. That is important, because it comes down to the nub, to the crux of this piece of legislation. If honourable senators look at the Saskatchewan experience, they will find that the track record there is very good. We have been told that the success rate there is probably somewhere in the neighbourhood of between 50 per cent and 60 per cent, which is pretty good.

Senator Frith: How do you define success?

Mr. Wise: Where an arrangement has been reached, the information that we have received from that project is that it is between 50 per cent and 60 per cent.

Senator Frith: An arrangement between the debtor and the creditor?

Mr. Wise: That is correct. If an arrangement is reached, the arrangement is ratified by the review board and becomes law; it becomes legal and binding; it becomes a contract. If they do not reach agreement, then the normal foreclosure and disposition process takes place.

[Mr. Wise.]

• (1040)

It is unfortunate, but we must recognize that all farmers will not survive. I get a little concerned sometimes when farm organizations and other individuals say, "Look, the only thing we need is 6 per cent money. That would solve the problem." It will not solve the problem in many cases. We have taken the time and trouble to look at many of these cases on an individual basis. We could give many of them 6 per cent money—in fact, many of them are on 6 per cent money and some of them are on 5 per cent FCC loans. Those loans are before my time, but perhaps the honourable senator remembers those days.

Senator Olson: They are before my time, too.

Mr. Wise: In some of these cases, we could provide interest-free money and they would still not have a chance to survive. We could write off half the farmer's debts and provide him with interest-free money to cover the rest of it and he would still go under. It is unfortunate, but that is a fact.

It is also a fact that the government does not want to ignore or walk away from the troubles faced by these farmers. That is why in the last budget we introduced the Rural Transition Program. Over the next two years approximately $50 million will be put into the Rural Transition Program to assist those people who will not and cannot survive under the current process or any other process. This program will provide opportunities for these people to move out of farming into some other way of life. Until this program was introduced, this situation was largely ignored. Many people were walking around in a fairyland world thinking, "Something will happen to turn things around. Commodity prices will go up and all the problems will go away," when in fact they will not. To think in such terms is to ignore the obvious.

The point, nub, crux or crossroads of any piece of similar legislation is whether to take that extra step and provide in it the authority, either to a court or a review panel, to unilaterally impose settlement. Much of the debate on this bill has surrounded this subject. It has gone on in the public forum for about a year and a half. About 10 per cent, giving the benefit of the doubt, of the people eligible will use this legislation. It is hoped that its success rate will be equal to that of similar legislation in Saskatchewan, and perhaps better. I think that it will be better because there is more of a humanitarian or compassionate attitude today among the lending institutions with regard to the plight of farmers. It is not as good as we would like it to be, but it is better than it was 24 months ago. But even if 10 per cent of the farmers take advantage of this legislation, we must not forget that 90 per cent of the farmers are relying heavily on their continued good relationships with their lending institutions for full and immediate access to the credit that is necessary for them to operate. We do not want to risk the financial institutions limiting farmers' access to credit, because farmers are large users of bank credit. The debate on this provision has gone on across the country. I am not throwing this point out forever. I am merely throwing it out for now because I firmly believe that now is not the time to

introduce it in legislation. An amendment to this effect was put forth by the opposition parties, but we rejected it.

However, there is a review clause within this legislation. Originally the review clause was a conventional one, but considering the government's support for some type of effective review, we got together with representatives of the opposition parties, with our officials and with officials from the Department of Justice and amended the legislation to provide for an annual review. There will also be a review in January 1987. At that time the review boards can be called before a committee of the House of Commons, which is the proper forum for the review of the efficacy of the legislation. This review will provide an opportunity to the committee to call witnesses from the agricultural community and the financial community to determine whether or not the legislation is working. If the legislation is not working as effectively as we think it could work, the committee will put forth the required recommendations.

Honourable senators, that is my general, somewhat rambling, off-the-cuff explanation of this legislation. It is important that this legislation receive final approval to allow us to put in place during the summer the review boards and panels and to put into the mill some of the cases as early as possible to determine whether or not the legislation is working and to assess it in general. I realize that the first review does not take place until 1987 and that that may seem like a long time to some. I would ask those individuals to bear in mind that we accepted an amendment from the opposition parties allowing for a total stay of proceedings for 120 days. The assessment process will probably not begin until September, because of the workload and for various other reasons, so the panels will probably not begin to exercise that 120-day stay of proceedings for some time. It will probably be December before we have much of a track record to examine.

Senator Corbin: Honourable senators, as you all know I am not an economist, but that may be a redeeming quality. I would also like to think that, over the years, I have had a pretty good understanding of agriculture, even though I am not a farmer. However, I have lived in close association with people who live off the land and therefore I feel that I am qualified to say some of the things that I want to put on the record this morning, especially as they apply to New Brunswick and particularly, as the minister may have already guessed, with respect to the potato industry, which I will come to in a moment.

● (1050)

I think this bill reflects an ill that has been growing over the years. I will give credit to the minister for having produced this legislation. I am sure that, for one thing, it certainly will do no harm and it will certainly help a lot of people. However, the debate is open as to whether or not we could have had different legislation, or whether or not we could have modified this legislation to improve it even more. Unfortunately, because of time constraints, I for one have not had an opportunity to follow the debate in the other place and, indeed, this bill arrives in the Senate with some pretty serious time constraints. But we have no choice; we must adopt the legislation.

Nevertheless, I think that some fault must be applied to the present administration in Ottawa and to past administrations to some extent in light of the fact that the problem developed in their time and has grown in our time. I am not sure that the legislation, inasmuch as I understand it in the short period of time I have had to examine it, will have the same beneficial impact straight across Canada. I think that it may please certain sectors of the agricultural industry in certain areas of the country to a great extent, but will not apply equally well in other parts of the country that are pre-occupied with other types of produce, because of the way those sectors are structured, because of the way they do their financing, because of the longer-term implications of their decision or, indeed, because of the short-term life of the goods that they produce. So the rules of the game, in my opinion, cannot possibly affect equally every producer straight across the board in Canada unless special consideration is given to particular problems in each individual sector. I realize that the legislation provides for provincial boards to set up their regulations, and the minister is at liberty to brush those aside and impose his own regulations. At least, that is my understanding of the text as I read it rapidly last evening and this morning. I could be right or I could be wrong. That is inasmuch as we are talking about the same type of regulations, but we will come to that during the question period. I am sure the minister will want to elucidate that if it is a problem of understanding that I have.

I said a moment ago that these problems have developed to the serious state they are now at because of a historical pattern that has grown worse over the years. For example, take the potato industry, especially in eastern Canada. Again, I will give credit to the minister for supporting attempts by potato growers straight across Canada to come to a meaningful understanding amongst themselves on a province-by-province basis to establish a national marketing board. The minister will recall that, at their meeting this winter in Ottawa, the potato growers met informally and decided that they would give their final best attempt to achieve the establishment of a national potato marketing board.

The minister will also recall that, in the dying days of the previous administration, the government decided to establish a royal commission of inquiry into the potato industry to look at all aspects of that industry. We all know that there were some in the industry who opposed the establishment of that royal commission, as indeed they had opposed the establishment of Canagrex, and we also know how both were handled in the interim. The present government and the present minister decided that we needed neither one. In other words, we did not need Canagrex and we did not need the commission of inquiry into the potato industry, and I venture to say that the potato growers, who have had their most hellish year that I can remember in my many years as a parliamentarian, would probably have their heads above water today if that royal commission had been allowed to proceed and to report to the government, and if the government had, indeed, wanted to

implement some of the probably very reasonable and practical recommendations that would have come out of it.

When the government decided to sack the royal commission of inquiry into the potato industry, the minister said at the time that there were other ways and other means of setting right that industry. However, to this day, I have not seen anything very dramatic in that respect. In fact, Senator Roblin, in speaking for the government in reply to a number of my questions in the months that followed my entrance into this house, said that the government's decision was final; that there would be other ways to tackle or confront those perennial and structural problems but, to this day—perhaps with the exception of this bill—I have not seen anything dramatic happen. I am not suggesting that we should have drama, but we should at least have clearly-set orientation so that growers know where they are going.

I am not talking about the big boys here—the big boys out west or the big boys down east. They can handle themselves pretty well. McCain Foods can handle themselves pretty well and they handle themselves very well indeed. They create employment in our region and we are all grateful for that. However, they have a monopoly that crushes the small producer. That is what is wrong with the industry as it now operates in New Brunswick, and someone must have the guts and the courage to tackle that problem once and for all.

The small, family potato-farm operation cannot possibly survive unless it gives itself body and soul to the big corporation. Is it the policy of the federal government to just let the family farm disappear into limbo? If that is the case, just keep on allowing to happen what is going on today. That is why I say that the decision to scratch the royal commission of inquiry was probably one of the most negative decisions ever taken by the current administration. The only redeeming factor that we have is this bill, Bill C-117, to facilitate financial arrangements between farmers and their creditors. Unfortunately, many of our farmers will go under, as many other farmers have during the past 18 months and previously. I say that because we have not had the fortitude, the determination, the will to look in depth at these problems.

• (1100)

I could not give a darn about committees of provincial and federal bureaucrats which meet regularly and which make recommendations to the federal Minister of Agriculture. They live behind closed doors. The bureaucrats out in the field operate with blinders on most of the time. They do well in their administrative responsibilities and duties, but they do not have a fundamental and long-term understanding of the industry, and that is the weakness.

If the government will not establish an inquiry into the potato industry, perhaps the Senate will. I will recommend that to the chairman of the Standing Senate Committee on Agriculture and Forestry. I think that is one area that we should explore during the coming months. Indeed, I would attach some urgency to that.

[Senator Corbin.]

So, here we are today with a bill to bail out the worst affected producers in the agricultural sector of Canada. We are trying to help those who are drowning as well as those who are barely keeping their heads above water. I do not want to be derogatory, because a number of farmers do manage to survive on their own. In fact, I would say the majority of them, even in hard times, manage to operate because they have managed their financial affairs over the years rather well and have kept funds in reserve and avenues open with financial institutions, but there is more to it than that.

A number of farmers feel betrayed because they were led into specialized, intensive production at the behest and at the recommendation of so-called technical experts and specialists. Farmers from Prince Edward Island, for example, have been encouraged, through generous subsidies and through federal-provincial agreements, to overproduce their potato acreage. They have increased their acreage tremendously and they are partly responsible for the glut we have had in the market over the past year.

I wish to thank the minister, as I thanked his predecessors, Senator Olson and Eugene Whalen, for coming to the aid of potato growers during dire times.

I had predicted 14 months ago in questions I put to the Honourable Senator Roblin that the farmers again would come to Ottawa with extended hands. Why? Because we have failed to attack the disease at its roots—the structural problems. So, farmers feel betrayed. They were led down a garden path. They have made important capital investments; they have completely changed their machinery; they have been told to tear down their old potato warehouses and build new ones with better ventilation, but unless there is a market at the end of the line, unless there is some control on production, and unless we come to some agreement with our neighbours down south who, from time to time, are attempting to cut our two legs off, these problems are going to persist.

Honourable senators, without carrying on with my general comments, I will reserve a number of points I wish to make during the question period.

Senator Argue: Honourable senators, I have a number of questions I should like to put to the minister. I appreciate the attitude he has taken in his initial statement and his frankness in assessing the general agricultural situation. When the minister talks about farmers who are going to go down the drain and farmers who are going to be saved with this initiative, and having the same success as Saskatchewan has had, I hope he will do a lot better than Saskatchewan has. Saskatchewan is not a good example, and I will get to that later.

I think it would be an error to look at the future optimistically. I see the European Economic Community continuing to do what it has done, and I see the United States continuing to do what it has done. I am sure the minister is aware that there is a vote likely to take place by United States wheat producers relating to whether or not they will have a higher support price for wheat in 1987. So, the prices may be going up rather than

down. Of course, that makes it even more difficult for us to compete.

I want to put to the minister something that I think is very positive. It is not in his jurisdiction, but I ask him to look at it and to use his influence with provincial governments to expedite what I will refer him to if he agrees with it. I am talking about the Canada Assistance Plan, and the various assistance plans in the various provinces.

I have made a study of this, and the attitude of provincial administrations with regard to applications from farmers for Canada Assistance Plan benefits is abhorrent. They do not use the same criteria for farmers that they use for somebody from the city. Somebody from the city asking for benefits under the Canada Assistance Plan is asked, "Do you have any money?" If they do not have any money, they are given a cheque, and that is usually on the day they tell their story. When a farmer applies, they ask, "What was your income last year?" They do not ask whether they have any money, but whether they received a crop insurance cheque in 1986—which would relate to income from 1985 because of the way that is paid. They do not ask farmers if they have current liabilities against that payment. They then say to the farmer, "Take your crop insurance cheque and spend it on living and don't pay the grocer, who has advanced you groceries on credit, or the local fuel dealer, or the local fertilizer dealer." The third thing they say is, "Sell the farm!"

Farmers do not receive unemployment insurance benefits. Farmers are generally denied, by the administration, access to the Canada Assistance Plan, in most instances, although there are a few exceptions.

The unemployment rate in our country is anywhere from 10 to 20 per cent, depending on where you are talking about. Those people either receive unemployment insurance or benefits under the Canada Assistance Plan. If farmers were made eligible for benefits under the Canada Assistance Plan on the same basis as everyone else, my judgment is that from 10 to 20 per cent of the farmers would be eligible. That would mean a cheque would be coming in in the amount of $600 to $1,200 a month. That would do a lot to bring stability to the farm industry and would help those people who are having a difficult time.

I put it to the minister that that plan is there for all Canadians. I ask him to use his very important influence to talk to provincial people when he has an opportunity, because I think the principle of what I have said is sound and farmers should not be denied that benefit.

I also ask the minister to take into consideration getting the review people together and educate them about their job and giving them some understanding. I ask him to try to have them come out of the chute 100 per cent on the side of the farmers and not on the side of the large financial institutions. I think that is very important. They have to be sympathetic to the farmers, and not sympathetic to the financial institutions.

• (1110)

I would ask you—and I think you hinted that you may be doing it—if this is not really working, will you give consideration to putting some teeth into it, something like the Farmers' Creditors Arrangement Act that we have had in the past? A former colleague of yours, Jed Baldwin, campaigned for that years ago, as a private member, before this terrible crisis arose.

I would also ask you what your attitude is towards and what you are doing with regard to the Farm Credit Corporation. I believe you have a moratorium. Is that in effect? Is there any possibility of a farmer who has a loan from the Farm Credit Corporation getting any write-down of anything he owes the corporation, not in negotiations under this but in negotiations that have happened to date? Or is this restructuring program and this so-called commodity 6 per cent interest the feature of that program, namely, that the debt is just carried on to some future date and there is no write-down? Because I would plead that a write-down is absolutely necessary.

I advise you—and this is just free advice; we give everybody free advice in politics—do not let the financial institutions hoodwink you. I do not think if you got tough and reduced the debts and had a judge, or had some legal authority write them down, that they would get out of the field. They love to make money. They know that some farmers are still pretty good risks; they are not going to withdraw. If they are threatening to withdraw, then we should know that they are threatening to do this, and we should know exactly who is doing the threatening.

They are not a bunch of little innocents out there. I had one case of a farmer who was being foreclosed by the Royal Bank. His story, undenied by the Royal Bank, was that the Royal Bank took over his indebtedness two or three years ago and gave him a chunk of new money. But in taking over the new indebtedness, the farmer was called upon to pay a $75,000 interest penalty because the Toronto Dominion Bank wanted a payout because he had a loan from them at a high rate of interest, and they were going to lose that advantage. Well, isn't that great! He really got sucked in!

My experience with the Saskatchewan Review Board is that they are very much on the side of the creditors. I have had personal experience in this. I took in one farmer. They looked over his accounts and they said—these are the words they used—"The solution for you is to sign off. That is your solution." The solution they wanted him to take was signing off so that he would not go to the newspapers and get some adverse publicity for somebody in the newspapers. They said, "Well, you can have your buildings at home, and so on," but the Saskatchewan law says that they cannot take the home quarter section.

That is why I am saying: Get your people together and talk to them and let them come out of the chute on the side of the farmers.

Those are the series of questions I put to you. I apologize for the length of time I have taken in putting them forward.

Senator Denis: Mr. Chairman, I have only one word to say about this bill. It seems to me that it consists only of the establishment of a dozen boards to act as counsellors or advisers to farmers who are in bad shape—that is all. They have no authority at all. They can do nothing but counsel; and there are a dozen of them.

The existing Bankruptcy Act could do the job of helping the farmers as it helps storekeepers, or grocery stores and the like.

What can the boards do in this bill? Nothing at all. They give advice, and if some creditor does not accept it then there is nothing left. But you can go to the sheriff, the licensed trustee and the judge. In Quebec we have a law called La Loi Lacombe. Here the pros and cons are studied, le bilan, the state of affairs of the debtor, what he owes, and the judge decides what he needs to live on; the rest is placed in the hands of the court. Then after three months, or six months—it all depends on the amount he has to pay—they distribute that money proportionately among the creditors.

For me personally, that bill could be replaced by an amendment to the current Bankruptcy Act in order to deal with the farmers' position with the same results. If a farmer can pay $100 a month, or $100 or $1,000 a year in order to pay off his creditors, he could make a deposit in the court. The creditors cannot take further action, they have to wait and they are paid at regular intervals. Then, after some years, when 50 per cent or 75 per cent of the debt is paid, the judge decides if the person can be free. In the meantime he has to rely on someone who controls the money he has; the money he owes; and the money he has coming in.

For me, this bill deals only with the establishment of boards, a dozen boards; two or three lawyers in each province with their salaries, staff, and everything—all kinds of expenses that could be avoided by amending the Bankruptcy Act in order to cover the situation of farmers.

Senator Olson: I want to say a few words about clause 1 in response to the minister's opening statement.

First of all, I think that he gave a very clear and concise description of his intentions for what these review panels will be expected to do under Bill C-117.

I might also say that this encourages me to suggest to the minister, and to his colleagues, that they use this facility to come to the Senate more often to explain in their own words, and in as much detail as they see fit, the purpose of their legislation.

It was refreshing, if I may say so, to hear the minister be as objective and as frank as he was in stating what he expects from these review panels—and, of course, it is short of what the judicial process would be in the bankruptcy proceedings that are already on the books. I understand that. I am ready to support him in his efforts. I think he said that he expects something in the area of about a 60 per cent success rate, and then he defined "success" as being a situation where there is almost a voluntary reaching of an agreement that then constitutes the new terms under which the creditor and the debtor are to proceed. I agree with the minister's statement when he says that he is not optimistic about the ability of agriculture to climb out of the slump that it is in, because, as far as Canada is concerned, a very significant change in international price levels for cereals, grain, potatoes and other agricultural commodities would be required. There is no indication on the horizon that that is going to happen soon.

[Senator Argue.]

• (1120)

I am discouraged by the minister's prediction that perhaps 10 per cent of the farmers would use this legislation within the next 24 months. To me, that sounds like a high estimate and, indeed, it would be much more severe than I perceive the situation to be at the moment.

Mr. Wise: I think I may have been "Conservative" on that estimate.

Senator Olson: I hope so, because, as severe and as serious as the situation is, I sincerely hope that 20,000 farmers across Canada, which is 10 per cent of the 200,000 farmers which he defined as being practical farmers, would not need to make use of these review panels in order to sort out their problems with their creditors at the present time.

I think it would be a useful experiment to try to have more uniform treatment of farmers who are in essentially the same circumstances. However, as the minister pointed out, the treatment of them and the solutions can be very different, depending on the bank or whatever other financial institution the farmer may be indebted to. That certainly would be an improvement.

I know that these panels do not have the authority to impose a settlement. That is not provided for in Bill C-117. Perhaps we should have a period of experimentation in order to see whether or not some people on these boards will be experienced and will gain more experience in trying to reconcile the problems so that the farmer has an opportunity to pay off his debts and to get back on a realistic basis.

However, I am not quite sure what these review panels will have to do with the rural transition programs. Will they be involved in that? Perhaps that is not the intention of this bill, but the minister mentioned another program called the "Rural Transition Program" that is funded at the level of about $50 million over the next two years. We could see whether or not some recommendations come from the hearings these review panels hold and whether they can make some recommendations to the people who will be administering the Rural Transition Program.

By and large, Mr. Chairman, I appreciate the opportunity we have had of talking directly to the minister. I hope this will be repeated, because I think we can get to the nub of the real problem of trying to find practical solutions. Again, I would congratulate the minister on his frankness and objectivity in his explanation of this bill.

The Chairman: Honourable senators, does any other senator wish to speak?

Senator Molgat: Mr. Chairman, I presume that, of course, we will have an opportunity to question the minister, and that if he speaks now it will not preclude other comments.

The Chairman: That is correct.

Mr. Wise: Honourable senators, I appreciate the remarks and, indeed, the observations and advice I have received from all honourable senators who spoke.

Let me just respond to Senator Denis. As you know, the Bankruptcy Act will apply only for a 30-day period. This bill will put into effect a stay of proceedings of up to 120 days. The Bankruptcy Act only protects unsecured creditors; it does not protect secured creditors.

In our consultations with provincial counterparts, if I had to pick one province which was more sensitive and more cautious over even this piece of legislation, I would pick the province of Quebec. They are very cautious and, indeed, we will be consulting with them—as we consult with all provinces—more frequently and on an ongoing basis to work out any of the federal-provincial problems that we have in order to simply put this voluntary process in place.

The message I get from you, sir, is considerably more hawkish in terms of extending the power of the court or a review board regarding a proposed settlement than what I get from the Province of Quebec.

I appreciated Senator Argue's observation. We look to Saskatchewan simply because it is the only province which has in operation legislation which has some persuasive powers in matters of this nature. As Senator Argue indicated, that province has the Saskatchewan Land Security Act which allows for a little additional power. As I understand the Saskatchewan provision, the referral to the court really does not extend the power of imposing it right now; it is simply a stay of proceedings for the home quarter section, I believe.

In response to your question about whether the review boards and the review panels would come out of the same chute with the same marching orders, I would say, yes, obviously that has to be the case.

Senator Argue: On the side of the farmer?

Mr. Wise: I would think it would be obvious that the vast majority of people on the review panels could be farmers. I would even go so far as to say that perhaps all of the people on the panel would be farmers, because the possibility of that is there. Most likely in practice they will at least form the majority on the review board at the provincial level. However, we will have to be certain that we have people on the review boards who are knowledgeable about financial management.

We have done a number of things in the farm finance area. As you know, I have introduced a moratorium on farm foreclosures on the Farm Credit Corporation. We have secured approval from the government to pick up the losses on the previous government's Special Farm Assistance Program which would result, if we are not able to get the money, in losses amounting to about $30 million. As you know, under the legislation, to participate in that Special Farm Assistance Program the losses had to be picked up by additional interest rate charges on clients of FCCs. We have gone through the process and our government is paying back to the Farm Credit Corporation losses under that program.

We have introduced the Interest Rate Conversion Program. That program is a $80 million commitment over the next three years. It brought all clients of the Farm Credit Corporation—not on a selected basis—that is, 5,600 of them, down from a rate of 16.75 per cent to 12.75 per cent. We introduced the shared risk mortgage program that caps the interest rate increases and decreases—we have to take the good with the bad—to 2.5 percentage points. We introduced the commodity based loan that ties the ability to pay with commodity prices. We may have to change that. That program was designed last August, presented to the farm community in September, finalized in the fall and introduced in the February budget. Well, times have changed. But I met with the board of directors of the Farm Credit Corporation a couple of weeks ago. They told me that they thought from their experience at this early date that all of the dollars assigned to the commodity based loan would be fully utilized. I said that if that were the case, fine and dandy; if it is not, we will amend the criteria, because we want to make certain that the dollars allotted to us in the last budget are totally used.

• (1130)

In the future the federal-provincial task force will continue to develop the equity financing scheme. I am a little concerned about whether we will ever get enough feathers on that bird so that it can fly.

I think that we should revisit the agribond issue and proposal. I also think that we should look at areas where the government could guarantee mortgages. In keeping with the recommendations of the two-price wheat committee, we should be looking at additional stabilization payments and/or some type of deficiency payment. But it is too early for that. We cannot yet define what the requirements will be in that regard.

We have done many things in the area of farm credit. If we have not done enough, we are prepared to do more. I think our track record is pretty good. I think you would be hard pressed to match it. I think we have passed more agriculture legislation in our 20 months in office than most governments—perhaps all governments—who have been in office for 20 years. We have taken 260 initiatives—that, honourable senators, is an initiative every other working day—since we were sworn into office. We have directed over $5.2 billion into the agricultural community. So, I think our record is pretty good.

In response to Senator Argue's question, yes, we do have dollars set aside that will allow the Farm Credit Corporation to participate in write-downs. I think we will be heading for disaster, not success, if at this point we extend the power of unilateral write-downs, that is, imposed settlements by a review board or a court. I think two things are going to happen at this time. One is that a disservice will be done to 85 per cent of Canadian farmers who are still doing all right. The other is that the courts will probably come down pretty much on the legal aspects of the case. When an individual borrows from a traditional lending institution, that should still be a legal binding contract. At this time, if I were given the choice, I would just as soon take my chance at a review panel on a voluntary basis, because we know that the banks and other

creditors are writing off large amounts right now. The problem, as Senator Olson indicates, is one of inconsistency—you get it here but you don't get it there. The honourable senator and former Minister of Agriculture knows the situation extremely well. He has been there—indeed, he has never left—and understands the situation very accurately. On the other hand, he is not blindsighted by taking the other step. I am sure that he recognizes that we do have an obligation as a government to do something for the one 5 per cent, for the other 5 per cent, and so on, but we also have an equal obligation to ensure that whatever we do for one person will not cut somebody else's throat. I appreciate that recognition very much.

Senator Corbin is still making good speeches on behalf of the potato industry in his province of New Brunswick. I have had the good fortune over the last 14 years to discuss that problem in that commodity group, but I will not get into the Canagrex debate or the Carter commission; that is behind us. I think that we made some progress in 1979. I believe that the only answer to the potato industry is supply management. That may come as a shock to some honourable senators, but I believe that is the only solution. They know that I know that, but it must be appreciated that a federal minister in a federal government cannot impose a marketing system—even though you and I may believe it would be a perfect solution and, perhaps, the only solution—unless that marketing sytem is accepted by a majority of the people of that industry. We have sent a strong signal to them this time indicating that we will participate with the provinces in a diversion program in New Brunswick and Prince Edward Island. They are facing the same financial disasters as those faced in western Canada due to the drought, there is no question about that. But we are not going to come back and offer yet another $40 million, another $50 million or another $20 million. This diversion program will involve participation on a 50-50 cost-sharing basis with the provinces.

If it were thought desirable to enter into a tripartite stabilization plan, that is an available option because we amended the Agricultural Stabilization Act. The federal government, the provinces and the producers could enter into a tripartite stabilization system. But if they get themselves together and lay on the table a supply management marketing system for potatoes, then we are also in the ball game. I believe that tripartite stabilization is do-able, but we have to be a little more optimistic than that at the moment. Through talking to people in the industry, I have found that they believe that the market system is do-able. I hope it is, but I am not so sure. We have been through that process before, as has the honourable senator; he knows as well as I do, perhaps even more so because of his location and his history with the industry, that there is a lot of division on this point. We cannot put them together. The industry has to put them together.

Senator Argue: Honourable senators, I appreciate the minister's response. I would ask him to make some comment about my questions with regard to the Canada Assistance Plan, although I know it is not in his jurisdiction. It would seem to me that the aspects of this plan—the federal government's contribution of 50 per cent with the administration left entirely in the hands of the province—make it an instrument that if administered in the farm community on precisely the same basis as it is now administered in the urban communities would be of major help to the agriculture industry. I would ask him whether he can dispute the figures I am about to use.

[Mr. Wise.]

Let us take the $50 million for this Rural Transition Program. That sounds like a lot of money, but I suppose it is not that much when we consider the problem. Let us say that 3 per cent goes out of farming, and let us use the minister's figure of 200,000 farmers, although I would point out to him that there are 140,000 permit book holders in western Canada. Sometimes there are two farmers—and very legitimate farmers—in the same family. So, your figure of 200,000 may be small, but 300,000 may be large. Anyway, let us take the 200,000. If we take 3 per cent of that, we have 6,000. If I make a calculation in connection with the $50 million—I could be wrong here—I calculate that it represents only $8,000 per farmer. Is that right? I had better review my figures. Anyway, I think it works out to a very small amount per month, if we spread it over a period of two years. I do not know what it is for. It is about $8,000 per farmer, or perhaps it is a little bit more. If we spread that over two years and we divide it by the number of months, then the farmer has $350 per month for a transition. Big deal! If he can come under the Canada Assistance Plan, a family would get probably $1,000 per month if the family has two or three children. That is good money, and it would help the family greatly.

• (1140)

I do not think that I received a precise answer to my question. Are there any write-downs of capital and accumulated interest in the case of persons who have Farm Credit mortgages? Can you explain to me how that comes about? I am not talking about interest write-downs, and so on, but of the write-downs of the farmer's obligation—and I think that has to come.

I am pleased that the minister has a moratorium on farm foreclosures by the Farm Credit Corporation. Why would it not be equally possible or fair to have that kind of moratorium extended to the financial institutions? The minister is worried about the 85 per cent. He may do so, but I do not know what he is worried about. If you are going to help out the 15 per cent, I do not think that you have to help them out in a way that is detrimental to the 85 per cent.

I therefore ask those further questions. If the minister does not want a general moratorium; if he does not want to have a judge with authority—as judges had under the Farm Creditors Arrangement Act—to write down debts, as I believe they should have, and reschedule them, then I believe it should be considered. The best of farmers in the country should be given a chance. But the banks, who were their financial advisers, said to them when they thought about buying a piece of land for $500 per acre, "Look, you had better grab it, because don't you know that in the next few years the price of wheat will go up, and don't you know that they don't make any more land?"

The bankers all of a sudden became very wise. They said, "It does not matter if you have to pay $500 now, because two or three years from now it will be worth $800 per acre." That was the line. The farmers said, "Gosh, these high financiers imported from Toronto and who came into town last year must know all about it, and we just know how to grow wheat. We don't know all this financial paraphernalia." So they took their advice. Now, what do those same deep thinkers say—some of those deep thinkers who were the authorities for the banks? Some of them went out and followed their own advice, and now some of those high-priced officials are themselves before the review boards. Of course, they have other income, so it is not quite so bad with them. They were smart enough to stay on the bank payroll while they dabbled around and bought some land—and I know some of them individually, when I say that.

In any event, why not do that? What is the downside of this? To say to those review panels that they would be given the power to provide an individual moratorium, not of 120 days but over such period of time as the review panel thought might be necessary to bring about what it thought was a reasonable and proper settlement, bearing in mind all of the facts?

The banks can go to sleep for 120 days, and then foreclose. In the meantime some people come around and talk to them and smile at them while down in Toronto they send them their marching orders. So, all of these fine little negotiations may not come to anything.

You can refer to a success rate or a failure rate, but I say that if the failure rate of farmers who apply is 50 per cent—in other words 50 per cent go down the drain and are booted off the farm—then I think that represents failure and not success. I would see a rate of at least 80 per cent, probably 90 per cent, as being necessary to consider it a success. I can visit my farm neighbours—I live among them—and find that many of them are in deep financial trouble. Yet, technically they are the best farmers in the district. They know how to use ammonia nitrate and ammonia phosphate; they know how to use the best varieties; they constantly read literature—they are reading the *Grain News* from the UGG that tells them how to improve their agriculture equipment; they produce the greatest amount of wheat per acre—and they are going bankrupt, and they need help; and a 50 per cent failure rate is far too high.

I ask the minister to think very carefully about what I do not think would be a very revolutionary suggestion, namely, that the individual review panels, through the proper bureaucratic and authoritative process, have the authority to see to it that 30 days can be added on to 30 days, to be added on to 30 days, to be added on to 30 days, and so on, so long as they see that there may be some hope that an arrangement can be signed. That would be a big message to the banks.

Senator Sinclair: Honourable senators, I have just one comment to make. I hope that the minister will use his influence to make certain that Hazen Argue is not on the short list as a successor to Gerald Bouey.

Senator Corbin: Honourable senators, I do not know whether the minister wishes to proceed by answering individual comments or would prefer to leave that until the end. My point is very short. It is one that I raised in my initial remarks with respect to the power or the ability of the minister to overrule the provincial boards. I should like to refer the minister briefly to clause 10 on page 4 of the bill, specifically to paragraphs (1), (2) and (3). The clause says:

> 10.(1) A Board may make rules respecting the management of its internal affairs and generally for the conduct of its activities.
>
> (2) The Minister may make rules respecting the management of the internal affairs of a Board and generally for the conduct of its activities and the members of the Board shall comply with any such rules made by the Minister.
>
> (3) In the event of any inconsistency between any rules made by a Board under subsection (1) and any rules made by the Minister under subsection (2), the rules made by the Minister shall prevail . . .

That is what I was alluding to in my remarks, that you have—how shall we call it—the overbearing power of determining what the rules will be. What is the initiative of the local boards with respect to rules? It seems to me that they do not have very much latitude, from the way that I interpret this particular article. In the final analysis, will it be the bureaucracy that will run the boards, as it usually is?

The Chairman: Before calling on the minister, it is the intent of the Chair to call every clause, and any senator who wishes to ask a question on that clause will have the privilege of doing so. I will now call on the minister to reply to the two questions that have been asked.

• (1150)

Mr. Wise: Honourable senators, I shall respond to the questions raised by Senator Argue first. I began my career in politics at the municipal level in 1960. I spent 12 years on municipal council before coming to Ottawa. I draw that to your attention because, indeed, for the first six years of my tenure, the municipal council actually administered the Canada Assistance Program. After that point, the program went to the county, where it is now. I agree with Senator Argue that given the rules that now apply, farmers do not qualify in most cases. With regard to the honourable senator's question about the FCC and write-downs, we have not been able to do any write-downs, because the act does not allow us to do so. If it did, our losses would have to be picked up by increasing the interest rate. We have set money aside in the budget package to allow for FCC losses as a result of the voluntary process to set aside loans, to write them down and so on.

With regard to the moratorium, there may be some question as to whether I have the appropriate authority to impose it. However, I have not been challenged so far. I think that I made a good move in imposing that moratorium. In fact, it is the second moratorium I have imposed in the 20 months I have

been in office. The honourable senator will know why I imposed a moratorium in September 1985. That moratorium will remain in place until such time as the review panels are in place and the Rural Transition Program is working. The honourable senator will have to make his recommendations with reference to a general moratorium to the Minister of Finance and the Minister of Consumer and Corporate Affairs. I would ask him to remember that this legislation applies across the country, and that any bank serving foreclosure notice must face the possibility of a stay of proceedings for up to 120 days.

I accept the honourable senator's mathematics on the $8,000 per family. This is not a pension plan or severance pay. The honourable senator knows as well as I that given an opportunity to retrain for six months, twelve months, or perhaps even less than that through bridge financing, most people in farm families will find a job. I realize that $8,000 is not a lot of money, but with a $30 billion deficit, the government is cramped for cash from time to time. I am sure that the honourable senator knows that.

Senator Argue: Financing is tough.

Mr. Wise: At least this legislation recognizes reality and for the first time ever provides financial support in this situation. The honourable senator complains, quite rightly, about the inability of the farmer to receive payments under the Canada Assistance Program. However, this bill provides for bridge financing to certain individuals who do not qualify for anything else.

Senator Argue: And who are leaving the farm.

Mr. Wise: Yes, that is right. That point goes back to the point Senator Olson made about 10 per cent of those eligible taking advantage of this legislation. I indicated that 10 per cent was a liberal estimate, not a conservative one. Indeed, I hope that it is high.

Senator Olson: So do I.

Mr. Wise: I say "high" because if, for example, somebody calculates it at 9 per cent, then the 10 per cent figure appears to be way out. Honourable senators realize that included in that 10 per cent are farmers who will use this service before they are served a notice of foreclosure. I indicated that about 20 per cent of farmers are in financial trouble of some sort. If a farmer feels that he is in trouble and that he would like to get together with his creditors to work out a financial arrangement that reflects his ability to pay off his debts in advance of receiving the notice of foreclosure from the bank, he can simply apply to the review panel.

Senator Frith: So the application can be triggered by the individual?

Mr. Wise: That's correct.

Senator Frith: So jurisdiction does not depend on receiving a notice of foreclosure from the bank. A debtor can do it because he or she wants to do it.

Mr. Wise: That is correct.

[Mr. Wise.]

Senator Frith: I had not realized that.

Mr. Wise: Too often the lines of communication between the farmer and the bank break down, and therein begins the division, the hard feelings and the lack of understanding and appreciation of the individual's case.

There is one more thing that I would like honourable senators to consider. We as government have an obligation to the total farming community. Sometimes, and perhaps it is more than that, perhaps it is most of the time, the first losses suffered by a farmer are the lowest losses. Here we are bending over backwards and providing government funds, and this, that and the other thing, to keep the farmer on the land for another 12 or 24 months. Too often, when looking back and asking whether we did the individual a favour, we find that we have not done that individual a favour at all. This is the sort of haunting realization we all face when we say that we want to take another step, and provide more money to keep the farmer afloat for six months, twelve months or even longer, that in the final inning, when the game is over and all things are considered, it is possible that we will not have done that individual much of a favour. Perhaps he will have nothing but what he receives from the Rural Transition Program. Perhaps if that individual had walked off the farm 12 months or 24 months earlier he would have had a lot more cash in his pocket.

So, to answer the honourable senator's question, a farmer does not have to wait for notice from a bank to go before the board. He may go there on his own initiative to seek their help.

Senator Frith: So, it is a bit analagous to a voluntary assignment and an involuntary assignment in backruptcy. I thought that your answer earlier was that the farmer could trigger the mechanism of his own accord, which would not put into effect the stay of proceedings provision. A stay of proceedings would not be initiated in such a case since the farmer initiated the action himself. There would be no proceedings to stay.

• (1200)

Mr. Wise: Senator Corbin, there is a necessary but normal section in the act which simply authorizes the minister to establish the rules and the criteria of the review boards and panels to ensure fairness and equity across the country. I believe that I do not have the ministerial authority to intervene, second guess or impose settlements of that kind. However, we can change the rules as we go along and as we see fit, but I want to send the signal that if there are any major changes over and above what is set out in this legislation, I believe that it should come after the boards have had a track record and after the process has been reviewed by the standing committee.

Senator Corbin: Thank you for that explanation, Mr. Minister. However, it does raise another question. I seem to detect in that reasoning a lack of flexibility. If you are going to have the same basic rules across the country, you may not then be in a position to address particular sectoral or regional situations.

They may be rare and far apart, but would you not prefer to ensure flexibility rather than to have statute rigidity?

Time is of the essence in legislation of this type. Time will be of the essence to applicants who apply to these boards and committees, and unless you have built-in flexibility your patient may go under by the time they resolve his case.

Mr. Wise: Honourable senators, I know exactly the point Senator Corbin is making. However, I would like to say that my involvement in establishing the rules is to ensure that fairness and equity apply across the country and that has to be first and foremost. On the other hand, after discussion with my provincial counterparts, there could well be people within the industry from one region or another who have particular concerns. For example, let us look at Atlantic Canada. At one federal-provincial meeting that we had on this subject it was suggested that perhaps there might be a board for Atlantic Canada. Then, at the next meeting I was told by my colleague from Nova Scotia that after second thought he was of the view that it might be better if they had a separate review board for the province of Nova Scotia. Therefore, while I would like to accommodate you, I wonder if the same thing could be achieved by the people and by the personalities who make up the review board and review panel, because they will be coming from those areas.

I was a little mystified, sir, by the concern you expressed that this bill would not represent the potato industry. I would like to say that this bill is not commodity oriented; it is financially oriented. Therefore, you cannot write different rules for dairy farmers and for potato producers, as I see it, and still maintain that fairness and equity. However, I am certain that given the opportunity to work, the people who will be sitting on that review panel will not be from Alberta; they will be from New Brunswick, and although they will not be next door neighbours, or from the same county as the farmer whose case they are reviewing, for obvious reasons, the people who will serve on those panels and boards will have that provincial background.

Senator Corbin: Thank you, Mr. Minister. Your comments practically opened up another can of worms, and I am very glad that you have decided not to take the approach of a regional board for the four eastern provinces. I say to you that that just cannot work. There are already too many people lumping the four eastern provinces into a so-called new province called "Atlantic Canada". No such animal exists in any statute. There is no Atlantic Canada. There are four provinces: New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and, as individual provinces, they all have the very same consitutional rights as have Quebec, Ontario, the three prairie provinces and British Columbia. I do not particularly fault you, Mr. Minister. You have been led down the same garden path as have many others here in Ottawa. We are not Atlantic Canada; we are four individual provinces and our provinces are very different. The composition of the population in those provinces is very different. You could not have a very happy marriage between the people of Madawaska and the people of Cape Breton, with all due respect to Senator Muir. I think he knows what I am alluding to.

Senator Muir: They are all good people.

Senator Corbin: I say that for all sorts of historical reasons, patterns and present factors. In any case, honourable senators and Mr. Minister, I say that as an aside. I am glad that you intend to follow the other route and have individual boards for each province.

With that in mind, may I make the following remark now rather than having to write to you six months down the road: Make sure that in New Brunswick you have people of both French and English capability on that board, otherwise you will run head-on into very serious criticism and your board will just not work. I am sure that is what you have planned, but I want to flag it at this time.

Senator Molgat: Before we proceed, honourable senators, I would like to make some comments, and before I talk about the bill, I would like to join in the welcoming of the minister. We appreciate your being here, Mr. Minister.

By the way, I noted in one of your comments the glowing sales pitch with respect to the present administration and all that it has done for agriculture. I might tell you that if your comment has not raised a partisan response from this side of the house, it is merely because we are a much less partisan operation than is the other place.

Senator Doody: From time to time.

Senator Molgat: Otherwise, I assure you that you would have found substantial response from this side, and not necessarily agreement with the sales pitch. For example, you might have been asked why it is that if this is such an important subject—and we agree that it is—and one that has been building up for some time, why then is the bill just arriving in this place today and why was it introduced in the other place only some two weeks ago? However, those are partisan questions and I really want to get to the substance. But that is merely a reminder that we should not be aroused to partisan response.

Mr. Minister, I am concerned about the degree of consultation with the provinces, because, as we know, agriculture is a shared responsibility between the federal and provincial governments. You have mentioned the fact that the province of Saskatchewan is now the only province in which a bill respecting these matters has been passed. I understand that in the session of the legislature of the province of Manitoba which is presently going on, there is a bill of this nature under debate. Can you tell us what consultations there have been with all of the provinces, including those two, respecting these matters?

Mr. Wise: Senator Molgat, I appreciate your point of view, but I would like you to relax. I was not citing any political document when I talked about the 206 initiatives and the $5.2 billion. I was simply reading the actual record of what we have achieved, so there is no partisan reference in that at all.

Senator Argue: The income continues to go down.

Mr. Wise: Yes, the income continues to go down. I can talk about some of the reasons why we are experiencing those conditions. I have already talked about some of the domestic ones, but I could talk about some of the international ones as well.

However, with respect to consultation, there has always been on-going consultation, sir, between my provincial counterparts and myself. On this very subject, we met as a group here in Ottawa in January and had a full discussion of where we were going and where we were coming from, and the type of legislation that we expected to introduce.

• (1210)

Again, it all hinged on how far we were going to go. Once they were told how far we were prepared to go, then there was agreement. I told my provincial counterparts in January that we were laying everything on the table, that we wanted them to know exactly where we were coming from and how far we were prepared to go. That is what is reflected in this bill.

There was some debate on that, and I indicated to them that this was so important to the federal government that I would not move to the next item on the agenda until I had a clear message from them as to whether or not they would accept this. We canvassed the people at the table, and eight out of ten said that they would accept legislation of this kind, but that they would not accept any piece of legislation at the federal level that would allow or extend the power of the court or the review panel to impose debt write-down unilaterally. The two exceptions were the minister from Newfoundland and the minister from Manitoba. The minister from Newfoundland thought that he could accept something stronger than that. What is stronger than that? The court or the review panel. There is nothing fuzzy about this at all.

The minister from Manitoba thought that he, perhaps, could go beyond that point. The score card was eight to two.

Then we met again in May and dealt with this and other subjects.

Now there has been a change of government in Prince Edward Island, but they have just introduced a review panel that has absolutely no reference to a court in its operation. That panel does not have the power to impose any settlements.

I thought you had another question, senator.

Senator Molgat: I had asked a timing question regarding the bill, but I did not expect an answer. That is not necessary, because that might get us into a partisan discussion and I am not seeking that.

Senator Denis: This bill is intended to protect farmers. In protecting farmers you limit the delay in clause 24 to 30 days. You add another 30 days in clause 30, and another 30 days in clause 31. That gives farmers 90 days of protection as far as the bill is concerned, but farmers are not paid by the week or by the month. Depending on whether they produce cabbages, radishes, wheat or hay, they are paid at different times of the year.

Let us say that a farmer got involved in financial difficulties in February or March; what can this bill do to protect that farmer? Nothing at all.

The bill gives 30 days' protection at the outset, and if the farmer discovers that that is not enough time, there is another 60 days' delay. Why not make the delay a one or a two year delay? As long as the trustee takes care of the assets, that would be fine.

Under the Lacombe law of Quebec farmers deposit their profits in the court every month, every two months or once during the growing season. When there is a sufficient amount of money in the court, it is divided amongst the creditors. That is sensible. This law protects farmers for only 90 days and, in my view, that is not long enough.

Mr. Wise: I appreciate your observations, but at the moment we have absolutely nothing. We were left nothing and we have nothing, and we want to put something in place. Now a bank can serve notice of foreclosure and the game is over.

Senator Denis: There is the Bankruptcy Act.

Mr. Wise: In that case there is 30 days. The bill gives a 90-day period, and we accepted an amendment in the House of Commons for another 30 days which allows for a period of 120 days.

I believe that an indefinite stay of proceedings is not very helpful to anyone. I would think that it is in the best interests of all to sit down at the table and in a spirit of co-operation, goodwill, fairness and equity attempt to arrive at a decision. I believe you will find that the membership of the review panels will be able to assess what the future holds for a particular operation fairly. If they can arrive at an arrangement, fine and dandy. That arrangement becomes law and is binding, but there is no magic here. We should not try to mislead each other or think that there is some magical way around this, or that every time a group sits around a table an agreement will be reached. The reality is that in many cases no decision can be reached because nothing can be done to save the individual operation. Therefore, some decision should be made. Again, if the operation cannot survive, then the operator is eligible to take advantage of the Rural Transition Program.

I know we all want to do more. I know that our hearts and heads are out to save the individual farmer and, indeed, that is the direction in which we should be going, but we will find that none of us has magic wands that will bring about a solution to all problems. We will have to accept the fact that in some cases there is no other answer except an exit. Unfortunately, there will be failures. The fact that we have kept them there for 120 days means they will leave with less cash in their pockets than if they had left 120 days earlier.

Senator Denis: Why not grant one year's protection to the farmers? That would cover the four seasons. What would be wrong with that? Why limit it to 90 days or 120 days? What is wrong with giving the farmer an opportunity to sell his products in order to settle his debts? If the farmer's financial troubles start in January and that farmer is producing wheat,

how can this review panel do anything to help him if he has only 120 days' delay?

Mr. Wise: Honourable senators, I am not rejecting that. Again, it is like other measures that may well be included in this bill.

• (1220)

First of all, the recommendation of the advisory group was 30 days, and that you do not do anybody any favour if you go beyond 30 days. However, common sense indicates that you cannot get the job done in 30 days so we went to 90 days. Then we went to 120 days. Now the honourable senator is suggesting 365 days.

I believe that we should decide these changes in the act at the time of review. That review is going to commence in January of 1987. The review panel will take into consideration that there is no hope, the farmer cannot survive, and they certainly will be taking into consideration—if it happens to be six weeks from harvest—that no disposition of assets will occur. That is simply a common sense decision that will be taken by the panels, namely, that the individual will at least be allowed to harvest his corn, or his soya beans. Now, it may be that considering the price of corn, or soya beans, that you are not asking him to fork over as much any way.

Senator Argue: We are certainly at the nub of this whole question and this whole debate. Because the review panels have authority to prevent action for only 120 days, I think the legislation is most inadequate and, from my point of view, most disappointing.

The argument that the minister has made is that it would be unfair, I guess, to have someone in authority who can arbitrarily write-down the amount of obligations that a given farmer has and reschedule those obligations. I disagree with that.

I think Jed Baldwin, who was a distinguished member of the Conservative Party for many years in the House of Commons, was 100 per cent right when he moved, on three different occasions, changes to the Farmers' Creditors Arrangement Act, which would do precisely what I have been saying.

However, perhaps there is some kind of a middle ground. Senator Denis, I thought, made a very good contribution. Perhaps instead of this 120 days, the review panel should have the authority, as it now says in clause 30, paragraph 2:

> Where a Board considers an extension of the period referred to in section 24 as extended under subsection (1), to be essential to the formulation of an arrangement between the farmer and his creditors, the Board may extend that period for a further period of thirty days.

Since I am not a lawyer, I will try to formulate the kind of amendment that I would like to see in this act in layman terms. I realize that the Senate has the authority, but there would be many constraints to our doing it at this time. However, it would amend the bill I have in my hand, which is the first reading copy, on the top of the page where that particular clause which I have already quoted in part ends, "may extend—-". At the end of clause 30, paragraph 2 it states:

> —the board may extend that period for a further period of thirty days.

Then I would like to suggest the following amendment:

> And further, there is no limit as to the number of consecutive thirty-day extensions that may be provided.

Now, that might not be Senator Frith's legal language, and it might not do the job, but—

Senator Frith: No.

Senator Argue: —in layman's English—

Senator Frith: No, that is good.

Senator Argue: —from the hills south of Moosejaw—

Senator Frith: No, no, no—

Senator Argue: —that is the best I could do in a very short time.

Senator Frith: Peace! I was not criticizing your wording at all.

Senator Argue: The idea is that the board would have authority to continue the process and to postpone foreclosures, or postpone procedures—

Senator Barootes: Forever.

Senator Argue: Forever, if necessary, all right; but they would have that authority, as long as they thought that such authority was essential to the making of a fair arrangement. You are putting confidence in them now by this amendment. In fact, you are placing even greater confidence in them. Wouldn't this be some message to the banks?

Senator Frith: Sure it would; they would not loan anybody any money.

Senator Argue: No, I do not agree with that at all; not at all.

Senator Frith: Make your point.

Senator Argue: The minister has said that a third of the farmers are in great financial shape. There is no way that a bank will turn down a loan to a farmer if he goes in there and he has clear title to, say, two sections of land and he has no debt. My God, they will lend it to his kids, to his wife, and to anybody else if he co-signs, and it will take ten minutes to get it!

Senator Frith: And forever to get the money back.

Senator Argue: Oh, no. The bank assumes that people are generally honest. People do not just go in and are given money. I do not think that would dry up all bank credit for agriculture; I do not.

Senator Frith: You know the west.

Senator Argue: That would not be the authority to write it down. If the board then decided that it was impossible for a given farmer, for whatever reasons, to repay a loan, then they would just wind up his affairs and let it go.

Then, when you come to a review of this in a few months' time, you would have a bit of a track record, and you would not be putting the board, and everybody else, in the position that when 120 days are over they have the farmer's hide and he is driven off to the city, and he is in the transition scheme after that.

Nothing is forever. Parliament can amend any legislation from session to session, and I would ask the minister to make a response to that particular suggestion.

The Chairman: Honourable senators, shall clause 2 carry?

Senator Argue: I would ask the minister to make a response to that particular suggestion of a series of 30-day indefinite extensions.

Mr. Wise: Honourable senators, I have heard that argument before, and I have responded by saying that an indefinite stay of proceedings really does not help the client, or the creditor, as far as I am concerned, at the moment.

We are all anxious to have some type of experience, some type of a track record; that is what we have to have so that we can review it.

We have accepted an amendment that allows for a 120-day stay of proceedings. That will mean that at least by the beginning of January we will have something in our hands to place on the table in the other house, and something that can be referred from the table to a standing committee.

If we go for an indefinite 30 days plus 30 days, plus 30 days, I do not know what is going to happen. At least we have retarded the time in which we will have something to review by accepting the amendment from 90 days to 120 days; we have set it back. We will not be able to review that until January. So, if we go to indefinite 30-day rollover periods, it is going to go on, and on, and on.

So, honourable senators, I am going to have to reject it now for those reasons. But again, I think that it is something like the core provisions that are not in the bill—they are important points that should be considered at the time that the bill, and the track record of the bill, is reviewed in January.

• (1230)

Senator Molgat: Honourable senators, the question I had asked of the minister regarding provincial consultation was prompted by a Manitoba government Information Services news release, which I had received, entitled, "Farm Debt Review Act Criticized by Uruski." On reading it I can only describe the position of the provincial minister as being highly critical, in fact, scathingly critical of the bill. It starts off by quoting the minister as having said:

> . . . "failing to provide meaningful support to farmers in financial trouble."

At the end of the news release it quotes the minister as having said:

> "In summary, the federal Farm Debt Review Act is a weak, timid and toothless piece of legislation, which will provide little benefit to farmers in financial distress,". . .

[Senator Argue.]

Mr. Chairman, as a representative from that province I am, frankly, concerned. The news release refers to the Manitoba bill which is presently before that house. I have not had a chance to see that bill since I only received this information this morning. The news release outlines four items where it claims the provincial bill is far superior to the bill now before us.

What concerns me most is the following statement made by the minister:

> "Ottawa's legislation could interfere with the implementation and delivery of more effective provincial legislation, namely, Manitoba's proposed Family Farm Protection Act,". . .

If that is the case, then I find myself in an impossible situation at this point.

Has the minister received this information; has he had these complaints from Manitoba; and are there grounds for them?

Mr. Wise: Senator Molgat, I am aware of the comment by my provincial colleague. I would take you back to the discussions we had regarding this piece of legislation in January, March and in May when I indicated to you that there were two ministers who thought they would go beyond that point. In all fairness and accuracy, I said that one was the minister from Newfoundland who thought he could, and the minister from Manitoba, Mr. Uruski, thought he could go beyond that point as well.

If he can, then let him go ahead and pass this legislation, but it is clear that what we are proposing here at the federal level will not interfere with that in any way whatsoever.

It is interesting that the Canadian Federation of Agriculture clearly went on record as wanting the reinstatement of the Farmers' Creditors Arrangement Act. That was the official position of the CFA.

I had the good fortune to attend their annual meeting. This debate has been held first and foremost across the country and in most general farm organizations, but it did not hold prominence at the annual meetings of commodity organizations. At the CFA annual meeting we debated this very point which is: Do you go to the courts or do you not go to the courts? The official position of the CFA was that, indeed, you do go to the courts. At one time I held the position that we should go to the courts, and I got a message loud and clear from across the country—make no mistake about it. I said it in July, I said it in August, I said it in September and I said it at the annual meeting of the NFU, but after I said it I sure got the message loud and clear from all across this country: "This type of legislation; this type of legislation only at this time. No referrals to the court."

At the annual meeting of the CFA I informed them that two provinces would probably go to the courts. If you are going to take another step, that is where you go. I was asked which provinces and I told them that one was Manitoba and the other was Newfoundland.

After I had mentioned the province of Manitoba, the first person to the floor microphone was a chap called Jack Penner,

President of the Manitoba Keystone Agricultural Movement. I am sure you all know that organization and the individual. When he came to the floor he said, "Before I pose my question to you, Mr. Minister, I want to make one thing clear and doubly clear—that if my minister is suggesting that he could go one step further than what you are suggesting here and enact legislation that would refer the matters to the courts, he is not speaking on behalf of the farmers and the farm organizations of Manitoba."

I have been contacted by a number of farm organizations and by individual farmers in Manitoba. Our members have also received calls from credit unions and so on. There is a great deal of caution in this regard, and it spreads even to this area. It is not our bill; it is the Manitoba government's bill. The minister in Manitoba will have to deal with that himself. There is no interference whatsoever from here.

Simply by tabling a bill and going through the process yet falling short of final proclamation, you have nothing.

Senator Molgat: Do I have the assurance of the minister that this specific statement by the Manitoba minister that this legislation could interfere with implementation and delivery of more effective provincial legislation is not correct; that nothing we are doing here will interfere or prevent the Province of Manitoba from proceeding with whatever legislation it wishes?

Mr. Wise: Honourable senators, there is nothing in this bill which would prevent the Manitoba legislature from proceeding with its piece of legislation.

They have asked us, through a representative, I am sure, of the New Democratic Party, to propose an amendment to extend specific authority to them. Law officers of the Crown advise me that we cannot accept that amendment because it would be unconstitutional. Although I stand to be corrected, I believe it would be in conflict with section 16 of the Charter of Rights and Freedoms.

Senator Frith: You could, eventually, have a constitutional argument about it.

The Chairman: Shall clauses 2 to 39 carry?

Hon. Senators: Carried.

The Chairman: Shall the short title carry?

Hon. Senators: Carried.

The Chairman: Shall the title carry?

Hon. Senators: Carried.

The Chairman: Shall I report the bill without amendment?

Hon. Senators: Agreed.

Senator Sherwood: Honourable senators, as the sponsor of Bill C-117 in this chamber, I should like to go on record in commending the minister for his presence here, his willingness to discuss the legislation, and for answering a broad spectrum of questions on agricultural matters.

We are fortunate in having a minister so closely associated with the industry, so interested in the industry and so well qualified and experienced, because the matters he has to deal with pertaining to Canadian agriculture are, indeed, complex and far-reaching. We are fortunate in this country to have a minister as knowledgeable as the honourable minister who has brought all of this information before us. I commend him for doing so. We are grateful that he could come before this chamber to deal with this matter today.

Hon. Senators: Hear, hear!

● (1240)

Senator Argue: Honourable senators, I just want to go on record as agreeing wholeheartedly with the sentiments expressed by Senator Sherwood. We have passed the bouquets around in here and we never really get too tough, but I thought that Senator Roblin was very effective in taking the message to the minister, and his response pleases us. We think it constructive that he has come here today and I hope that he will be prepared on future occasions to return. I also hope that others of his colleagues, on request, will be prepared to come and take their places in the Senate to answer questions.

I wish the minister good luck in all of the things that he is trying to do with which we agree. In other cases, we hope that he may change his opinion from time to time.

The Hon. the Acting Speaker: Honourable senators, the sitting is resumed.

REPORT OF THE COMMITTEE OF THE WHOLE

Hon. Rhéal Bélisle: Honourable senators, the Committee of the Whole, to which was referred the Bill C-117, to facilitate financial arrangements between farmers and their creditors, has examined the said bill and has directed me to report the same without amendment.

THIRD READING

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

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*b*), I move that the bill be read the third time now.

The Hon. the Acting Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to and bill read third time and passed, on division.

FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS AND FEDERAL POST-SECONDARY EDUCATION AND HEALTH CONTRIBUTIONS ACT, 1977

BILL TO AMEND—REPORT OF COMMITTEE

Hon. C. William Doody (Deputy Leader of the Government) presented the following report:

Friday, June 27, 1986

The Standing Senate Committee on National Finance has the honour to present its

EIGHTEENTH REPORT

Your Committee, to which was referred the Bill C-96, intituled: "An Act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977", has, in obedience to its Order of Reference of Thursday, June 26, 1986, examined the said Bill and now reports the same without amendment, but with the following comments:

Your Committee regrets:

(1) that the government has chosen to make changes through this Bill which the Committee considers to be of a retrograde nature in Canada's contributions to the provinces for health services and post-secondary education;

(2) that the reduction for Quebec, about 1.5 billion dollars for the 1986-91 period, is even more retrograde since this amount will not be offset by any revenue increases caused by the budgets of May 23, 1985 and February 26, 1986; and

(3) that since it is the cash component of the federal contributions which is being reduced from what it would be under the present law, both the presence and influence of the federal government in these programs are being diminished.

Respectfully submitted,

WILLIAM M. KELLY
Deputy Chairman

He said: Honourable senators, that particular report, which was prepared after the committee met last evening, was adopted on division. There were some senators in the committee who did not agree wholeheartedly with the tenor of the report and there were some, indeed, who did not agree with the report at all. However, the committee decided to send the report in the name of the committee rather than to say that some senators sent it or that a majority of senators agreed, which is the way it has been done many times in the past.

I simply want to put on the record that some senators—and I include myself among them—were not as enthusiastic about the wording of this report as was the majority of the committee.

THIRD READING

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

Hon. C. William Doody (Deputy Leader of the Government): With leave, now.

[Senator Doody.]

The Hon. the Acting Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

The Hon. the Acting Speaker: With leave of the Senate and notwithstanding rule 45(1)(*b*), it is moved by the Honourable Senator Macquarrie, seconded by the Honourable Senator Tremblay, that this bill be read the third time now. Is it your pleasure, honourable senators, to adopt the motion?

Hon. Gildas L. Molgat: Honourable senators, might I ask a question? Will copies of the report of the committee be distributed?

Senator Doody: I think copies are being made in both official languages, but they have not yet been circulated. If honourable senators prefer to stand this matter until they receive copies of the report, that is perfectly agreeable to us.

Senator Sinclair: I have a copy.

Senator Doody: Perhaps Senator Molgat has been left out again!

Senator Molgat: I have received the report of the Rules Committee.

Senator Sinclair: I suppose I got mine from another friend.

Senator Doody: Is Senator Sinclair satisfied with that one?

Senator Sinclair: Yes.

Senator Molgat: It is such a fine document that I would like to see it.

Senator Doody: It is finely phrased, although there are those of us who disagree. If senators wish to stand this matter until the report is circulated, we can move on to deal with other business.

Hon. Royce Frith (Deputy Leader of the Opposition): Perhaps that would depend upon whether some senators would be ready to speak now at third reading while others, perhaps, wish to wait for copies of the report. If any honourable senator wishes to speak now, why not let him do so?

Hon. Eymard G. Corbin: Honourable senators, I rise on a point of order. I should like to ask the government leader whether he has a timetable for the rest of the day. Is he proposing that we break for lunch and come back later, or is it the case that we will be working to the point of exhaustion?

Senator Doody: It is not my desire to exhaust the house. As a matter of fact, I am prepared to leave as soon as all of the legislation is passed. If the honourable senator could acccommodate me in the next ten minutes, I would be the happiest man in the building. However, that is unlikely, and to prevent exhaustion we have ordered sandwiches, which are now in the Reading Room. With the goodwill of the Senate, we could continue with our business and take sustenance from time to time in the Reading Room.

• (1250)

Hon. L. Norbert Thériault: Since the vote may not take place right away, I would like to inform my colleagues in the Senate that I will be voting against third reading of this bill.

Hon. John B. Stewart: Do I understand that the motion for third reading has been moved? If so, I would like to say a few words. I do not propose to speak for very long. Yesterday I made some comments on this bill. They were made on the basis of an assumption which I thought was valid but which at our committee meeting last night turned out to be invalid. I was led to believe, as a result of a discussion which took place in a committee of the other place, that those provinces with taxation agreements with the Government of Canada were gaining considerable new revenue as a result of the federal budgets of May 23, 1985, and February 26, 1986. I was led to believe—here I borrow language used by Mr. Blenkarn, a member of the other house—that this bill was designed to recapture the moneys that were going to the provincial governments as a result of tax increases made at the federal level.

As honourable senators know, the Senate sent the bill back to the Committee on National Finance. It was the third meeting of that committee at which the bill was considered. I believe that all honourable senators who participated in those three meetings will agree that they were unusually good meetings. The Minister of Finance had the good sense not to come himself, but to send the Honourable Barbara McDougall, who is a very good apostle to the Senate.

Senator Frith: And has an unforgettable name.

Senator Doody: She is policy neutral.

Senator Stewart: I would not go that far. The minister brought with her two very knowledgeable public servants in the persons of Mr. Fournier and Mr. Gregg. Altogether it was a team that was well informed and quite candid.

What emerged at our meeting last night was that although the effect of the budget of May 23, 1985, is to reduce slightly the revenues of all the provincial governments in 1986, by 1987 that budget will have had a positive effect on the revenues of all the provinces except Quebec and Saskatchewan. Then, in 1988 the budget of 1985 will have had a positive effect on all the provinces except Quebec. Thereafter—that is, in 1988 and onward—chiefly as a result of the modification of the indexation of the personal or individual income tax, the revenues of all of the provincial governments will increase considerably year after year after year.

But what will be the situation in the last year for which we have reasonable figures? In 1990, despite this increase, the cost of Bill C-96 to the provincial governments will be about $2 billion. The effect of the budget of May 1985, together with the effect of the budget of February 1986—the latter having a much less considerable effect—will have been to increase provincial revenues by about $669 million. In other words, Bill C-96 will in 1990 cost the provincial governments about $1.330 billion. That is the net. If we subtract from the $2 billion the increases in their revenues achieved as a result of the budgets, the cost to the provincial governments is about $1.3 billion. That, I think, is deplorable—and that point is made in the report produced today.

The situation in Quebec is particularly bad. Not only will the Province of Quebec be losing about $590 million in 1990 as a result of Bill C-96 but it will be losing at least another $300 million as a direct consequence of the budgets of 1985 and 1986. That is one of those flow-through results which follow from the fact that Quebec does not have a tax collection agreement with the Government of Canada. So, Quebec is being particularly hard hit by Bill C-96, and given the fact that education and health in that province have become truly a public matter only relatively recently, the requirements in that province for expenditures tend to be unusually high. The Government of Canada is withdrawing money from the people of a province which needs it very badly. That is truly deplorable.

The government has argued in defence of this measure—and this is the only argument that has been made by the government in defence of the measure—that this is a bill which has as its purpose the reduction of the deficit. It has made the reduction of the deficit the *summum bonum*. It has argued that it has cut the growth of other government expenditures drastically. Consequently, it has argued that it is reasonable to cut back the growth in expenditure for health services and post-secondary education.

That might be an attractive argument, it might have some merit—but what are the facts? Let us take the figures. By means of this bill the government is effecting a reduction in the deficit for 1986 of approximately $318 million. But what is the increase in the government's deficit for that same year as a result of the change in the personal income tax with regard to capital gains? It is not $300 million. It is $550 million, according to the figures produced by the Minister of Finance. Let us move on to the next year. A figure of $681 million is what this bill, C-96, will save the Government of Canada at the cost of the health services and post-secondary education. Yet, at the same time he is quite prepared to put out $700 million in order to change the law with regard to capital gains. I could go on and give the figures for '88, '89 and '90 as to the savings for the Government of Canada effected by Bill C-96. We do not have the projections for capital gains, but it is a fair assumption that they will continue to track considerably higher than the savings to be made as a result of Bill C-96. The argument that the reduction of the deficit is indeed the *summum bonum* of this government is simply not borne out by the facts.

• (1300)

I do not know what the hidden message of Bill C-96 to the provincial governments is. Perhaps they are saying, "We think that you are spending too much money on health services." Perhaps they are saying, "We think you are spending too much money on post-secondary education." Perhaps they are saying, "We are not saying that you are spending too much but we think that you should find other ways of financing at least part of the cost." If those are the messages, they are certainly messages which the government has managed to conceal very deeply. They have insisted that the sole, only or lonely purpose of this bill is to reduce the deficit, and they have said in a sense, "Regardless of the impact on health services and post-secondary education, the reduction of the

deficit is so important that the provinces and those people who need the services of the health and educational facilities must bear that burden." Yet, as I said, they are quite prepared to make reductions in their income of a considerably higher order so that persons making capital gains will not have to pay the tax on those gains up to a certain level. Consequently, I do not think that it can be argued that this is a reasonable approach. If there are reasonable arguments, they have not been adduced so far.

Senator Doody said that the eighteenth report of the committee is a majority report. I do not think that there is anything remarkable in the fact that we did not append a minority report. The eighteenth report spells out what I have just said, that the committee decided democratically—and I concede that there were two dissenting opinions—that this is not a retrograde measure, but I must say I find it difficult to understand how those senators could take the position that these cuts are not retrograde. The committee report goes on to call attention to the plight of Quebec. Again, I find it difficult to understand why the two senators could not agree with the majority on that point.

The third point made in the report is that the effect of the bill is to cut the cash component of the transfers. As we all know, it is the cash component that is the obvious federal contribution to health services and post-secondary education. I would have thought that all members of the committee could have deplored a reduction of that cash component.

However, the situation is as it is. Perhaps on another night earlier in the session we could have been unanimous. But that is the situation, and I think I have explained why, despite what I said yesterday, I feel that this is a good report and why I do not propose to be enthusiastic in favour of the motion now before the Senate.

Motion agreed to and bill read third time and passed, on division.

JUDGES ACT AND RELATED ACTS

BILL TO AMEND—REPORT OF COMMITTEE

Hon. P. Derek Lewis, Chairman of the Standing Senate Committee on Legal and Constitutional Affairs, presented the following report:

Friday, June 27, 1986

The Standing Senate Committee on Legal and Constitutional Affairs has the honour to present its

TWENTY-FIFTH REPORT

Your Committee, to which was referred the Bill C-128, intituled: "An Act to amend the Judges Act and other Acts in relation to judicial matters", has, in obedience to the Order of Reference of Thursday, June 26, 1986, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

P. DEREK LEWIS
Chairman

THIRD READING

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

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*b*), I move third reading now.

The Hon. the Acting Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to and bill read third time and passed.

• (1310)

BUSINESS OF THE SENATE

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with respect to Bill C-45, which is also Senator Lewis's bill, we need a translation of the report before we can proceed, so perhaps we should stand it until the translation is ready.

[*Translation*]

STANDING RULES AND ORDERS

TWELFTH REPORT OF COMMITTEE PRESENTED

Hon. Gildas L. Molgat, Chairman of the Standing Committee on Standing Rules and Orders presented the following report:

Friday, June 27, 1986

The Standing Committee on Standing Rules and Orders has the honour to present its

TWELFTH REPORT

On October 9, 1985, a suggestion was made by the Honourable Senator Godfrey that your Committee consider an amendment to the *Rules of the Senate* whereby the government would table a comprehensive response to a committee report, if requested to do so by the Committee.

Pursuant to Rule 67(1)(*f*), your Committee agreed to consider the matter.

On November 6, 1985, your Committee presented its Sixth Report, recommending that the *Rules of the Senate* be amended by adding, immediately after Rule 78(3), the following:

78. (3.1) Within 120 days of the presentation of a report from any committee of the Senate, the govern-

ment shall, upon the request of the committee, table a comprehensive response thereto.

On December 19, 1985, the Senate agreed to the motion in amendment by the Honourable Senator Roblin, P.C., that the Report be not now adopted but that it be referred back to the Committee for further consideration.

Your Committee held meetings on May 5, June 12 and June 26 to reconsider the report and now makes the following recommendations:

Your Committee is of the view that this matter should not be the subject of a rule of the Senate.

Respectfully submitted,

GILDAS MOLGAT
Chairman

[*English*]

The Hon. the Acting Speaker: Honourable senators, when shall this report be taken into consideration?

Senator Molgat: Honourable senators, I am prepared to deal with the matter now, but I understand we are to meet next Wednesday, and so I would prefer to hold my comments until Wednesday next.

On motion of Senator Molgat, report placed on the Orders of the Day for consideration on Wednesday, July 2, 1986.

ADJOURNMENT

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*g*), I move:

That when the Senate adjourns today, it do stand adjourned until Wednesday next, 2nd July, 1986, at 10 o'clock in the forenoon.

The Hon. the Acting Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

QUESTION PERIOD

[*English*]

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have some delayed answers.

CULTURAL HERITAGE AND NATIONAL IDENTITY

GOVERNMENT POLICY

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked by Senator Davey on October 15, 1985, regarding cultural heritage and national identity.

(*The answer follows:*)

The Minister of Communications has already demonstrated his commitment to the Canadian cultural industries. The current review of policies and programs affecting the publication of periodicals in Canada including examination of the impact of Bill C-58, which amended Section 19 of the Income Tax Act, under which expenses incurred by Canadians for advertising in foreign periodicals intended for a Canadian market cannot be deducted for tax purposes. The Minister of Communications recognizes the importance of its legislation to Canadian publishers and intends to protect their interests in the overall Canadian economy.

In regards to the specific case of Comac Communications, according to the Minister of Communications there is not now nor was there in the immediate past an official proposal by Comac Communications to establish a Canadian edition of *Time* magazine.

CANADA-UNITED STATES RELATIONS

CULTURAL HERITAGE AND NATIONAL IDENTITY—
GOVERNMENT POLICY

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to questions asked by Senator Davey and Senator MacEachen on November 5 regarding cultural heritage and national identity.

(*The answer follows:*)

The publishing policy, as announced in July 1985 in Baie Comeau, Quebec, by the Minister of Communications, represents the policy of the government as regards the acquisition of Canadian publishing firms by foreign interests. The policy was applied to acquisition applied for after the date of the policy announcement.

As regards the inclusion of the publishing industry in the trade negotiations with the United States, the Prime Minister stated on September 26, 1985, in the House of Commons that "... our unique cultural identity, our special linguistic character—these are the essence of Canada. They are not at issue in these negotiations." (September 26, 1985 *Hansard*, p. 7056). That was the position of the federal government then, as it is now.

The Right Honourable Joe Clark, Secretary of State for External Affairs, stated very clearly in the house on June 19, 1986: "We are not discussing cultural industries and cultural policy in the context of trade negotiations—

BILATERAL TRADE NEGOTIATIONS—CANADIAN PUBLISHING AND CANADIAN MAGAZINES

Hon. Duff Roblin (Leader of the Government): I have a delayed answer in response to a question asked by Senator Grafstein on October 16, 1985, regarding bilateral trade negotiations.

(*The answer follows:*)

On October 1, 1985, the U.S. Interagency Group on Copyright met with officials of the Department of External Affairs, the Department of Communications and the CRTC to discuss the issue of retransmission of U.S. broadcast signals.

The group met as well with representatives of the Canadian Association of Broadcasters and the Canadian Cable Television Association.

The group is comprised of U.S. officials from the State Department, the Federal Communications Commission and the NTIA.

TRANSPORT

TRAVEL TO UKRAINE—REFUND OF RESERVATION DEPOSITS

Hon. Duff Roblin (Leader of the Government): Honourable senators, I have a delayed answer in response to a question asked by Senator Olson on June 11, 1986, regarding travel to Ukraine.

(*The answer follows:*)

On May 5, 1986, Air Canada advised all travel agents that passengers who were either ticketed or had made deposits on Air Canada flights to Eastern Europe could change their reservations or be given total refunds until May 31, 1986.

The Canadian Transport Commission advises that they have no record of charter flights to Ukraine having been filed with their offices.

Should the honourable senator care to provide further details, a more in-depth investigation could be undertaken. The operations of travel agencies are within the jurisdiction of the provinces.

APPROPRIATION BILL NO. 2, 1986-87

ANSWER TO REQUEST FOR INFORMATION

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, before we leave this particular part of the agenda, this might be an appropriate time to put on record some information which was requested by Senator Frith on June 17 respecting the variance of $3,000 in the statements accompanying the Appropriation Act No. 2, 1986-87. I have been provided with the following information.

The variance is the result of the use of two separate tables from Part II of the estimates as the basis for these statements. Specifically, the statement—"Supply to Date for 1986-87" is based on the "Proposed Schedule to the Appropriation Act" (pages 1-29 to 1-50 inclusive) which is presented in "dollars" and shows a total of $37,550,174,513. On the other hand, the statement—"Estimates Tabled to Date for 1986-87" is based on figures taken from the General Summary table (pages 1-12 to 1-19 inclusive) which is an information only table and is presented in "thousands of dollars". The rounding of each figure in this table to the closest thousand dollars results in a situation where the total of the figures listed is $37,550,171,000. This difference therefore is the result of the presentation of the same information using two different bases and is essentially due to rounding.

If there is any other information necessary, I would be glad to try to provide it, but I think that answer covers the matter pretty well.

MARINE ATLANTIC INC. ACQUISITION AUTHORIZATION BILL

THIRD READING

Hon. John M. Macdonald (Cape Breton) moved the third reading of Bill C-88, to authorize the acquisition of Marine Atlantic Inc. and to provide for other matters in relation thereto.

Motion agreed to and bill read third time and passed.

[*Translation*]

CUSTOMS TARIFF

BILL TO AMEND—THIRD READING

Hon. C. William Doody (Deputy Leader of the Government) moved the third reading of Bill C-111, to amend the Customs Tariff and to amend an Act to amend the Customs Tariff.

Hon. Jean-Maurice Simard: Honourable senators, in response to Senator Hicks' question, I would like to say, after looking into the matter and further to what I said yesterday, that under Bill C-111, the government would collect no revenue for the entire period as of January 20, while the minister stated that certain goods would be duty free, so that from January 20 until June 2, the goods would not be dutiable.

Second, I made further enquiries about this bill, and I can inform you that it will mean a drop in revenue of between $4.5 and $5 million per year. Senator Hicks also asked me where in Bill C-111 one could find the clause extending the amendment to Bill C-38 until December 31, 1987. It is Clause 10 on page 5. Honourable senators, that is the extent of the information I was asked to provide.

Motion agreed to and bill read third time and passed.

CANADA PENSION PLAN FEDERAL COURT ACT

BILL TO AMEND—THIRD READING

Hon. Arthur Tremblay moved the third reading of Bill C-116, to amend the Canada Pension Plan and the Federal Court Act.

Motion agreed to and bill read third time and passed.

• (1320)

[*English*]

ENERGY ADMINISTRATION ACT

BILL TO AMEND—THIRD READING

Hon. Efstathios William Barootes moved the third reading of Bill C-112, to amend the Energy Administration Act and provide for certain matters in relation thereto.

Hon. H. A. Olson: Honourable senators, I am not going to take the time now to rebut or comment on the statements that Senator Barootes made when he wound up second reading debate on this bill, except to tell him that his conclusions respecting Canada's failing to follow world oil prices were wrong in most cases, and that the basis on which he reached the conclusion that the National Energy Program was a program that was not working toward world oil prices was wrong. It was a delayed action for the most part.

In any event, honourable senators, I want Senator Barootes to know and understand that that argument was fallacious in many respects. I will not take the time of the Senate to deal with this today, but he has a treat in store and it will be coming sometime later.

Motion agreed to and bill read third time and passed, on division.

PENSION BENEFITS STANDARDS BILL, 1985

SECOND READING

On the Order:

> Resuming the debate on the motion of the Honourable Senator Doyle, seconded by the Honourable Senator Phillips, for the second reading of the Bill C-90, intituled: "An Act respecting pension plans organized and administered for the benefit of persons employed in connection with certain federal works, undertakings and businesses".—(*Honourable Senator McElman*).

Hon. Charles McElman: Honourable senators, I shall hold you only briefly. I do not plan to try to cover all of the aspects of this bill as detailed so eloquently and precisely by Senator Doyle. I commend him again for the effort that he put forward last evening.

I believe it must be stressed that this bill, the Pension Benefits Standards Bill, 1985, is legislation that applies only to pension plans instituted by Canadian companies operating in Canada under federal jurisdiction. There seems to be some misunderstanding that it is broader than that; it is not. It is important, however, that such legislation be made as compatible as possible with similar legislation either now in place or proposed at the provincial level of responsibility.

Bill C-90 is the best-effort result of some ten years of study of pension plan proposals at the federal level, detailed and lengthy consultations with the provincial governments, representations and briefs from companies affected, public hearings across the nation some three years ago by a Parliamentary Task Force under the chairmanship of the Honourable Doug Frith, and the lengthy legislative drafting efforts of both the recent Liberal government and the current Conservative government. The bulk of the studies and hearings was conducted under the former Liberal government and brought to this stage under the current administration, reflecting the best efforts of both.

Bill C-90, as presented to Parliament by the Minister of Finance on December 17, 1985, has been extensively amended and improved through the efforts of MPs from all parties sitting on the legislative committee of the other place, yet none of the three parties is satisfied with all aspects of the bill. But it is the best that could be achieved with provincial support.

For example, I believe it is fair to say that all three parties would have liked to achieve the requirement that upon marriage breakdown there would be a 50/50 division of pension benefits or credits between the two spouses. That provision has been incorporated in the bill now amending the Canada Pension Plan. That was possible only because provincial agreement had been obtained in advance. Consequently, such division of benefits under this bill is subject to provincial legislation, which is not uniform.

The minister has agreed to put this on the agenda for the next federal-provincial conference of ministers in the expectation that agreement can be reached for later appropriate amendment of this legislation. On the other hand, MPs from all three parties agreed upon and made an amendment in committee that should be of benefit to pensioners under this legislation. Currently, the management committee of such a pension plan is composed of representatives of management and the employees who are under the plan. The result has been, in many instances, that plans have been managed to benefit the employer and the future pensions of working employees to the detriment of those who are already pensioners under the plan. Provision is made in this bill to enable those who are already pensioners to have a representative on the management committee to protect and enhance their interests, which is a marked improvement.

One area that has not been covered to the satisfaction of many is the practice that has recently developed or accelerated in the removal from the pension funds by employers of so-called excess credits, which I like to refer to as "stripping". Employee participants in such pension plans and their representatives make the claim that these funds, the result of high interest and investment rates in recent years, are the property of the pension fund and should not be available for removal by the company or employer, that they should be used for the benefit of current and future pensioners, a proposition for which I and many others have considerable sympathy.

Senator Frith: These are in cases where the employees contributed?

Senator McElman: Exactly, and not only their own contributions but those of the employer should accrue to their benefit.

This bill does spell out more specifically the current requirement that prior to such removal of excess funds from the plan, the company must first obtain approval from the federal Superintendent of Insurance. I was concerned, however, when the Director of the Pension Benefits Division of the Federal Department of Insurance, Mr. Mick Cohen, gave testimony before the Standing Senate Committee on Social Affairs, Science and Technology to the effect that the department is already short of staff to carry out current audits and duties, and that this bill will add even more to the workload of the department.

• (1330)

I then asked Mr. Pierre H. Vincent, MP, Parliamentary Secretary to the Minister of Finance, if the department is aware of this situation and is giving it consideration. Mr. Vincent replied:

> The department certainly takes into account future needs in the legislation. It will organize everything in due time.

I must admit that his reply was not really the kind of assurance that I had sought.

I hope that the Minister of Finance will act immediately to provide for the additional person years required for staff to meet current and projected needs in that department.

The recent evidence that insufficient staff with the Inspector General of Banks was a contributing factor to the events that led up to the collapse of two of our chartered banks gives one food for thought in this instance.

I should add, with respect to the stripping or removal of excess funds by companies from pension funds, the Minister of Finance recently promised that a thorough study of this problem, in co-operation with the provinces, would be undertaken very soon.

Honourable senators, this bill does provide for more rapid eligibility for membership in pension plans for employees, improved portability, enhanced vesting requirements, improved womens' pensions, improved survivor benefits, removal of sex discrimination in the level of pension benefits, early retirement, annual accountability by fund managers to employees and pensioners, and all in all, it is a good bill. Like all bills, it is not perfect; but it is a good bill, bringing major improvements to the legislation governing pension plans under federal jurisdiction. As a model, it should also lead to improvement in pension plans under provincial jurisdiction.

Bill C-90 has had pre-study in our Standing Senate Committee on Social Affairs, Science and Technology. The several amendments since made in the other place were not, in my view, after studying them last evening, of sufficient consequence to require that this bill be referred to the committee.

Honourable senators, I join in recommending second reading of the bill.

Hon. Senators: Hear, hear.

Hon. Richard J. Doyle: Honourable senators—

[Senator McElman.]

The Hon. the Acting Speaker: Honourable senators, I wish to inform the Senate that if the Honourable Senator Doyle speaks now, his speech will have the effect of closing the debate on the motion for second reading of this bill.

Senator Doyle: I move second reading, honourable senators.

Motion agreed to and bill read second time.

THIRD READING

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

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*b*), I move that the bill be read the third time now.

The Hon. the Acting Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Motion agreed to and bill read third time and passed.

AGRICULTURE, FISHERIES AND FORESTRY

CONSIDERATION OF REPORT OF COMMITTEE ON HERBICIDE PRICING CONCLUDED

On the Order:

> Resuming the debate on the consideration of the Fourth Report of the Standing Senate Committee on Agriculture, Fisheries and Forestry, entitled: "Herbicide Pricing", tabled in the Senate on 13th February, 1986.—(*Honourable Senator Argue, P.C.*).

Hon. Hazen Argue: Honourable senators, the report of the Standing Senate Committee on Agriculture, Fisheries and Forestry having to do with herbicides, I think, was a very important report. It indicated, I believe, that farmers are paying too high a price for herbicides and that the patents that are available to companies which bring forward a new herbicide are unduly restrictive. They last for a period of 17 years. New regulations put in place a few years ago require that a company wishing to compete by manufacturing a similar product, after the 17-year patent has lapsed, must resurrect and obtain the total data base that was obtained by the company originating the herbicide in the first place, and at a cost of between $5 million and $15 million. It was felt by all members of the committee that those restrictions were far too severe, and that there should be an amendment to the regulations so that the effective patent would remain in place without restrictions, not for a period of 17 years but for a period of between 4 and 10 years. After the fourth year, if that is the year that is decided upon, a company that wishes to compete should be able to obtain a licence to manufacture that particular herbicide, pay a reasonable fee for the licence, and get in the business of competing.

Herbicides, as honourable senators know, are very important to the agricultural industry. They are used to control weeds, and have made possible chemical summer fallow, permanent

or more permanent cropping and have reduced the necessity for so many operations with blade implements on summer fallow. The excessive use of implements on summer fallow can be a contributor to soil erosion.

Herbicides are very important. Evidence was presented to the committee that certain companies with certain herbicides have been able to charge what was believed to be an undue levy—an undue price—because they have taken advantage of the market. They have said that they are charging virtually what the market will bear. For the herbicide "Roundup", the figures indicate that the charge to Canadian farmers is 50 per cent more than what is charged to farmers in Australia. There is evidence of very severe price gouging, and the recommendations of the Standing Senate Committee on Agriculture would go a long way towards rectifying that situation and to bringing some real competition into the industry.

● (1340)

Honourable senators are very often ridiculed and downgraded by members of the other place. The NDP supports the proposition—it is just a ritual which they go through at every convention—that the Senate should be abolished. They may want the Senate abolished, but they pay very close attention to our *Hansard*, because when we ask Senator Roblin a question—and I will not comment on the kind of answer we get—on an issue that may not have been raised in the House of Commons for weeks or even months, all of a sudden they get the idea that that particular question should be raised.

Lorne Nystrom, the member for Yorkton-Melville, is not the agriculture critic of his party, so I read someone else. Either Stan Hovdebo or Vic Althouse is the agriculture expert. However, academic Lorne has a great way of getting publicity. He had produced by the law officers of the House of Commons a private member's bill based precisely on the recommendations of the Senate Agriculture Committee having to do with herbicides. What is the chance of a private member's bill being passed in the House of Commons? It does not have a snowball's chance in Hades, or whatever the word is.

It used to be the case in the other place that when you filed a public bill in the name of a private member it would, periodically, receive some attention. In my early days in the House of Commons I introduced a private member's bill, the intention of which was to put a ceiling of 12 per cent per annum on interest rates affecting the small loans companies. I was never successful in having that bill passed but I was always successful in instigating debate, because there were not so many private bills in those days and they used to revolve about every two or three weeks so we would get another kick at them.

There is no doubt about the fact that Stanley Knowles has left his impression on Parliament. Question Period evolved when Stanley Knowles learned how to use it. Question Period in the House of Commons in the 1940s, when I was there, was specifically for a question of urgent public importance. There had to be almost a catastrophe before we would consider asking a question on the Orders of the Day. If you asked one a month, or four or five in a session, you were in the big league. Stanley soon found out that he could dream up a question a day. I do not know when he slept, because he seemed to work around the clock, seven days a week. Then Stanley got even better at it: He could dream up three questions a day. I did not wish Stanley to get too far ahead of me so I stayed up nights, too, and I did my best and, lo and behold, soon I, too, was able to ask three questions a day. The real content of Question Period had been changed.

It is the same with private member's bills. There have been so many private member's bills that you would have no hope of having a bill considered at all, so a member would put forward ten bills in the hope that at least one of the ten would be dealt with. Now they have a lottery over there, so a private member's bill usually does not mean very much in the House of Commons. The chances are that it will not be debated at all. After that, if it does come up for debate, it can be talked out, because I guess the rule is still the same: One hour twice a week. Most bills are killed by faint praise. Everyone is for the bill, but they do not get around to having a vote on it, so it amounts to nothing.

The situation in the Senate is different. A senator can introduce a public bill in his own name and usually, with the attitude all of us take collectively, that bill can be thoroughly studied, passed and sent on to the other place.

I have had prepared by the law officers of the Senate a bill based on the Senate report on herbicides, and it is my intention in the next session of Parliament in the fall to move such a bill in the Senate; to recommend its passage to my colleagues on both sides of the house; and I hope it will receive the same approval as the questions dealt with in the report. Perhaps then we can approve it and send it over to the House of Commons and let them deal with it in any way they see fit. We will be doing our job in sending them a private member's bill on a major issue for their consideration.

While driving up to Parliament Hill this morning, I learned on the radio that the government is introducing first reading of a bill that would eventually, as I understand it, eliminate generic drugs. Apparently that move is in response to pressure from the United States or President Reagan on the current government to get rid of our provision for generic drugs to be produced under licence to provide competition and to bring about lower prices for drugs, because Americans feel that this has provided undue competition for them.

Honourable senators, I like competition. I like genuine competition. I hope that we do prorogue this fall and that that bill will die on the order paper along with all the others, because I think it would be a most retrograde step.

I think the many Canadians who rely so much on prescription drugs would rise up in arms—I am including pensioners' associations and all of those who take an interest in the health field—and raise such a storm that the government, in listening to the opinion of Canadians, would let that particular initiative die. Because the provision for generic drugs and their manufacture under licence has helped Canadians generally and has reduced the general cost of many drugs sold in this country, I

believe that the same kind of principles applied to the production of herbicides would have the same general beneficial result.

The bill for herbicides for farmers, as I read it, is something over $.5 billion. The major reduction that I feel would be possible in the cost of herbicides would also be an important economic contribution to the well-being of agriculture.

• (1350)

I am, therefore, happy to approve the report of the committee and to inform my colleagues in the Senate that I feel the Senate can play an even more useful role in proceeding with the substance of this report by way of a Senate bill in a manner that will bring it to the attention of the country and, perhaps more importantly, to the attention of the government.

The Hon. the Acting Speaker: Honourable senators, if no other senator wishes to speak, this order is considered debated.

INTER-PARLIAMENTARY UNION

SIXTH CONFERENCE ON EUROPEAN CO-OPERATION AND SECURITY, HELD AT BONN, WEST GERMANY

Hon. Peter Bosa rose pursuant to notice of Thursday, June 19, 1986:

> That he will call the attention of the Senate to the Sixth Inter-Parliamentary Conference on European Co-operation and Security held by the Inter-Parliamentary Union at Bonn, Federal Republic of Germany, from 26 to 31 May, 1986.

He said: Honourable senators, I am glad to be given the opportunity to report to the Senate on the Bonn Inter-Parliamentary Union conference on the CSCE process.

The Canadian delegation to the Sixth Inter-Parliamentary Conference on European Cooperation and Security was led by Mr. Benno Friesen, MP, the chairman of our group. I had the honour to be the vice-chairman. The other members of the delegation were the Honourable Allan Lawrence, MP, Mr. Stan Hovdebo, MP, and Senator Paul Yuzyk. We were accompanied by Mr. Stephen Knowles of the Parliamentary Relations Secretariat and Mr. Roger Hill of the Parliamentary Centre for Foreign Affairs and Foreign Trade, who acted as our advisers.

Before leaving for Bonn, we were given some excellent briefs by various officials from the Department of External Affairs on east-west relations and on the various CSCE issues we would encounter. At Bonn we received further briefings from Canada's ambassador to West Germany, Mr. Donald McPhail, and his staff on various topics, including Canadian-German relations, the relations between the two Germanies, the effect of the Chernobyl accident and the CSCE process. We are indebted to Mr. Richard Têtu, a counsellor at our embassy in Bonn, and his staff for the invaluable support, advice and assistance they gave us during our stay.

Before reporting on the conference itself, I must mention the superlative hospitality which we were accorded by our German hosts. I must especially thank the head of the German delegation, the Honourable Michaela Geiger, for her warm welcome to her country. The delegates were treated to a brief excursion along the Rhine River from Bonn to Linz, which was most enjoyable.

The conference was held from 26-31 May, 1986, as a follow-up to the last full conference of the IPU on European Cooperation and Security held in Budapest in 1983. Many smaller conferences of experts have been held since the Budapest meeting, and our gathering in Bonn was intended to consider the work they had done.

Before the conference started, members of the Canadian delegation participated in the preparatory meetings of NATO delegations and the 12-plus group. At the NATO meeting Mr. Friesen proposed that some members from the 12-plus countries should seek to chair the first and second committees while others should attempt to be rapporteur for the other committees. Both the NATO and 12-plus groups considered the texts of the draft resolutions that would arise and discussed various questions on the organization of the two groups.

The conference was opened on the morning of May 26 by the President of the German Bundestag, Mr. Philipp Jenninger. Among those addressing the conference at its opening ceremony was Chancellor Helmut Kohl of West Germany.

Mr. Kohl reiterated West Germany's desire for peace. He pointed out that his country sits, literally, in the middle of the east-west conflict and that it remains divided because of the lack of international co-operation. Mr. Kohl expressed the hope, in his words, for:

> . . . a peaceful order for Europe, within which borders would lose their meaning as dividing lines.

He went on to urge the leaders of the United States and the Soviet Union to hold their promised second summit this year and to achieve substantial results at that meeting.

Mr. Kohl expressed the belief that the CSCE process is a good method of ensuring greater co-operation between nations and respect for human rights within them. He did feel, however, that greater honesty and openness between nations would be needed. He therefore decried the lack of information out of the Soviet Union during the days following the Chernobyl accident.

During the plenary session, Mr. Friesen was the first Canadian to speak. He noted that many countries had used high sounding words when they first signed the Helsinki Accord 11 years ago and that since then all subsequent conferences have discussed the treaty. He wondered, however, why so little attention was being given to the results of the effort. He discussed the attempts for greater family unification as set out in the Helsinki agreement and then went on to give two examples of cases where efforts to unify families have been frustrated by the very governments who signed the accord.

I was the second Canadian to speak at the plenary session. I spoke of the world's desire for peace and the role the CSCE should play in bringing it about. I also urged the two superpowers to meet in an effort to make real progress towards disarmament. I decried the continuing ideological competition

between them that is making this goal so difficult to reach. Finally, I expressed Canada's interest in promoting human rights amongst the CSCE countries, particularly the Soviet Union and its East European allies.

Mr. Hovdebo was the last Canadian participant to speak at the plenary session. He concentrated his remarks on agriculture and trade. He deplored the various protectionist measures which have been taken by the United States and the European Economic Community against agricultural products and which have hurt Canadian farmers so severely. He felt that these measures went against the Helsinki agreement by contributing to global destabilization. This, he believed, was not the way to give food security to the world's population.

Besides the plenary session, Canadian delegates were also involved in the conference's four committees. Mr. Allan Lawrence worked in the first committee dealing with the questions of détente and disarmament. Mr. Lawrence joined other western delegates in his call for a strong reference to human rights in the committee's work. He advocated a clause indicating that a state's treatment of its citizens could no longer be considered a purely domestic matter. This item revealed an outstanding difference of opinion between East and West concerning what exactly constitutes "human rights".

Mr. Lawrence, with Mr. Stan Hovdebo, also participated in the second committee on behalf of Canada. This committee dealt with the topics of economics, science, technology and environmental problems. Discussions were concentrated on the issue of nuclear safeguards, particularly the responsibilities and liabilities of a state after a nuclear accident such as the one that occurred recently at Chernobyl in the Soviet Union.

In the third committee Canada was represented by Senator Paul Yuzyk, who was also named to its drafting group. The committee looked at co-operation in humanitarian and other fields and discussed the encouragement of contacts among the citizens of the various nations, the need for greater dissemination of travel information to a state's neighbours and the desire for more cultural and educational exchanges between countries.

• (1400)

The fourth committee was the Working Group which carried out its work, with Mr. Benno Friesen acting as its rapporteur. I also had the honour of representing Canada at its sessions. That committee was responsible for preparing the General Part and follow-up recommendations for the conference resolution. Canada's efforts in the Working Group were principally directed at ensuring that human rights issues were addressed and set out in the final resolution. With the support of other western countries, Mr. Friesen proposed to add a clause to the preamble that would state:

> . . . that the state's treatment of its citizens is the legitimate concern of other states.

As in the first committee, that proposal caused sharp divisions between delegates from East and West. A compromise was ultimately reached that changed the clause to read:

> . . . state treatment of its citizens must comply with the principles established by the Helsinki Final Act.

Canadian delegates also contributed to efforts to insert a clause recognizing a role for individuals and nongovernmental organizations in achieving the aims of the Helsinki Final Act.

The Bonn conference made a significant contribution to the CSCE process carried forward at various conferences over the past ten years. Perhaps its most important contribution was that it continued the dialogue between East and West on a different level.

The conference succeeded in arriving at a consensus, agreeing on a useful text which examines the international situation and discusses many specific issues of security and co-operation in Europe. Governments meanwhile, as represented in such gatherings as the Ottawa Experts Meeting on Human Rights and the Berne Experts Meeting on Human Contacts, had not succeeded in agreeing on new concluding statements.

The Bonn conference provided another opportunity to review the implementation of the Helsinki Final Act and the Madrid Concluding Document—for example, giving delegates a way of raising specific human rights cases in their speeches and in informal discussions. This was partly because new issues had arisen in the previous few months and partly because delegates were trying to improve upon the CSCE text already worked out by governments and parliamentarians, including the Helsinki Final Act, the Concluding Resolutions of the 1983 Budapest IPU Conference on European Co-operation and Security, and the Madrid Concluding Document of September 1983.

When one compares the Bonn Concluding Resolutions with previous texts, one has to refer mainly to the Madrid Concluding Document, because that was the last previous major statement on CSCE issues. Comparing Bonn mainly with Madrid, one notes the following significant additions: a new paragraph on human rights in the preamble to the General Part of the text, which is not a new principle but an important agreed comment on the principles. This text is based upon some wording originally suggested by the Canadian delegation, to which I have already referred and which was modified in committee drafting in order to obtain general consensus. The text reads as follows:

> "Convinced that the CSCE has made major contributions to the development of human rights especially by establishing the concept that a State's treatment of its citizens must comply with the principles established by the Helsinki Final Act". In other words, the Final Act gave new life to the legal concept that a State cannot treat its people just as it likes simply because they happen to be within its domestic jurisdiction;

The conference also made important contributions in other areas. The topic of nuclear energy and a state's duties in handling it was in the past the subject of somewhat dry, theoretical debate. One month before the conference it was made a frightening reality, following the nuclear reactor accident at Chernobyl. This gave added impetus to our discussions

on the topic. The conference therefore contributed a whole new section to the various resolutions of the CSCE process which deal with the control of nuclear power, the dissemination of information about nuclear accidents, and a state's duties in such a situation. No other conference had considered this question with such urgency or to such a degree.

To sum up, it is these modest but significant improvements which, taken all together, make the Bonn conference on the CSCE process a really successful one.

The Hon. the Acting Speaker: If no other honourable senator wishes to speak on this order, it is considered debated.

ROYAL ASSENT

NOTICE

The Hon. the Speaker informed the Senate that he had received the following communication:

RIDEAU HALL
OTTAWA

27 June 1986

Sir,

I have the honour to inform you that the Honourable Gérard V.J. La Forest, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 27th day of June, 1986, at 5:00 p.m., for the purpose of giving Royal Assent to certain Bills.

Yours sincerely,
Leopold H. Amyot
Secretary to the Governor General

The Honourable
The Speaker of the Senate
Ottawa

PARLIAMENTARY EMPLOYMENT AND STAFF RELATIONS BILL

REPORT OF COMMITTEE

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, we come now to the last remaining item on the today's order paper, namely, Bill C-45. We have been waiting for the French translation of the committee's report. It has not yet arrived, and we have been told that we will not receive it until at least 3 o'clock. If it is the wish of the Senate, we could proceed with the second reading of the bill and the consideration of the report, or we can wait until we receive the translation. As always, we are in the hands of the Senate. I understand that the sponsor and the respondent are ready to proceed, but we can only do so with leave.

[Senator Bosa.]

The Hon. the Acting Speaker: Is leave granted, honourable senators?

Hon. Eymard G. Corbin: Honourable senators, we have been subjected to so many atrocities during the past 24 hours that I do not think that this one will make much difference. In any case, I have read the twenty-sixth report and I agree entirely with its contents.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, the document that has been circulated, namely, the twenty-sixth report of the committee, is evidently a settled-upon report. However, it is not in the form that it will eventually be before us, because, as you know, these reports usually take the form of a side-by-side column presentation of the French and English in parallel form. However, I believe that the chairman is ready to present this report if, with leave, we accept it in the meantime, knowing that it will be replaced by one in proper form and in both languages. I will have some observations to make about the report; I believe Senator Nurgitz and Senator Muir will also have some observations to make. We are ready to proceed if the Senate agrees.

Hon Senators: Agreed.

• (1410)

Hon. P. Derek Lewis, Chairman of the Standing Committee on Legal and Constitutional Affairs, presented the following report:

Friday, June 27, 1986

The Standing Committee on Legal and Constitutional Affairs has the honour to present its

TWENTY-SIXTH REPORT

Your Committee, to which was referred the Bill C-45, intituled "An Act respecting employment and employer and employee relations in the Senate, the House of Commons and the Library of Parliament", has, in obedience to its Order of Reference of Thursday, June 26, 1986, examined the said Bill and now reports the same without amendment, but with the following comments:

Your Committee is greatly concerned that Bill C-45, while commendably taking care of the needs of the employees of Parliament, fails to take care of the needs of Parliament itself, and, in particular, embodies a substantial and perhaps unnecessary erosion of the independence and rights of both Houses of Parliament and of their members.

The exclusive jurisdiction of the Senate and the House of Commons, each over its own staff, without interference by any outside body, including the courts, is an aspect of the privilege of each House to manage its internal affairs. In the 1960's Parliament affirmed, by removing the staff of the Senate and the House of Commons from the operation of the *Civil Service Act* and returning to the Houses exclusive control over their staffs, that control over staff is important to the ability of the Houses to

function independently of each other and of the government.

The Bill in its present form may be interpreted as derogating from that affirmation. Notwithstanding clause 4 of the Bill, the exclusive control of the Houses over their staffs is substantially and perhaps unnecessarily impaired by powers given to outside authorities such as the Minister of Labour and his inspectors, the government-appointed Public Service Staff Relations Board, the Governor-in-Council and the Federal Court.

What protection clause 4 does afford the Senate, the House of Commons and their members, by being limited to Part 1 of the Bill, is by implication denied them with respect to the operation of Parts II and III thereof. The powers conferred by the Bill on outside authorities may be sufficient to allow them to affect the ability of the Senate or the House of Commons to operate without hindrance.

In addition, the Senate, the House of Commons, the members of the Houses and the Library of Parliament, each in the capacity of "employer," will, under Bill C-45, be made subject to being impleaded in a court of law, to being tried in a court of law, by way of summary conviction or even indictment, to being convicted by a court of law and to being punished by a court of law. These measures seem excessive in view of the identity of the institutions in question and are measures that the Federal Court of Appeal has warned should be avoided because of the potential they have for confrontation between Parliament and the courts.

In the view of the Committee, Bill C-45 should be the subject of early study, review and amendment in the light of the above comments.

Respectfully submitted,

P. DEREK LEWIS
Chairman

THIRD READING

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

Hon. C. William Doody (Deputy Leader of the Government): With leave, now.

The Hon. the Acting Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

The Hon. the Acting Speaker: Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*b*), it is moved by the Honourable Senator Doody, seconded by the Honourable Senator Phillips, that this bill be read the third time now. Is it your pleasure, honourable senators, to adopt the motion?

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, the report that you have heard read is, as you have probably noticed, for non-lawyers a bit lugubrious; Senator Roblin offers the word "turgid". I do not mean that as any criticism of its drafter.

Senator Roblin: That is a legal style. It is no fault of the author.

Senator Frith: The report was drafted for the committee by our Parliamentary Counsel. As I have said and as Senator Roblin has said, it is understandably in a legalistic style, particularly when we remember something that all honourable senators may not know, that what gave rise to this report is an opinion by Parliamentary Counsel along the lines of, but in greater detail than, the report.

• (1420)

So, in a few moments I think I can explain the essential ingredients of this report as I see them. It amounts to a caveat or a signal to you all as legislators that there are certain legal consequences that follow from the adoption of Bill C-45 that touch particularly on the traditions, privileges and independence of Parliament. In that context this bill represents a sort of hybrid of two legal streams. The first stream could be considered as all the law of labour relations, because this bill, on its own and with two other codes that it incorporates by reference, sets up and applies to Parliament a legal regime of employer-employee relations—that is the stream of labour relations law. The other part of the hybrid—and I recognize that I am mixing metaphors as between "stream" and the botanical expression "hybrid"—

Senator Doody: We will fix it up in the "blues."

Senator Frith: —is parliamentary tradition, the principles of the independence of Parliament through its traditions and privileges. That second element, of course, was subject to quite a long exercise before the Labour Relations Board and before the courts. The matter ended up in the Federal Court of Appeal, which held that the regime that applies to the government under the administration of the board and other boards does not apply to Parliament because of its principles of independence, traditions and privileges. So this bill tries to bring together two, to get back to yesterday's expression, uncomfortable bedfellows. However, the bill must do something of that kind in order to achieve the objective that I believe senators share, that of putting employees of Parliament in a better position, or at least bringing them up to date with reference to employee rights and employee-employer relationships existing in other sectors of Canadian life.

Simply put, Bill C-45 has three basic parts. The first part is original in the sense that it is the portion of the legislation drafted to apply to employer-employee relations in Parliament—that is, the Senate, the House of Commons and the Parliamentary Library. In its second part the bill takes a part of the Labour Code—it is Part III, but because it gets confusing as between parts, let us put that aside for a moment—and incorporates it holus-bolus into the bill. Then it takes another part of the Labour Code and does the same thing. So, in effect it starts out with Part I, which is the original section, then it takes the code, which I have here, and inserts it in two parts.

What are those two parts? The first part of the code that the bill incorporates by reference is the part dealing with minimum employment standards—such things as hours of work, rates of pay and all the things you can think of that would normally be in a collective agreement relating to minimum standards. Part III of the bill brings in the part of the Labour Code dealing with safety standards. It seems to me that we cannot reasonably object to any of those elements applying to our employees, certainly not to the Part II dealing with minimum employment standards or the Part III dealing with the maintenance of proper safety standards. The regime that will apply to our employees is the regime that applies to government employees. In a sense, this is where the problem begins to arise, because the government regime has a system for what we might call monitoring the implementation of employees' rights and all aspects of employer-employee relations.

Essentially this system operates on an internal basis. That is, we have the government, the employees and the board, which looks after monitoring and which is a government agency. So, in effect, the whole process is handled within. However, when we take that regime and apply it to Parliament as an employer, as is the case with this bill, the monitoring agency, the Labour Board, becomes external to Parliament because it is a government agency. So, the external-to-Parliament monitoring authority will, in effect, be the government. That is why the committee felt that we should explain to our colleagues the consequences flowing from this bill.

Of course, the monitoring is of Parliament's compliance with the provisions of Parts I, II and III of the bill. The consequences were anticipated by Mr. Justice Pratte in the Federal Court of Appeal while looking at the jurisdiction of the Labour Board over Parliament in the case I referred to earlier. He expressed the concern that even if they found that there was no jurisidiction over Parliament, Bill C-45 in effect establishes such a jurisdiction, even though constitutionally it would not be there. He says:

> First, the application of the Code—

And he is talking about the Canada Labour Code.

> —to the House of Commons would in many instances compel the House—

and this applies equally to the Senate and the Library of Parliament.

> —to obey the decisions of the Minister of Labour and the regulations of the Governor in Council; this is a result which I find difficult to reconcile with the independence of the House. Second, and more importantly, the application of the code to the House would, in many instances, lead to a confrontation between the House and the Speaker, on the one side and the Board and the Court, on the other; this is certainly to be avoided.

Now, I would like to quote from a document I mentioned earlier which led to the committee report that is before us.

> The collective bargaining regime established by Part I of Bill C-45 is the regime established by the *Public Service Staff Relations Act* for the Government of Canada. It essentially consists of an employer, an employee organization and a third party board.

Then, as I mentioned previously:

> In the case of the Government staff relations, the third party board is an agency of the Government appointed by the Government; in other words, Government staff relations are being handled internally. In the case of Senate and House of Commons staff relations, the third party board will be an agency, not of Parliament or of the Houses, but of the Government.

● (1430)

In other words, parliamentary staff relations will not be handled internally but—and I am not quoting exactly here; I stopped quoting in order to rephrase it—will include an external dimension that does not exist in the governmental regime.

Specific results then follow from the fact that this document, the Canada Labour Code, is so incorporated, and I will give you a few of those examples. First, remember that the Senate is an employer so that when I use the word "employer", you can read the word "Senate". In fact, I may just read it exactly that way. However, let me first go to one element that could lead to some of these consequences, and is in itself a consequence.

Quoting from section 66 of Part III of the Canada Labour Code, under the heading of "Information and Returns":

> (1) Every employer shall furnish such information relating to the wages of his employees, their hours of work, and the general holidays, annual vacations and conditions of work of his employees, and make such returns thereon from time to time as the Minister may require.

That means that the Minister of Labour from time to time can come to the Senate and say: "I want the following documents." I should remind honourable senators that there is no reason why we should not furnish documents in order to implement the regime that is being established, but—

Senator Nurgitz: We make everyone else do it.

Senator Frith: Yes, exactly. This all has to be taken in the context of the principles of parliamentary privilege and independence. I say that because I want to leave open the question of whether we should surrender these rights and privileges, but I want it to be understood, as does the committee, that that is what we are doing. I know many honourable senators treasure these principles, these traditions and these prerogatives and, therefore, we should understand that by enacting this bill we are definitely giving them up in the way that I am explaining them, in my opinion, and for the purposes that I am also explaining.

Senator Nurgitz: And not unhappily.

Senator Frith: I am not sure whether or not I am happy about it. I am very happy about the objective, but I am not sure that I am as happy about giving up the parliamentary privileges. I think I will have to struggle a little more before I

am happy about it, if ever, but I do not mind your being happy about it, Senator Nurgitz. *Geh gezunt*!

Of course, as you can imagine, honourable senators, what will also happen is that the inspectors will naturally be entitled to make sure that all of the provisions of the Labour Code are being complied with. For example—and I know that I am being extreme in using this example—there would be nothing in the legislation, if passed, to prevent some inspector from walking into the middle of a session because he considered that we were not treating our pages properly. He could walk in and I do not think, under the act, that we could bar him.

Senator Hastings: He would be a stranger in the house.

Senator Frith: Yes, but when we say that he is a stranger in the house, what are we doing? We are invoking our privileges, and I am saying that if this bill is passed, to that extent we will be giving up those privileges.

It is an extreme scenario, and the likelihood of its happening is so remote as to be useful only for illustrative purposes, I am sure.

An Hon. Senator: Ha, ha, ha—

Senator Frith: You will notice that some honourable senator laughed at that point.

So, with these obligations that we undertake, honourable senators, we give up, in my view, some of our independence; in addition to the fact that we give up part of that independence to permit inspectors and other agencies to enforce the provisions; in addition to the fact that we give to the Minister of Labour, a member of the government, the right to ask for further information, there are some pretty Draconian penalties for noncompliance, and let me just scare you a little further—

Senator Nurgitz: Do you think that going to jail is Draconian? It happens all the time.

Senator Frith: I do not know, sir. I have never been there.

Senator McElman: It depends upon one's experience.

Senator Frith: That is right. Honourable senators, I would like to point out that these are examples I am giving you. This is not an exhaustive treatment.

Section 69 of the Canada Labour Code, Part III, says that:

> (1) Every person who
>
> (a) violates any provision of this Part or the regulations, other than a provision of Division V.2, subsection 66(2) or any regulation made pursuant to section 60.2 or paragraph 76 (*a*),
>
> (b) violates any order made under this Part or the regulations—
>
> —

Therefore those orders and regulations, I take it, would be made by the minister or the Governor in Council upon the recommendation of the minister—

> —or
>
> (c) discharges or threatens to discharge or otherwise discriminates against a person because that person
>
> (i) has testified or is about to testify in any proceedings or inquiry had or taken under this Part, or
>
> (ii) has given any information to the Minister or an inspector regarding the wages, hours of work, annual vacation or conditions of work of an employee,
>
> is guilty of an offence and liable on summary conviction to a fine not exceeding five thousand dollars.

Then:

> (2) Every employer—

And that refers to us—

> —who violates any provision of Division V.2 or of any regulation made pursuant to section 60.2—

So even the regulations cannot be violated—

> —is guilty of
>
> (a) an offence punishable on summary conviction and is liable to a fine not exceeding ten thousand dollars; or
>
> (b) an indictable offence and is liable to a fine not exceeding one hundred thousand dollars.
>
> (3) Every employer who
>
> (a) refuses or neglects to keep any record that by subsection 66(2) or any regulation made under paragraph 76 (*a*) he is required to keep, or
>
> (b) refuses to make available for examination by an inspector at any reasonable time any such record kept by him,
>
> is guilty of an offence and liable on summary conviction to a fine not exceeding one hundred dollars for each day during which any such refusal or failure continues.

Senator McElman: That would require approval by Internal Economy.

Senator Frith: If we happened to be the accused, yes. Then, continuing:

> 71. (1) Where an employer has been convicted of an offence under this Part in respect of any employee, the convicting court shall, in addition to any other penalty, order the employer—

That is us—

> —to pay to the employee any overtime pay, vacation pay, holiday pay—

And I think that is understandable. Continuing again:

> (2) Where an employer has been convicted of an offence under this Part in respect of the discharge of an employee—

And that section sets out the additional orders that can be made in that case.

Honourable senators, what it comes down to is this—and let me back up for a moment: It is clear that if we are going to adopt the principle of having parliamentary employer-employee relations governed by a modern regime, then it is difficult to argue with any of these principles; namely, that there should be a system for grievances, a system for parliamentary employer-employee relations, that there should be a

system for minimum standards of employment, and that there should be a system for safety standards. Certainly, once that door is open it is very difficult to argue with any of the consequences as being provisions necessary for the implementation of the original and desirable objective.

● (1440)

But that does not change the fact that in order to do so we have to, in my opinion, give up—and we have to recognize that we are giving up—many of the principles, privileges and traditions that we have cherished, treasured and guarded very carefully for many years.

Hon. Nathan Nurgitz: Honourable senators, I should like to add a few comments on third reading of Bill C-45. I will be brief, but it is important to add a few thoughts and respond to some of the concerns raised in the committee and to some of the considerations raised by Senator Frith during his intervention.

First of all, I should say that this is a memorable occasion for Parliament. For the first time in the history of Parliament, its employees will be able to enjoy the benefits of what I think is termed contemporary and progressive labour relations which are tailored, in many ways, to the special circumstances of Parliament. Not only will employees of Parliament be able to enter into collective bargaining but they will be protected for the first time under the two parts of the Canada Labour Relations Act, as Senator Frith has pointed out. Part III regulates, as has been pointed out, the minimum labour standards, including such matters as vacations and hours of work; Part IV regulates such things as occupational health and safety standards.

Honourable senators, certain concerns were raised in committee concerning the provision of penalties or fines, and we have just gone through the whole question of what Senator Frith calls Draconian measures. In the first instance, one should bear in mind that when we had officials from Labour Canada before the committee it was explained how the process works. The process is not one of fining someone for providing inadequate lighting or for having someone work in a building with a structural defect; the process is a negotiation process. If something is pointed out to the employer, efforts are made to rectify it. Perhaps inspectors will come in and say, "Not good enough," but until you hit the employer who says, "I don't care if the lighting is inadequate; I don't care if the building is structurally unsound," there should be no difficulties. If some honourable senators believe that the Senate of Canada, the House of Commons or the Library of Parliament is going to be the kind of employer who is not going to be concerned with the health and safety of its employees, is not going to be concerned with providing a minimum standard of vacation, pay and hours of work, then what can I say except that we would have a problem then. But I cannot believe that has ever been the standard, that it is the standard or that it will ever be the standard.

I would also like to point out that it has been difficult facing employees and telling them that the traditional rights enjoyed by millions of Canadians are something that they cannot have because there are certain privileges and traditions. Honourable senators, this is 1986. Employees deserve the security of knowing that they are protected and that they have options to pursue in the event of unfair treatment. This bill will afford them that protection, if they wish it.

Members of the Senate Protective Staff appeared before the committee this morning. Reading between the lines, I think they said: "Perhaps we would like to keep the *status quo*. We do not seem to have a problem." Well, the simple answer is that if they want to keep the *status quo*, they do not form a bargaining unit. If they do not form a bargaining unit, they have the *status quo*. Things remain as they are for them.

I should also like to comment on concerns raised in committee this morning regarding the various aspects of collective bargaining, but I think in the end, honourable senators, the employees who did appear before the committee, and those employees who appeared before the House of Commons committee, indicated a willingness to move forward with legislation that brings them into a situation comparable to that afforded to their friends who do not work on Parliament Hill.

I also repeat what Senator Muir mentioned yesterday, that there has been some talk of bringing in this kind of legislation since the 1960s, that we could not continue to legislate for the private sector, for various aspects of the public sector, and say we do not have to have that kind of legislation here. That is not different from what Senator Frith pointed out, that Labour Canada or the Minister of Labour can demand that the Senate or the House of Commons provide certain statistics on hours of work, wages, and things of that nature. I think that if we are prepared to impose requirements on others, we should be able to look at ourselves and say, "This is a reasonable imposition and we will impose that on ourselves," as I think we will be doing if the bill is passed.

I have one final concern relating to the question of jurisdiction. Concerns were raised that by passing this bill Parliament would be allowing an outside body to interfere with its internal affairs. I believe Senator Frith adequately covered that.

If there is one message which was received loud and clear by the members of the committee of the other place, it was that employees themselves wished to see an independent, third party as the body overseeing this legislation. By naming the Public Service Staff Relations Board as the body governing this legislation, parliamentarians have ensured that our employees will be well protected.

Honourable senators, members of Parliament come and go. Parliamentary committees come and go, and it was felt because of that, and because an effort should be made to guarantee some form of continuity, the Public Service Staff Relations Board, a body of knowledge and experience, was deemed to be an appropriate choice.

I agree that in discussions this morning with the Parliamentary Secretary to the President of the Privy Council we leaned on him to take a look at some of the concerns raised. I think he did reply that some would be looked at. I agree that they should be studied and reviewed. I am not absolutely certain

that I agree with the report of the committee which says, "Early study, review and amendment in the light of the comments" made before the committee. In any event, I think they should be looked at. I am not sure that things are as bad as they appear. I think that is what Senator Frith was attempting to highlight for us. We are bringing in certain measures which could have some consequences different from what we are used to. It is difficult to foresee how they, in fact, would come about, though.

• (1450)

I have a final comment concerning employees themselves before I complete my remarks.

Too often we forget the service, dedication and pride of those who serve us so well in the Senate. We forget the long hours they put in, and yet they are an integral part of our daily operation and of the important work done here. They deserve a modern legislative framework for labour-management relations, which should be implemented without further delay.

I think Senator Muir pointed out adequately yesterday the lengthy process which has been undertaken to get to this point today. Honourable senators, as I said before, we impose it on others; I think we ought to impose it on ourselves. We owe it to our employees, and I hope that we shall see third reading soon.

[*Translation*]

Hon. Eymard G. Corbin: Honourable senators, I would like to add a few comments.

I read the Twenty-Sixth Report of the Standing Committee on Legal and Constitutional Affairs with great interest, and I subscribe wholeheartedly to the views expressed therein.

I believe parliamentary privileges are not a luxury but a necessity. They are the outcome of a long historic evolution, involving repeated struggles for basic rights, which started on the day the Magna Carta was proclaimed in England. They are reflected in our parliamentary practice which is based on the British tradition.

While I am quite prepared to give employees of the Senate and the House of Commons the right to free collective bargaining and all the attendant procedures, I think it is deplorable that we, in full possession of our mental faculties, have virtually agreed to restrict our personal parliamentary privileges, both here and in the other place, and those of our staff. I am of course referring to certain officials and officers of the Senate and the House of Commons.

We are making this decision, as I said only a moment ago, with full knowledge of what is involved, but it is a decision that erodes the traditional concept, often very difficult to define, of parliamentary privilege. There are certain ramifications that are sometimes hard to explain, even for parliamentarians. While I am not opposed to giving our employees all these rights to which they are entitled, I fail to see why we are about to voluntarily restrict the hard-won privileges we have acquired over the centuries.

God knows we have not had much time to discuss the substance of this question! I may refer you to Erskine May, 19th edition, where the concept of privilege is explained at length and illustrated with a host of examples. My point is that privilege is sacred in the parliamentary system. It allows us to do our work with the utmost freedom and the utmost honesty, without being vulnerable to external pressures.

This legislation, in its second and third parts, imposes or perhaps I should say this generation of parliamentarians is imposing on itself and on future generations, the obligation to have our actions and our relations with our employees examined by outside officials, by people who in the past have shown they do not have much respect for parliamentary tradition.

And this is how, gradually, people start to lose respect for Parliament. Legislation is being allowed to confirm a number of trends that have been growing over the years. People are starting to lack respect for the Senate. Editorial writers like to laugh at members of the House of Commons and what they do.

People talk about the usefulness or the uselessness of the Senate. I am telling you that the day we yield on the question of privileges we will deserve to be the laughing stock for behaving like stupid people. These privileges do not belong to us personally but to the British parliamentary system to which we voluntarily subscribe.

One might suggest—without convincing me, ever—that this kind of situation might develop, that it is a possibility, but that it will probably never happen. I am saying that when we go to the trouble of opening the door and confirming the fact in legislative statutes, the possibility often turns into reality. One of these days we will realize that Parliament is led by the nose by public servants below Parliament Hill.

For this reason I do not support some of the provisions of this bill. I deplore the fact that we do not have more time to debate the basic principles of this question.

[*English*]

Hon. Robert Muir: Honourable senators, I do not think there is much I can add to what I already said yesterday on second reading, other than to say that I had the privilege of attending the meeting this morning of the Standing Senate Committee on Legal and Constitutional Affairs.

As Senator Nurgitz said, we had a representative from the Security Staff Association there—and he explained the present situation to us in certain detail. However, I should like to enlarge upon his comments. After Senator Frith explained a great number of things pertaining to the bill, they left and seemed to be quite happy, in my view, with the bill.

We also had a representative from the messenger service and he, likewise, seemed to be happy with the bill as far as it goes. But nothing is perfect, as has been said earlier today by Senator McElman regarding another bill. In spite of the imperfections, I think that we have made a start in the right direction. Certainly, all the fine people who work on the Hill should have the privilege and right to negotiate, to bargain and so on.

• (1500)

I listened very carefully to Senator Frith who explained most eloquently the provisions of this bill. I also listened carefully to Senators Nurgitz and Corbin, and I find myself agreeing with all three of them. I do not think we should have any of our rights or privileges interfered with. It is important that Senators Frith, Nurgitz and Corbin brought this to the attention of individual senators in this forum.

Honourable senators, does this not illustrate once again what has happened a great number of times in the past? Bill C-45 has been before the other place for many weeks and it has been studied by a committee of the other place. Undoubtedly this bill was drafted by the Department of Justice. Those of us who came from the other place, including Senator Corbin, will recall that no matter what government was in power, when bills came before the other place, all of a sudden the members would find a great number of things wrong with them, despite the fact that they had been examined with a fine-tooth comb. Now the bill is before the Senate and able senators—excluding myself—such as Senators Frith, Nurgitz and Corbin have found things to be wrong with this bill.

Honourable senators, although I certainly do hope we vote in favour of this bill, we should bear in mind the warning contained in the last paragraph of the committee's report which states:

> In the view of the Committee, Bill C-45 should be the subject of early study, review and amendment in the light of the above comments.

It is amazing that those matters that have been pointed out here today could escape the scrutiny of those whose profession is the drafting of bills, and in view of what Senator Frith said about court decisions, how could this be missed by all the lawyers on the committee in the other place who reviewed the bill? All I can say in this chamber today is that I take back anything derogatory I have ever said about the legal profession; I have great respect for them, although I hope I never have to ask any of them to defend me.

Senator Barootes: You are going too far.

Senator Phillips: Think it over.

Senator Muir: Honourable senators, I have been asked questions by employees in the various professions on the hill, some employed in the Senate and some in the House of Commons. As I said yesterday, I think it is a good bill as far as it goes, although I think it should have included some other matters. It is definitely a step in the right direction. Of those who made inquiries of me, some were a little concerned as to whether they would be worse off or better off after this bill comes into force and negotiations take place. I believe the employees will be better off. I am, and have always been, a firm believer in collective bargaining. As I said yesterday, in all my years in union activities in the coal mines, in the labour movement and since coming to Ottawa 29 years ago, I have always opposed compulsory arbitration. What was said by Senator Frith about bedfellows is quite correct.

[Senator Muir.]

I have given a lot of thought to this bill. I believe that we must and should go along with it for the benefit of these fine people who serve us and that we must not deprive them of anything that may be forthcoming for them.

I feel that Senator Corbin hit the nail on the head, as has Senator Frith—Senator Nurgitz not so strongly—when they said that we do not want to interfere with any of the rights or privileges of this place.

With those few comments, I support third reading of Bill C-45.

Senator Frith: Honourable senators, just before third reading, I should like to put three points on the record that I ought to have mentioned. The first arises out of what Senator Muir has just said. As he has pointed out, the last paragraph of the committee report before you states:

> In the view of the Committee, Bill C-45 should be the subject of early study, review and amendment in the light of the above comments.

I believe honourable senators should know that Mr. Lewis, a member of Parliament who came before the committee representing Mr. Hnatyshyn, gave an undertaking that before proclamation of the bill—because the bill only comes into effect upon proclamation—the government would look into the questions raised in committee. That included all the material contained in this report, plus the material given to the committee.

The second point is that I ought to have explained what was meant by the phrase:

> Notwithstanding clause 4 of the Bill, the exclusive control of the Houses over their staffs is substantially and perhaps unnecessarily impaired . . .

So that the record will be complete, that is a reference to clause 4 of Bill C-45, which reads as follows:

> Nothing in this Part . . .

That is Part I, not the other two Parts.

> Nothing in this Part abrogates or derogates from any of the privileges, immunities and power referred to in section 4 of the *Senate and House of Commons Act*.

Whether that clause achieves its objective or not, I want honourable senators to know that that clause is in the bill and it does attempt to ensure that the bill does not abridge the privileges. That, in any case, applies only to Part I and not to the other Parts to which I referred.

My third and last point is that Senator Nurgitz picked me up on the use of the word "Draconian." I would cite the *Oxford Illustrated Dictionary* which states that the origin of Draconian comes from Draco who was an archon, that is, a chief magistrate in Athens in 621 B.C. who was said to have established a severe code of laws. So far, I think my use of the word "Draconian" was all right. The dictionary then states:

> . . . of Draco or his code of laws.

It then gives the following synonyms: "rigorous"—and I think that is all right—"harsh"—perhaps I went a little too far—and "cruel." Well, I would not say "cruel" in the human sense.

To the extent that those additional definitions may be a little excessive, I withdraw the word "Draconian", but not entirely, because I think it has some application.

• (1520)

Hon. Charles Turner: Honourable senators, I would just like to state that this bill is the result of the bosses' refusing to listen to the complaints of the employees of the House of Commons and the Senate. As a former government whip in the other place, I can tell honourable senators that the employees were lined up outside my office with all kinds of complaints. Senator Corbin and Senator Muir knew all about this and nothing was done. The employees were forced to do something on their own behalf. Thus, they sought out the services of a union to air their grievances. Now they have a system, and I think the House of Commons and the Senate have brought this upon themselves.

Some Hon. Senators: Hear, hear!

Motion agreed to and bill read third time and passed.

The Senate adjourned during pleasure.

• (1700)

At 5 p.m. the sitting of the Senate was resumed.

The Senate adjourned during pleasure.

ROYAL ASSENT

The Honourable Gérard V.J. La Forest, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, having come and being seated at the foot of the Throne, and the House of Commons having been summoned, and being come with their Speaker, the Honourable the Deputy Governor General was pleased to give the Royal Assent to the following bills:

An Act to consolidate various enactments that provide for drawbacks, reductions, refunds and remissions of duties, other than export drawbacks for which provision is made in sections 82 to 87 of the Customs Act, to amend the Customs Tariff and to repeal or revoke the enactments so consolidated (*Bill C-98, Chapter 29, 1986*)

An Act to amend the Currency Act (*Bill C-118, Chapter 30, 1986*)

An Act respecting employment equity (Bill C-62, Chapter 31, 1986)

An Act to amend the Young Offenders Act, the Criminal Code, the Penitentiary Act and the Prisons and Reformatories Act (*Bill C-106, Chapter 32, 19869*)

An Act to facilitate financial arrangements between farmers and their creditors (*Bill C-117, Chapter 33, 1986*)

An Act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977 (*Bill C-96, Chapter 34, 1986*)

An Act to amend the Judges Act and other Acts in relation to judicial matters (*Bill C-128, Chapter 35, 1986*)

An Act to authorize the acquisition of Marine Atlantic Inc. and to provide for other matters in relation thereto (*Bill C-88, Chapter 36, 1986*)

An Act to amend the Customs Tariff and to amend An Act to amend the Customs Tariff (*Bill C-111, Chapter 37, 1986*)

An Act to amend the Canada Pension Plan and the Federal Court Act (*Bill C-116, Chapter 38, 1986*)

An Act to amend the Energy Administration Act and provide for certain matters in relation thereto (*Bill C-112, Chapter 39, 1986*)

An Act respecting pension plans organized and administered for the benefit of persons employed in connection with certain federal works, undertakings and businesses (*Bill C-90, Chapter 40, 1986*)

An Act respecting employment and employer and employee relations in the Senate, the House of Commons and the Library of Parliament (*Bill C-45, Chapter 41, 1986*)

The House of Commons withdrew.

The Honourable the Deputy Governor General was pleased to retire.

• (1710)

The sitting of the Senate was resumed.

BUSINESS OF THE SENATE

ADJOURNMENT

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, may we have leave to revert to Notices of Motions? In line with discussions which have been held between various members of the Senate relating to next Wednesday's meeting, it has been agreed that we would meet at 9.30 a.m. rather than at 10 o'clock to facilitate the order of business that has been arranged.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Senator Doody: Honourable senators, I move, with leave of the Senate and notwithstanding rule 45(1)(*g*),

That when the Senate adjourns today, it do stand adjourned until Wednesday next, 2nd July, 1986, at nine thirty o'clock in the forenoon.

The Hon. the Speaker: Senator Doody, I would ask you to rescind your original motion before we proceed with this one.

Senator Doody: I certainly will, if I can have leave.

The Hon. the Speaker: Is leave granted, honourable senators?

Hon. Senators: Agreed.

Senator Doody: Having received leave, I now ask for rescission. If I have received rescission, I move the new motion.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, could the Deputy Leader of the Government tell us if, when we come back to deal with, I assume, Bills C-67 and C-68, the House of Commons will be available for Royal Assent?

Senator Doody: Honourable senators, I honestly cannot answer that question. My responsibilities are exclusively those of the Senate, and I have received no communication from the House of Commons. I can only tell my colleagues about the order of business projected for next Wednesday in this place. I do not know what the House of Commons has planned in terms of Royal Assent.

Senator Frith: I take it that that means that the honourable senator is unable to tell us that we are being brought back on Wednesday to give Senate consideration to a bill that may not receive Royal Assent, because he cannot give us any assurance that if we pass the bill it will become effective for the summer in the absence of the House of Commons.

Senator Doody: Honourable senators, I cannot give any accommodation to the question as to what the House of Commons will do. I can only assure my colleagues here that the government is anxious that we deal with these bills. I think it is incumbent upon us as members of Parliament to give our attention to the bills. I assume that the other house will apply itself just as assiduously to its tasks as we will to ours on Wednesday.

Senator Frith: That sounds like a rather dangerous assumption. I do not know that it is quite fair for the deputy leader to say that he is totally unconnected and in no way responsible for House of Commons action, especially as it relates to Royal Assent. I take it that he made contact with the House of Commons today to find out whether they were coming and what time they would be coming for Royal Assent. I can understand the honourable senator's desire to wash his hands of any connection with the House of Commons, but I do not think it is really justified, particularly with regard to Royal Assent. Of course, he deals with the other place also with regard to bills that are coming. Surely he would know if they are going to be available for Royal Assent, communicating with them as he does often when Royal Assent is the issue.

Senator Doody: I appreciate what the honourable gentleman is saying, but our objective is to deal with Bill C-67 and Bill C-68. If honourable senators would rather deal with them now, perhaps we could postpone Royal Assent today on bills C-67 and C-68 and deal with them this evening. I do not think that that suggestion is a practical one. We will deal with the bills on Wednesday. As Wednesday progresses, we will see what happens in terms of Royal Assent. I cannot tell the honourable gentleman what will happen on Wednesday with regard to Royal Assent, but as soon as I get some information on the matter I will be only too happy to pass it on.

Senator Frith: So, it is fair to say that the government is asking the Senate to return next week to deal with these bills without the government representative in the Senate having made any arrangement or being able to give us any understanding as to whether the House of Commons will be here so that the bills may receive Royal Assent, if they are passed by the Senate. The honourable senator is asking us to come back without any undertaking or any knowledge whatsoever of whether Royal Assent will follow approval in the Senate.

Senator Doody: Honourable senators, with respect, I think that the honourable gentleman has gone off on a tangent.

Senator Frith: Perhaps it is a different tangent from the one you would like me to be on.

Senator Doody: The government is not asking the Senate to do anything, because the Senate has its own duties in dealing with its own business. The business before the Senate involves Bills C-67 and C-68. The Senate will be meeting next Wednesday to deal with these bills. It is up to each individual senator to determine whether or not he or she will be here. The business is before the house, and we will deal with it when the time comes.

Senator Frith: I am not talking about whether honourable senators have the duty or right to be here. Of course they do. I simply want it understood that the government is asking us to come back to deal with Bills C-67 and C-68. I am not saying that it is a good thing or a bad thing. I merely want to get the facts. The fact is that the government has made no arrangements of any kind for Royal Assent for these bills, if they are passed by the Senate.

Senator Doody: I do not know how the honourable gentleman can reach that conclusion.

Senator Frith: Just listen.

Senator Doody: I am not a member of the government and I am not passing on what the government has done or not done. I am passing on my knowledge of the situation, and as of this moment I cannot tell the Senate whether or not there will be Royal Assent next Wednesday. I trust that as the days progress between now and next Wednesday, things will become a lot clearer, and I hope to be able to give honourable senators more information when we convene on Wednesday. That is why I asked for permission to revert.

Senator Olson: Then what is the urgency?

Senator Frith: It seems to me that the answer to my question is that the honourable senator is not able to tell us.

Senator Doody: The honourable gentleman had that in mind before he stood up, and I agree. Yes, the answer is I do not know.

Hon. Hazen Argue: Honourable senators, my version is that the government does not consider these bills to be urgent at all. My version is that there will be no Royal Assent next week.

Senator Flynn: If you want to debate the bills, it is okay with us.

Senator Argue: There he is, interrupting again. Mr. Interrupter, the best we have. He is the best. He is consistent and he never lets anybody talk without interrupting.

Senator Frith: Practice makes perfect.

Senator Flynn: You are talking through your hat.

Senator Argue: My version is that the government is in no rush to get the bills, that Royal Assent is not likely to occur until the House of Commons comes back in September.

It seems that the members of the government are tweaked that a member of the Senate would use his right to delay the onrush of these bills so they are going to discipline the Senate by bringing us back, even though the bills are not urgent as far as the government is concerned.

Senator Frith: Not urgent enough to make arrangements with the House of Commons anyway.

Senator Argue: They are all upset over the fact that the Senate in this instance did not rubber stamp the bill according to the government's plan.

Senator Doody: Honourable senators, the honourable gentleman is making all sorts of assumptions, none of which I accept. The government may very well have all sorts of plans made. It certainly cannot complete the plans until the Senate has dealt with the business at hand. Perhaps when we get closer to doing that, the information will reach us. To say that the government does not consider these bills important is obviously too specious to discuss.

Senator Argue: I said "urgent."

Senator Doody: "Urgent" and "important." As for the Senate's respect for the honourable senator's right to withhold consent, it was demonstrated today that everybody in this chamber respects his right to withhold consent by arranging special meetings next week to facilitate him. We are looking at a Committee of the Whole, which is something that I did not see too much of in the days when we were on that side of the house and you were on this. It was a rarity, indeed. I thought the Honourable Minister of Agriculture who was here this morning was most understanding and patient in giving of his time and information, and we are looking forward to the same thing next Wednesday. If the honourable gentleman will just be patient and bear with me, the universe will unfold and we will all live happily ever after.

• (1720)

Senator Frith: It is still a bad way to run a railroad.

Senator Argue: It would be nice to know what the Prime Minister's orders are to his representative in the Senate, but since the Prime Minister attends so little in the House of Commons anyway, I suppose it is very hard to get some indication of his thoughts.

Senator Doody: If the honourable gentleman wants me to stand up here and start talking about the Prime Minister's attendance in the house, he is fishing in the wrong brook.

Senator Argue: You cannot talk about something that does not happen very often.

Hon. Gildas L. Molgat: Honourable senators, I would just like to point out that if the Senate had proceeded with the discussion of the Report of the Standing Committee on Standing Rules and Orders, dealing with the matter of Royal Assent, which is presently standing in the name of the Leader of the Government, we would not be having this debate at all, because we would have proceeded to a change in procedure which would eliminate this problem that recurs fairly regularly.

Senator Argue: This is a problem that we can live with.

Senator Doody: I stand to be corrected on this, since I always say that I am a humble little fellow from Newfoundland trying to find his way in the big city, but as far as I am aware, that order stands in the name of Senator John Stewart (Antigonish-Guysborough). I would point out to the Honourable Senator Molgat that it is Item No. 20 on the order paper and reads as follows:

> Resuming the debate on the motion of the Honourable Senator Molgat, seconded by the Honourable Senator Davey, for the adoption of the Fourth Report of the Standing Committee on Standing Rules and Orders (Royal Assent), presented in the Senate on 6th November, 1985,
>
> And on the motion in amendment thereof of the Honourable Senator Roblin, P.C., seconded by the Honourable Senator Doody, that the Report be not now adopted but that it be referred back to the Committee for further consideration—

And that motion is standing in the name of the Honourable Senator Stewart (Antigonish-Guysborough). May I have a retraction?

Senator Molgat: Honourable senators, yes, I retract. It was the amendment of the Leader of the Government. My regrets.

However, had the Senate dealt with the matter—

Senator Doody: Well, that is different!

Senator Molgat: —we would now be able to proceed in a much more practical manner.

The Hon. the Speaker: Is it your pleasure, honourable senators, to adopt the motion?

Senator Frith: We will adopt it, but it is not our pleasure.

Senator Argue: On division.

Motion agreed to, on division.

The Senate adjourned until Wednesday, July 2, 1986, at 9.30 a.m.

THE SENATE

Wednesday, July 2, 1986

The Senate met at 9.30 a.m., the Honourable Martial Asselin, Speaker *pro tempore*, in the Chair.

Prayers.

THE HONOURABLE LOWELL MURRAY, P.C.
THE HONOURABLE DUFF ROBLIN, P.C.

FELICITATIONS TO NEW LEADER OF THE GOVERNMENT—
TRIBUTES TO FORMER LEADER OF THE GOVERNMENT

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I would like to draw attention to the changes to the cabinet announced by the Prime Minister on June 30, particularly insofar as they affect the leadership of the government in the Senate. Naturally, I wish to extend congratulations to the new Leader of the Government in the Senate, Senator Murray, to welcome him in his new responsibilities and to assure him that, insofar as it is possible to make a commitment, his life will be interesting and action-filled in the remainder of this Parliament. We have great expectations which we hope will be realized as his career in his new capacity develops.

I must say that Senator Murray is well equipped to take on his new responsibilities. He certainly chose the right part of Canada as his birthplace, namely, New Waterford, Nova Scotia; he chose the right universities, St. Francis Xavier and, later, Queen's. His judgment at that point began to deteriorate, however, and we find him serving a series of federal cabinet ministers; and at one time he served as deputy minister to the Honourable Richard Hatfield.

He has been one of the political persons around Ottawa for some time. Like Senator Davey and Senator Kirby, he has occupied a place in the shadows, where it is easier to influence and manipulate without public scrutiny or public criticism. That, however, has now changed for Senator Murray and he will have to justify more publicly some of the advice that he will be giving to his colleagues in the government on political matters—and, no doubt, that is one of the reasons why at this critical time, this unfortunate time, this unfavourable time in the history of the government, his services have been called upon to attempt to give a necessary fillip to the political standing of the government.

I assure Senator Murray that we on this side welcome his accession to his new office. We are satisfied that he will apply himself in the same industrious way to the work of the Senate as he has done in the past. He has been given, as the Prime Minister has indicated, responsibilities in the field of federal-provincial relations. The Prime Minister said:

> This appointment strengthens the government's capacity to engage constructively with the provinces on important issues of common interest. In his capacity as Minister of State, Senator Murray will support the Prime Minister in his responsibility for constitutional affairs.

So it is useful, I believe, that we now have in the Senate a person who, with the Prime Minister, has a special responsibility for federal-provincial matters and constitutional affairs. As honourable senators realize, there is a very deep interest in this institution in these subjects, and I believe that that aspect will lend additional interest to our proceedings.

I can only thank Senator Roblin for his contribution to the work of the Senate. In this regard the press release reads:

> The Prime Minister also expressed particular appreciation for the contribution of the Honourable Duff Roblin as Government Leader in the Senate, noting that his retirement from the Government followed a distinguished career in public service to Canada and to his native province.

We thoroughly support that particular tribute by the Prime Minister to Senator Roblin. He has discharged his responsibilities in the Senate with courtesy, industry and at times a flare for rhetoric which no one on this side could possibly hope to emulate. We hope that that feisty spirit, which he demonstrated so frequently as Leader of the Government, will continue as he takes his new seat on that side of the chamber.

Hon. Senators: Hear, hear!

Senator MacEachen: I am sure he knows that each of us on this side of the house, and, I am sure, every senator, wishes him continued distinction and success in his career as a political figure in Canada.

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators—

Hon. Senators: Hear, hear!

Senator Murray: Honourable senators, my first words in my new place must be to express my personal appreciation of that most admirable of public men, my immediate predecessor, the Honourable Duff Roblin. Eulogies would be premature and, I think, unwelcomed by him. As honourable senators know, he is at the top of his physical and mental form. Indeed, Senator Nurgitz and others have tried without success for 25 years or more to defeat him on the squash courts. So he has many years of valuable service to his country ahead of him. I simply want to say that his leadership over the past two years has added lustre to a distinguished Roblin family tradition of public service and has done honour to the government, to the Senate, to Manitoba and to Canada.

Honourable senators, I wish to thank the Honourable Leader of the Opposition for his kind welcome and his generous comments. I have long been a friend and admirer of the Honourable the Leader of the Opposition. When he mentioned those of us who have been in the shadows in politics—Senator Davey and others—I recalled the speech that he made in this chamber a few months ago on the sad occasion of the passing of the Honourable Tommy Douglas. In that speech, Senator MacEachen spoke of the bureaucratization and the professionalization of politics and how greatly to be admired was a man like Tommy Douglas whose concept of political activity was to go to the country, take a stand and fight for the things one believed in in public life. It occurred to me at that time, while listening to Senator MacEachen, how apt the description was of himself and of his own career in the public life of this country.

In any event, he is still here; we are both here. He will continue to fight for all the things that he believes in. Some of them, as we know, are expensive but, at the rate at which the government is improving the state of the Canadian economy, the time may not be far off when we will be able to afford even some of Senator MacEachen's ideas.

Hon. Duff Roblin: Honourable senators, although I do not intend to present a petition, nor do I suppose there is any item on the scroll which allows me to stand at this moment, perhaps it would be agreeable to the Senate if I were to acknowledge the kind words that have been expressed by the Leader of the Opposition and by my colleague, the Leader of the Government in the Senate.

I would like to inform the Senate that I intend to observe the proceedings in this house with some diligence and to attend to my duties. I also intend to pay particular attention to what has been an absorbing interest of mine, one which I have not pursued with outstanding success to date, and that is the reform of this august body. I think there are a good many people in this chamber who are perhaps not all agreed as to the exact manner in which reform should be carried out. Nevertheless, I am one who thinks that a body which is unelected, which is responsible to nobody, which represents nobody, really needs to examine its constitution and powers and its way of doing business in order to be, not less powerful but more effective in the operation of the federal system of government.

● (0940)

So, I still have that target in front of me and it is a goal that I should like to make progress towards. However, I really rose to say something else. I am very confident that with the leadership the government has in the Senate in the person of Senator Murray we have an excellent mentor, we have a man who understands government as few in this country have understood it, and who has a depth of understanding of the nature of our Constitution and the shape of our nation that few senators can claim. Not only that. Senator Murray has the same gift of the gab as I have always ascribed to myself. I also think that his knowledge of people and his capacity to lead will be amply demonstrated.

So, although the Leader of the Opposition has some qualms as to whether the government will be able to conduct its affairs with the dispatch the nation requires, I have none. I think that we have an excellent leader, and those of us on this side will be happy and proud to follow him.

CORRECTIONS

REQUEST FOR TABLING OF DOCUMENTS

Hon. Earl A. Hastings: Honourable senators, I join my leader in congratulating Senator Murray on his appointment to the cabinet. But I rise to say that I have had a request before the Senate for the tabling of certain papers and documents with respect to the Correctional Service of Canada. My request has been outstanding for four months. I have been waiting patiently for those papers and documents in order to prepare my representations on Bill C-67. The former Leader of the Government assured me that they would be tabled. I wonder if I could ask the Leader of the Government in the Senate to expedite the tabling of those documents and papers.

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): I am aware that a request has gone to the Correctional Service of Canada for those papers and documents. I will do everything I can to expedite their tabling. The honourable senator will have an opportunity shortly to make representations in person to the minister responsible for the Correctional Service of Canada.

INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

FORTY-FIRST REPORT OF COMMITTEE ADOPTED

Hon. Royce Frith, Deputy Chairman of the Standing Committee on Internal Economy, Budgets and Administration, presented the following report:

Wednesday, July 2, 1986

The Standing Committee on Internal Economy, Budgets and Administration has the honour to present its

FORTY-FIRST REPORT

Your Committee recommends that during the 1986 summer adjournment of Parliament, the Leader of the Government in the Senate, or a Senator named by him, the Leader of the Opposition in the Senate, or a Senator named by him, and a Senator nominated by the Leader of the Government in the Senate be authorized to act for and on behalf of the Standing Committee on Internal Economy, Budgets and Administration in matters requiring action pertaining to the administration of the Senate, subject to ratification by the said Committee upon the resumption of its meetings in the autumn.

Respectfully submitted,

ROYCE FRITH

Deputy Chairman

The Hon. the Speaker *pro tempore:* Honourable senators, when shall this report be taken into consideration?

Senator Frith: With leave, now.

The Hon. the Speaker *pro tempore:* Is leave granted, honourable senators?

Hon. Senators: Agreed.

Senator Frith: Honourable senators, the purpose of this motion is to give to the persons named the power to act for the committee during the summer adjournment of Parliament in urgent circumstances or in any case requiring action by the full committee. As is mentioned in the report, any such actions taken are subject to ratification by the main committee when that committee reconvenes. The motion does not, of course, eliminate the possibility of the main committee's being called.

This subcommittee, if it can be called that—it is called the Intersessional Committee—has been established for some time to deal with similar matters between sessions, which means during dissolution and during prorogation; but it requires special authority to so act during an adjournment, and that is the purpose of the motion.

The Hon. the Speaker *pro tempore:* Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to and report adopted.

QUESTION PERIOD

[*English*]

BUSINESS OF THE SENATE

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I have a question that relates to the business of the Senate and the business of the government.

We have on the scroll today Bill C-67 and Bill C-68. In order to assist us in determining the urgency with which we ought to proceed in dealing with these bills, I ask the Leader of the Government in the Senate when it is the intention of the government to have Royal Assent, and whether he can give us an assurance that Royal Assent will take place soon—certainly before September.

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators, I have nothing to add to the information that was given by the Deputy Leader of the Government the other day—

Senator Frith: Which was zero.

Senator Molgat: He didn't give any.

[Senator Frith.]

Senator Frith: Nothing; it amounted to zero.

Senator Murray: I can only say that no decision has been made as to the date of the next Royal Assent.

Senator MacEachen: Honourable senators, I accept that answer and simply add that Senator Doody did undertake on Friday—at least, he expressed the hope; I should not say it is an undertaking—

Senator Doody: No undertaking, that is right.

Senator MacEachen: He expressed the hope that he would be able to give honourable senators more information when we convened on Wednesday. Of course, the Leader of the Government has now told us that there is no additional information. I conclude that the government will operate in the normal course and that Royal Assent will take place in September. It is on that basis that we will consider the bills before us.

Senator Murray: I must say that I do not know that it is proper to draw the conclusion that the Leader of the Opposition has drawn on this matter. He will be aware that since Senator Doody expressed his hope on Friday there has been a change in the administration. In particular, there is a new government house leader in the other place. There is a cabinet meeting planned for today, and other meetings are planned for the immediate future.

I repeat that no decision has been taken as to the date of the next Royal Assent. That is the only information I can convey, and I think that no other conclusions can be drawn from what I have said.

I do, however, make the point that in the view of the government it is prudent for the Senate to pass this bill before we adjourn for the summer.

Hon. John B. Stewart: Honourable senators, may I ask a supplementary question? I wonder what position the Leader of the Government takes on the proposal that a bill which has passed the House of Commons and the Senate, should be left for several weeks before being presented to the representative of Her Majesty for Royal Assent. Is it not quite improper for a bill from these two houses to be left resting like that throughout the summer?

• (0950)

As I recall, bills always went forward for Royal Assent immediately, or just as soon as there was a convenient group of bills ready for Royal Assent. They were not left over for weeks as if the decision of the two houses of Parliament could be put in a kind of summer limbo.

Senator Murray: The honourable senator is asking a question which, at the moment, is still hypothetical.

Senator Stewart: Surely, honourable senators, we are here on the assumption that senators are going to act on the bill the government has put before us. Surely that is obvious.

Senator Murray: Yes.

PARLIAMENTARY SECRETARIES

SUGGESTED APPOINTMENT OF SENATORS

Hon. Peter Bosa: Honourable senators, my question is for the Leader of the Government in the Senate. Will Senator Murray convey a message, on my behalf, to the former leader? I thought the former leader, Senator Roblin, represented the embodiment of civility in this chamber. He enhanced the image of the Senate, and when answering questions, mine, at any rate, he did so in an eloquent and erudite manner.

However, I wonder if Senator Murray is aware that I have only one complaint and one disappointment in terms of the former leader, that is that he did not accept my advice to appoint parliamentary secretaries from among senators to assist him in answering questions which are put to the leader by Her Majesty's Loyal Opposition.

Is the Leader of the Government in the Senate aware that, notwithstanding what Senator Roblin said earlier, the Senate has played an important role in previous parliaments when the government of the day did not have representation in certain parts of Canada? At that time, ministers were appointed from the Senate to fill those positions which could not be filled through the electoral process, thereby enabling senators to ask questions of those ministers.

Armed now with the experience of the past, will the Leader of the Government in the Senate reconsider the question of the appointment of parliamentary secretaries whom he could choose from among his very able backbenchers and those who sit beside him?

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators, I am aware of my honourable friend's position on this, since he has made his representations in this regard on previous occasions.

I would be less than candid if I encouraged him to believe that parliamentary secretaries would be appointed from the Senate by the present government.

HUMAN RIGHTS

JAPANESE-CANADIANS—GOVERNMENT APOLOGY AND COMPENSATION

Hon. Stanley Haidasz: Honourable senators, with the appointment of a new minister of state responsible for multiculturalism, could the Leader of the Government in the Senate tell us whether the former minister's recommendations to his government concerning compensation for displaced and dispossessed Japanese-Canadians during World War II have been rejected by the government?

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators, I will ask my colleague, the Honourable David Crombie, to prepare a considered reply to that question and I will see that the Honourable Senator Haidasz receives a copy.

REQUEST FOR ANSWER

Hon. Gildas L. Molgat: Honourable senators, my question is for the Leader of the Government in the Senate. May I begin by joining in the comments of the Leader of the Opposition in congratulating him on his new appointment. We welcome him to his new post.

I am particularly sorry, of course, to see Senator Roblin leave that post because of our long association in this place and in another political forum previously.

My question is a follow-up to one I previously asked Senator Roblin about matters still outstanding. I referred on June 10 to a written question I had put on the order paper on April 3, 1985. I wondered whether the reply could be produced. Senator Roblin said that he was hastening all replies. Could the new government leader give us the same assurance and tell us when we might expect an answer?

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): I thank my honourable friend for his kind words and I assure him that I will honour the undertakings made by my predecessor in that respect.

CAPE BRETON

LABOUR RELATIONS

Hon. Robert Muir: Honourable senators, I join with others who have spoken this morning in expressing to our new leader my best wishes for every success. Since he is a Cape Bretoner—I think most senators know what a Cape Bretoner is, since the Leader of the Opposition is a Cape Bretoner, as is Senator John Michael Macdonald, Senator Al Graham, Senator Finlay MacDonald, Senator Marshall and myself—may I ask the Honourable Leader of the Government in the Senate, in view of the representation from Cape Breton and the interest that I am sure is shared by all senators in the betterment of conditions on that island, whether he would take it upon himself in his new role to express to the cabinet the concerns of the people of Cape Breton Island regarding the lack of proper industrial relations between the workers and one Derek Rance of the Cape Breton Development Corporation? I hope that as a result of those representations we will not have to present Mr. Rance with a copy of the book, *How To Win Friends And Influence People.*

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): I thank Senator Muir for his kind remarks. I was reflecting this morning that Senator Muir and I go back a very long way—almost 30 years—to his first election campaign in what was then Cape Breton-North Victoria. He knows that I am a senator from Ontario and that I have no direct mandate to represent Cape Breton, which is very well represented in this place, in the other place, and, indeed, through two cabinet ministers from the province of Nova Scotia. He also knows that I will always have a particular affection for and interest in the island of my

birth. I hope, expect and am determined that that interest and affection will be reflected in whatever I do at the cabinet table.

PROVINCIAL STATUS

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, in view of Senator Murray's esteem for Cape Breton and his new responsibility for federal-provincial relations, is he giving some consideration to creating provincial status for his native island?

Some Hon. Senators: Hear, hear!

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): It is only 150 years now since we were deprived of that status. I am not sure whether that was a sad day for Cape Breton or a happy one. In any case, notwithstanding its political status as part of a larger province, it is one of the great things about Cape Breton and, indeed, about our country that an island like that has been able to preserve its own distinct culture and identity within Canada.

Hon. Royce Frith (Deputy Leader of the Opposition): Is that the answer? At least it didn't take 150 years to get it.

• (1000)

THE HONOURABLE BARBARA McDOUGALL, P.C.

COMMENTS MADE AT NATIVE BUSINESS SUMMIT

Hon. Gildas L. Molgat: Honourable senators, I should like to ask a further question of the Leader of the Government. It concerns a headline in the *Toronto Star* on June 25 which, frankly, disturbed me. The headline read: "Learn to be greedy, minister urges natives", and it quotes the Honourable Barbara McDougall as follows:

> "There's one underlying motive in business shared by all—it's greed," McDougall said at the Native Business Summit in Toronto yesterday. "There's nothing wrong with that.
>
> "We support it wherever it happens," she added.

I wonder whether the Leader of the Government indeed subscribes to that kind of advice to any Canadian and whether it is indeed the position of the government that that is the advice that should be given?

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators, obviously my honourable friend's attention has not been drawn to a subsequent statement made by the Honourable Barbara McDougall in which she pointed out that her remarks had been made in a lighter vein and deplored the lack of a sense of humour on the part of the *Toronto Star*.

SMOKING PROHIBITION BILL

STUDY OF SUBJECT MATTER OF BILL S-8 BY LEGAL AND CONSTITUTIONAL AFFAIRS COMMITTEE

Hon. Stanley Haidasz: Honourable senators, I would like to direct a question to the chairman of the Standing Senate Committee on Legal and Constitutional Affairs. What steps has the committee taken to consider the motion adopted by the Senate on May 28, 1986, to study the subject matter of Bill S-8 which I proposed and introduced on February 13, 1986 in order to protect the rights of non-smokers?

Hon. P. Derek Lewis: Honourable senators, the committee has been engaged in studying many of the bills which have been referred to it. We have not as yet progressed to the honourable senator's motion, but no doubt we will do so in the fall.

FEDERAL-PROVINCIAL RELATIONS

ESTABLISHMENT OF CROSS-PARTY CAUCUS COMMITTEES

Hon. Peter Bosa: Honourable senators, my question is for the Leader of the Government in his capacity as Minister of State for Federal-Provincial Relations. Is it his intention to encourage the formation of cross-party caucus committees from the various regions of Canada as a way to establish a mechanism to communicate with the provinces, which communication is lacking at the present time and which will be fulfilling one of the most important objectives of the Fathers of Confederation in establishing the Senate of Canada?

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators, I am aware of the initiative taken by my honourable friend in this respect in some correspondence that he has had with the Premier of our province, the Honourable David Peterson. Any such contacts are, of course, to be welcomed and encouraged, but the government will not be acting as official sponsor of those contacts.

Senator Bosa: Although the government will not be acting as official sponsor, would the Leader of the Government encourage the establishment of such a committee?

Senator Murray: Honourable senators, that is a matter for members of Parliament and senators to consider and reflect on. I would not like to make a firm commitment on that at the moment. I see no objection to that kind of process going forward in the informal and often constructive way that we have among legislators of all parties at different levels of government in this country.

PAROLE ACT
PENITENTIARY ACT

BILL TO AMEND—SECOND READING

On the Order:

> Second reading of the Bill C-67, intituled: "An Act to amend the Parole Act and the Penitentiary Act".—(*Honourable Senator Doody*).

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I wonder whether it would be appropriate for us to deal with the second reading of Bills C-67

and C-68 at the same time. They are both closely connected. We could perhaps deal with them simultaneously in committee and perhaps on third reading we could deal with them independently. Is that agreeable?

The Hon. the Speaker *pro tempore:* Is it agreed, honourable senators?

Hon. Earl A. Hastings: No. I think the bills should be dealt with separately, as they were called and dealt with separately in the House of Commons.

Senator Doody: Honourable senators, I have no problem with that. It would mean that we would have to go into Committee of the Whole on two separate occasions. We had a commitment to have the minister here for an hour, from 10.30 a.m. to 11.30 a.m. We are ahead of our schedule at this point, but if we are able to handle both bills in committee at the same time, it might be helpful, unless honourable senators wish to devote half an hour to each bill, which does not seem to me to be appropriate.

Senator Hastings: As I understand it, the request is to refer both bills, Bill C-67 and Bill C-68, to Committee of the Whole at the same time.

Senator Doody: Yes.

Senator Hastings: I have no objection to that.

The Hon. the Speaker *pro tempore:* Is it agreed, honourable senators, that both bills be studied together?

Hon. Senators: Agreed.

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, is it understood that each bill will get second reading separately?

Senator Doody: Absolutely.

Hon. Royce Frith (Deputy Leader of the Opposition): And that the sponsor, or those speaking to the bills, will address their comments to both bills—that is, to Bill C-67 and Bill C-68? I cannot see any other way of dealing with both bills in committee.

Senator Doody: That is satisfactory.

The Hon. the Speaker *pro tempore:* Is it the wish of honourable senators that I should put both motions at this time, but that the sponsors speak to them separately?

Senator Doody: We should deal with Bill C-67 first.

Hon. Nathan Nurgitz: Honourable senators, I move second reading of Bill C-67.

The Hon. the Speaker *pro tempore:* It is moved by the Honourable Senator Nurgitz, seconded by the Honourable Senator Doody, that this bill be read the second time. Is it your pleasure, honourable senators, to adopt the motion?

Senator Nurgitz: Honourable senators, because I see there is still some confusion, I assume that the understanding is that I will first deal with Bill C-67, which will then receive a response from the opposition, and the bill will then be referred to Committee of the Whole. Bill C-68 would then be called and dealt with. Is that the understanding?

Senator Frith: Before we go into committee.

Senator Nurgitz: Yes, before we go into committee. The minister could then address both questions.

Senator Hastings: Provided that they pass second reading.

Senator Frith: Provided they both get second reading.

Senator Nurgitz: Yes, on that assumption. Thank you, honourable senators.

At this point I do have some comments to make. I should like to indicate that at the very heart of this bill are important amendments to both the Parole Act and the Penitentiary Act.

In the event that the bill becomes law, the program of conditional release known as mandatory supervision will become subject to some very drastic changes. Provisions in the bill will tighten some of the features of that program for penitentiary inmates who obviously, in the opinion of the National Parole Board, would pose a high risk of further violence.

Perhaps the most pressing matter dealt with in the bill is that the existing law compels the automatic release of an inmate under what is commonly known as mandatory supervision, as a result of what we call "earned remission".

Honourable senators, if there is one law with which we are all confronted by members of the public, who have some difficulty in understanding it, it is mandatory supervision. The notion that we tell people who talk to us about this matter that the last third of a sentence must be served outside of the institution is, I confess, foreign to most people with whom I talk. We get into arguments such as "Why is not a term of, for example, five years a sentence of five years?" One then has to start explaining how the system works; and, without going into a long discussion, I believe all honourable senators are aware that at approximately the one-third point of a sentence an inmate is entitled to apply for parole and that the application is heard by the National Parole Board. In the event that the inmate is refused—that is, does not gain parole—then at the expiration of two-thirds of his sentence he must be released on mandatory supervision. That is, he must be released to serve the last one-third of his sentence in the community. The purpose of the provision with regard to the last one-third of the sentence was not to afford inmates a free ride. The purpose was to be in a position to impose conditions that would afford that inmate a better opportunity of fitting back into society, through the normal rules or what we call laws of society, and to provide an opportunity for some rehabilitation. Such a release must be granted even if there is a consensus—and here is the problem—among the correctional and parole officials that the inmate is the source of an imminent risk of violence to the community or, indeed, to himself. For example, an inmate who is serving a nine-year sentence, who displays all kinds of hostility and who is even indicating openly that he would commit another crime of violence at the end of two-thirds of his sentence, that is after six years, must be released. I think that this is where the public has some difficulty with us as

legislators in that they wonder how that provision can remain in our law and want to know why such inmates are not kept until the expiration of their warrants—that is, for the full nine years in my example.

• (1010)

At the same time, honourable senators, I do not want to leave you with the impression that this bill is merely a tightening of the screws, that we are dealing with one side of the matter. There is in Bill C-67 a bit of a balancing effect in that there is a greater clarification of what is generally referred to as day parole. This provision might apply to people who are serving a lengthy sentence, and even though the imposition of the lengthy sentence may be considered a good thing it is not considered particularly beneficial to the individual to be confined for a lengthy period.

Senator Frith: Or society.

Senator Nurgitz: Yes. So this provision clarifies day parole and allows for it to begin as early as at the expiration of one-sixth of the sentence. This is a balancing feature of the legislation.

Many hours of thought went into the pre-study of this bill by our own Legal and Constitutional Affairs Committee and the major issues, I believe, have been thoroughly discussed and debated in the House legislative committee and, indeed, in our own committee. As a result, I do not want to take too much of the Senate's time today, but I do want to raise the four very primary concerns expressed by our committee in the pre-study report of May 14 of this year. The central question of using the courts rather than the Parole Board for detention decisions has been discussed on many occasions by the Legal and Constitutional Affairs Committee and was dealt with in its report of 1983. The government has given careful consideration to this matter. The matter was thoroughly and ably debated in the House of Commons and in the legislative committee. The government has opted to give this responsibility to the National Parole Board because it believes that it is best suited for this type of decision. The Parole Board makes thousands of similar decisions a year based on risk assessment. It is important to remember that a detention decision will affect the manner in which the sentence is served, not the length of the sentence, which is clearly a matter for the courts.

The government fully recognizes that the offenders affected by this decision will be released one day, and it wants to give the authority to detain to a body that has the flexibility to lift the detention order or change the conditions if there is any positive change in the person or the circumstances. This will give inmates the best chance to make the transition to the community when it is safe to do so. There is no question that a court would offer all the guarantees of due process and would rigorously review all relevant matters of fact and law in every case. This case has been made by many honourable senators.

However, the government has stated that for the courts to make a decision on the way the serving of a sentence is to be administered would be outside their normal role. Moreover, to give this power to the courts would presume a lack of confidence in the National Parole Board which is not justified by its performance in similar conditional release decisions. The case being made against the legislation is that the courts should impose the sentence and should also determine how the serving of the sentence is administered. In other words, the analogy I would draw in some ways is that it is an appeal to the same body as made the decision—that is, the court. So, to take the Honourable Senator Hastings' argument, the judge would impose the decision, and you would then go back to the court, and to that same judge who would indicate how that sentence will be served. I think that that is another compelling reason for leaving the question of risk assessment in the hands of the National Parole Board, as we have opted to do over a long number of years.

Inmates brought to the detention review process will be afforded the most thorough procedural safeguards possible. In this regard I can advise the Senate that the second issue raised in the Senate standing committee's interim report—that is, the entrenchment of decision-making guidelines in the legislation as opposed to by regulation—was put forward by the government at report stage and, I am pleased to report, was accepted. The bill was amended before it was sent here to make those particular guidelines which ordinarily would have been in the regulations part of the legislation.

The third issue raised by the committee in its interim report was the limiting of the application of the one-chance mandatory supervision provisions. The committee expressed the view that one-chance MS should be limited to those offenders who are convicted of a new criminal offence while on release. That is, this government, as was its predecessor, is attempting to stop what is called by the correction system the "revolving door." In other words, a person receives a lengthy sentence, after serving two-thirds of that sentence is released under mandatory supervision, breaches the conditions of the release, is returned to the penitentiary and the clock starts ticking again. You then go through the same process where that person must be released at the expiration of two-thirds of sentence. I suppose, given a long enough sentence, an inmate who refuses to obey what we consider to be simple rules could keep going through that door of mandatory supervision several times.

From the time the bill was originally proposed until now, there has been quite a narrowing of the scope of the one-shot mandatory supervision. That is, it does not apply to the entire 11,000 or 12,000 inmates in our correctional system in Canada but only to a limited number. The committee has discussed this matter thoroughly and you will have ample opportunity when the minister is here to find out how that provision works. However, I reiterate that it does not apply to the thousands and thousands of inmates who will be released on mandatory supervision.

• (1020)

I note that the one-chance mandatory supervision provisions will now apply, as I said, to a much more restricted group than when the bill was first tabled. To further restrict the application of the provisions is unworkable, given the length of time

which may—and usually does—elapse between arrest and conviction. Honourable senators, the latter is of great concern. Our committee was of the view that the only time a mandatory supervision ought to be revoked was not in the instance when an inmate breached the condition but when he was convicted of a new offence. What makes that unworkable is that, as honourable senators who have had any experience with the criminal justice system will know, there is a lengthy period of time from the moment of arrest to the moment of trial, and I have not even begun to get into questions of appeal. However, that is what makes that particular recommendation difficult. I see Senator Frith's frown of concern.

Senator Frith: I see there are two facts, but I do not understand the connection.

Senator Nurgitz: The connection being, for example, that an inmate who is serving a three-year sentence is released on mandatory supervision for his last year. While out, he commits a crime. His mandatory supervision cannot be revoked until he is convicted of the crime. Moreoever, it is not unusual, and especially in major centres of this country, for a criminal trial to take a lengthy period of time—

Senator Frith: I get your point now, thank you.

Senator Nurgitz: Honourable senators, I think perhaps I have covered that point.

The government maintains its commitment to preventing the "revolving door" syndrome operating to the benefit of offenders who perpetrate violent crimes. As I have said, this concern was raised not just by Mr. Beatty before our committee but, as I recall, in previous legislation by the Honourable Robert Kaplan who had a great deal of concern about this continuing "revolving door" syndrome in connection with mandatory supervision.

The fourth issue raised by our own committee concerns the review and termination of the legislation. A review clause was added to the bill following the deliberations of the House of Commons committee. The clause does not provide for the automatic termination of the detention and one-chance mandatory supervision provisions, but rather retains the flexibility of review that is necessary to ensure that the safety of the public remains our primary concern. Moreover, the provision in the bill provides for the review to be undertaken by a committee of the House of Commons, or by a committee of both Houses of Parliament, which would include this chamber.

Honourable senators, no one has suggested that the detention of an inmate beyond his or her expected release date resulting from earned remission is anything other than a remedy of last resort. Moreover, this government is sensitive to the criticism that extended detention may simply postpone the problem. However, Correctional Services and the Parole Board will have at their disposal some extra time to intervene with these few dangerous offenders and attempt to reduce the risk that they pose to society.

Honourable senators, we have had this argument placed before us time and again. Some members of the committee used it themselves, and that is that eventually that inmate must be released. We cannot hold him forever and if, eventually, he is going to commit a crime, what are we doing just keeping that person inside? Honourable senators, if that be the logic, then I suppose one could make the case that one ought never to incarcerate a dangerous person because eventually one must let him out.

I would like to make the point that if you added up the number of days, weeks or months that one can keep a violent person inside, and added up all those numbers of persons who are involved in violent crimes, I suspect that we would have that many fewer victims in this country.

Therefore, honourable senators, I am urging upon all of you the concern, especially that expressed by victim groups who appeared before the committees of both houses that, for many of these dangerous people, the longer they are inside, the less often this kind of crime will occur. It is difficult to explain to victim groups, for example, that a Clifford Olsen was a mandatory supervision case, notwithstanding the fact that, indeed, he was out on mandatory supervision for a crime that was not particularly violent. However, the fact remains that he was a mandatory supervision case. He was a person serving his sentence on the street while he was committing those 12 or 15 dreadful murders.

Honourable senators, the question of reducing risk is really at the heart of this bill, and I suggest we ought not to lose sight of that in our deliberations. The safety of the public is of primary concern. In the past, there have been too many victims. Admittedly, there may be other ways to achieve this essential goal than that which the government has proposed, each with their own strengths and weaknesses, and their relative merits could be debated indefinitely. The government has listened to a great many of these suggestions and, in my opinion, has acted responsively. It is confident that the legislation before us is reasonable and balances the interests of the many divergent groups that will be affected by it. No one pretends that the passing of this bill will end all senseless, violent acts by released inmates. There is only one guarantee: every further day of delay jeopardizes innocent people and puts them at risk.

This bill has been debated; it has been studied. I suggest, honourable senators, that it is time for us to act. I seek the co-operation of all honourable senators, as I believe do all law-abiding citizens in this country, in ensuring that we give this bill speedy passage.

Senator Hastings: Honourable senators, my first words must be of commendation to the mover of the bill this morning on behalf of the government. I have worked very closely with him over the past three or four years on this bill, and in the process we have both become very knowledgeable of it. I listened very closely to his presentation in defence of the government bill and to some of his views, and I will have an opportunity to discuss them with him more fully when we proceed to study the bill in Committee of the Whole.

I wish to deal first with the observation that the mover made in his last closing remarks about the protection of the public. I

think all of us here are concerned about the protection of the public. That is why we pass laws. However, let me deal first with the observation in that same light that was made by the former Solicitor General in the House of Commons at third reading of this bill. It was the last item of business of the day on Wednesday, June 18, 1986. He said:

> —that every further day of delay jeopardizes innocent people. When we continue to talk, it is their safety that is at risk.

I am suggesting to honourable senators that there is not one iota of evidence put forward to the committee that this bill extends any great deal of protection to society, and I suggest to you that, indeed, it is just the opposite. Some of the evidence that was offered means that the community will indeed be called upon to pay a price for unjust custody. When a man has served his sentence according to law, and then is forced to remain in custody on the basis of the finding of a government board, we may find that society will be called upon to pay an additional price at the time of final release.

Honourable senators, this bill was in the House of Commons for one year. There was no great panic to have it passed to protect the public. The public's safety did not seem to be considered to be at risk during that year; it was only when it came before the Senate that we were told, "The public's safety is at risk. Pass the bill in two hours." We were asked to pass the bill on the day on which Parliament was scheduled to adjourn for the summer. I could not give leave because the treatment of the subject is at risk.

● (1030)

This bill was referred to the legislative committee of the House of Commons. The committee reported the bill back to the house and the bill then just sat there for 139 days, from January 29 to June 17. It is evident that the public's safety was not at risk during those 139 days because any responsible minister believing that the public's safety was at risk would have brought the bill forward much more quickly.

What was the House of Commons doing for those 139 days when the public's safety was at risk? For one month the house discussed the Employment Equity Bill, a bill which is simply a census or a statistics-reporting bill, as the Senate found out when it was considering that bill. The public's safety was said to be at risk, yet the house dealt with that bill.

Then the house discussed the Royal Canadian Mounted Police Act and an act to amend the Excise Tax Act and the Excise Act and to amend other acts. Those were crucial pieces of legislation when the public's safety was at risk.

What else was the House of Commons considering? Amendments to the Canada Deposit Insurance Act. That bill was given third reading. It was crucial to put that ahead of public safety when all that bill did was increase payments paid by members of the CDIC. An Act to authorize the divestiture of Canadian Arsenals Limited and to amend other Acts was given third reading. That was very crucial and was put ahead of the public's safety. That act provides that government assets be sold to the private sector. That was absolutely vital when the safety of the public was at risk.

Then the house dealt with the Marine Atlantic Inc. Acquisition Authorization Bill. That received third reading in the House of Commons on June 20. I am sure that it was vital and crucial to all Canadians that that bill go ahead of this bill. That was simply a bill to change the name of CN Marine to Marine Atlantic Inc.

Then the House gave third reading to the Competition Tribunal Bill. That took precedence.

A bill respecting the Archives of Canada was given second reading on June 11, yet we are told that the public safety is crucial.

Then the House dealt with an Act to implement the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards. That was given third reading. The Currency Act was given third reading. It was more important to provide the operators of vending machines with a silver dollar than it was to deal with this bill that impacts on the safety of the public. Of course, there are other bills that the House dealt with, and all of them were put ahead of this bill that we have been told impacts on the safety of the public. Honourable senators, as I have said, there is overwhelming evidence to the contrary.

This bill finally came up for third reading on June 18. If the bill is so vital and if the public's safety is at risk, why was this bill not called for third reading on June 19 or June 20 and sent to the Senate so that adequate consideration could be given to it? Why was the bill not put up for third reading on June 26 when the House of Commons was in session? All of this was not done, yet we have been told that this bill is vital to the public's safety and that every day that goes by without passage jeopardizes innocent people. Finally, after six months before the House of Commons, the bill was referred to the Senate and within hours of adjourning for the summer we were told, "Pass it!" I suggest, honourable senators, that the action of the government in asking this chamber to pass a bill which impacts on the freedom of Her Majesty's subjects in one hour is an affront to this chamber and certainly an affront to the committee which has been making a pre-study of the bill over the past months and which has not yet completed its considerations.

As I have said, honourable senators, there is overwhelming evidence to the contrary, that we are not, in fact, protecting the public by passage of this bill. That was the evidence of Mr. Outerbridge. He said that this bill has no great impact on the public's safety. That was also said by others. That was said by the victims, to which the Honourable Senator Nurgitz referred.

Let me put on the record an article written by Bob Robinson. He is a victim himself and a member of the Alberta Victims of Violence. He says exactly and precisely what this bill will do. He states:

> The public outcry will be placated at least until it is discovered that ending or changing Mandatory Supervi-

sion will not change the nature of the problem one iota—such a change would be cosmetic at best.

The public has every right to be concerned with rising incidents of violent crime in society. It is justified in criticizing the justice system when a significant number of these violent acts are committed by those recently released offenders—but the solution to the problem does not lie in attacking MS. Such a solution would in effect avoid the real problem altogether. The present danger is that MS will be used as a scapegoat at the expense of seeking real solutions.

I suggest, honourable senators, that that is what this bill is all about.

We have had evidence from approximately 90 per cent of employees of penitentiaries. The Senate committee took the time to go to the wardens and the on-line staff in these institutions to obtain their views on the bill. Their opinion represents years of service in the corrections field, years of service and of direct contact with the people we are talking about, and I can tell honourable senators that they do not support the bill. All of the agencies that appeared before the committee when it was considering Bill S-32 in 1983, and when they appeared before the legislative committee of the House of Commons, and when they appeared before the Senate committee on its pre-study of this bill, did not come forward in support of this bill. Not one witness came forward in support of this bill except the civil servants and the minister, who are obliged to support it. Not one independent witness supports the bill. Those witnesses include the John Howard Society, the Elizabeth Fry Society and the Canadian Bar Association, associations which have years of experience in dealing with the corrections field. All of their advice will be ignored if this bill is passed.

Let it pass if it must, but let the record indicate that everyone in corrections—from those who work in our institutions to those who provide after-care—oppose this bill and are not hesitant to advise us that there is not one iota of public safety in this bill but an overwhelming element of political symbolism and tokenism.

• (1040)

Senator Nurgitz dealt with remission adequately, but I would just point out to him that he used the term "automatic release". Let me, if I may, deal for one minute with the concept of remission so that it will be clear and understood by all concerned.

Remission of sentence is a procedure that has been practised in Canada for over 100 years and is in use in every enlightened jurisdiction in the world. In Canada we remit one third, 33 per cent, of the sentence, but in some countries 50 per cent of the sentence may be remitted for good behaviour. Here, remission is granted by act of Parliament, namely, the Penitentiary Act, section 24. Why does remission exist? It is a valuable tool in the administration of penal institutions. It gives the inmate an incentive to be on good behaviour; that is why we grant it.

I maintain that it is a deal made between the authorities and the inmates whereby if any inmate coming into an institution behaves himself and applies himself to the best of his ability in the programs available in the institution, he will then be awarded 15 days off for every 30 days he serves. It is very valuable. But when the man has served his time, his two thirds, and it is time to go, there is nothing automatic about it, and it is not "early release"; he has earned it. He has earned it by behaving in custody as we asked him to do.

He is told of the amount of earned remission every month. For example, he is told, "You have earned 15 days' remission," or "You have not earned this remission." He knows as his sentence progresses that his remission is building.

There are two dates an inmate is given on arrival in an institution. He is told, "This is your parole eligibility date," and "This is your mandatory supervision date." We tell him at the beginning, "Behave yourself. Do this, and we will give you that."

So, what this does for a typical prisoner is that up until that point, the two thirds of the sentence has been served according to the law and he is entitled to be released. But it is not early release and it is not automatic.

Everyone knows, except, it seems, the secretariat in the Department of the Solicitor General, what his sentence is and how it is going to be served. The judge knows when he gives a man six years that he will serve four in custody and two out in the community, if he behaves himself. The prosecutor knows, the defence knows, and the inmate knows. Everyone knows.

In fact, I can recall Senator Nurgitz telling us at one committee meeting about a discussion he had had with a judge, who had told him how he decided how much time a man should stay in custody. For four years he added 50 per cent: six years was his sentence. So, the judge knows perfectly well how much time the inmate will serve. You can say, as some seem to want to say, "Well, the judge cannot do that." Judges are not fools. Judges can add a third. Judges can divide by three. And that is what they do.

When it reaches that point, every inmate knows that he has served two thirds of his sentence. What this bill does at that two-thirds point is a breach of contract. You have made an agreement with men and women. They have done their part. They are entitled to be released. The sentence has been served according to law, and yet this board says, "No way. You are not going anywhere." It is a breach of contract—based not on something he has done but on something he might do.

In this country do we put people or keep people in custody for something they might do? Is that the new order? Or is a man, once his sentence has been served, entitled to his freedom? That is the first issue.

We have 11,000 inmates in custody in Canada today who have earned their remission. They have done their part as you have asked them, as the Parliament of Canada has asked them. If you pass this law, you put it all in jeopardy; you break your contract; you introduce retroactively a cancellation of that contract. Many members of this house had a lot to say

about retroactivity when it came to energy policy, and it did not take long to change that. I submit, honourable senators, that what was good in energy policy is just as valid in corrections policy—even though the constituents you are affecting do not have the resources the Canadian Petroleum Association does to mount a campaign in this institution. But breaking an agreement is breaking an agreement. By what procedure? That is the second issue I wish to discuss, I hope briefly.

The Commissioner of Corrections will refer to the Parole Board any inmate he thinks is likely on release to commit a violent offence. The board will hold a hearing; but, make no mistake, that hearing is a trial. It is a trial after the sentence has been served. It is a trial without an offence having been committed. It will be a trial to decide whether we keep someone in custody because of something he might do. If we are going to put people or keep people in custody on the basis of something they might do, we are going to need much bigger institutions.

The board will hold its hearing. The board will decide what information is to be supplied to the inmate in the form of a statement. It will also decide what information it can withhold from the inmate and it will decide whether or not the inmate may have counsel present, or some friend, but if a friend or counsel is present, all they will be permitted to do is make a statement to the board.

Think of the power you are going to give this board with this bill. Think at the same time of the observation of Chief Justice Bora Laskin who said:

> The plain fact is the Parole Board claims a tyrannical authority that I believe is without precedent among administrative agencies. It claims an unfettered power to deal with an inmate almost as if he were a puppet on a string.

The former Chief Justice told you of the power this board has, but what he said will be ignored as we seek to give the board the power to judge an inmate on something he might do. How convenient! It will all be done in the backroom of a penitentiary where the inmate faces all the power of the state. The requirement will not be for proof beyond a reasonable doubt. He will be found guilty not on the basis of proof beyond a reasonable doubt but on the basis that we think he might do something.

● (1050)

Honourable senators, what basic elements of justice prevail in that type of administrative hearing when you are affecting the freedom of Her Majesty's subjects? The Senate of Canada has been consistent about this procedure. It was in 1974, after we had studied parole in Canada under our former colleague, Senator Goldenberg, that the Goldenberg report was issued. Many reforms in the parole system came about as a result of that excellent report completed after a two-year study. One of the recommendations in that report indicated that the Parole Board should not be the sole decision maker with respect to violent offenders. Honourable senators, we are ignoring that recommendation. In 1983, when we studied Bill S-32, honourable senators had a great deal to say in support of that recommendation. We said it again when Bill S-32, which provided that the board would make the decision, was under discussion. We argued this point; we discussed it; and we put it to the minister. I appreciated the great support my colleagues opposite offered at that time. We were successful in having the Solicitor General at that time, Mr. Kaplan, amend the bill. Mr. Kaplan acceded to our request, which we thought was legitimate, and amended that bill in June 1983. Honourable senators, that was a unanimous decision and it has been a unanimous decision every time the Senate has had occasion to discuss it.

We said it again when we put forward our interim report in May 1986. In our report we stated that we had listened to the arguments of the minister, but, with respect, we could not accept them. Honourable senators, according to our committee report, signed on behalf of Senator Nurgitz on May 14, we could not accept the arguments of the minister, but we could accept them on June 27.

Honourable senators, in our report dated May 14 we stated quite clearly that the first issue we had to deal with was the question of what is the appropriate body to make the decision. In this regard we stated the following:

> It is the opinion of the Committee that the legislation should reflect the principle approved by the Senate when it adopted Bill S-32 . . . (on June 6, 1983), namely, that the courts, rather than the National Parole Board, should make decisions respecting the continued incarceration of inmates . . . We have heard the comments of the Solicitor General with respect to the appropriateness of the Board taking on this responsibility, but with respect we disagree.

Senator Frith: Who presented that report?

Senator Hastings: This is the twenty-first report of the committee over the signature of Senator Derek Lewis for Senator Nurgitz. Senator Nurgitz, as I recall, was chairman of the committee in question. Senator Barootes was present at the meeting during which that decision was made. Senator Flynn, a former Minister of Justice, was also present at the meeting when that decision was made. Senator Doyle was present when we decided, on May 13, that after hearing the views of the minister, we could not accept them. On May 13 we could not accept them, but today they are not bad.

In 1983, when we were successful in persuading the former Solicitor General to accept our amendments, Senator Nurgitz replied on that occasion:

> The original proposal of the minister who came before us was that the National Parole Board could rule, if, in their judgment they thought a person might be dangerous, that that person serve the rest of his sentence within the institution. We thought that that was harsh and not that much different than the gating, which has now been determined by the Supreme Court of Canada to be illegal. I am more than satisfied with the amendments proposed by the minister—

In 1983 Senator Nurgitz said that he was more than satisfied with the minister for proposing those amendments. Later on in his observations Senator Nurgitz went on to state:

> I might say as well that an accused has an opportunity, following a finding of the court against him, to appeal to the provincial court of appeal. It could be an appeal based on fact, or law, or a mixture of both.
>
> A person's civil liberties are well protected under the present proposed amendments. I know my good friend, Senator Hastings, was deeply concerned about this.

I was and I am today.

Senator Bosa: That is obvious.

Senator Hastings: What about other sources with respect to the judicial decision? I refer honourable senators to a document entitled, "Mandatory Supervision: A Discussion Paper", issued by no better source than the Solicitor General himself. Honourable senators, this is not my own view. This is the view of men who have had years of dedicated service with respect to corrections in Canada. They range from wardens of institutions to parole officers. Their view is stated as follows:

> This sub-option has the disadvantage that the "dangerousness" label is serious enough to warrant being judicially reviewable, both on its substantive merits and the procedures by which the finding was made.

That is the staff telling the government what should be done, and it is what our committee found when we travelled through the institutions. They go on to talk about the benefits of this program and, I admit, there are some slight benefits. They state:

> Finally, the ultimate benefits of this option are actually rather limited. Half the offenders entering penitentiary have a sentence of three years or less, and three-quarters get less than 5 years. The average amount of additional time served (that would have been earned as remission) in penitentiary as a result of this option would be about a year.

That is what we were told. This goes on to state:

> While society would be protected by the incapacitation of the offender for the additional time, his recidivism may only be delayed and in fact he may—as a result of the labelling, additional time served, bitterness and possible symbolic status in the penitentiary—be more likely to recidivate than under the present system.

This is the element that I want to draw to your attention. When we say we are protecting society, these men are telling you that you may not be protecting society, but that you may be creating an attitude towards even more violence on the release of that inmate on warrant expiry.

Honourable senators, the idea is put forward that we will have another year to work with the inmate. I do not know whether the people making those statements understand the men we are working with. Senator Doyle and I had an opportunity to talk to these types of people. All we can do with this type of man and the only program this man can participate in—and there are many—is valium three times a day to keep him calm and functional. So, what is his program for the next year? Valium three times a day. For the others, the evil men—and there are evil men—we haven't money enough to buy a program. But we will make them worse by keeping them in for another year.

• (1100)

What will happen during that year? When, in five years, nothing has happened, how can they expect that something is going to happen in that last 12 months? Will the inmate be struck by the hand of God? Most of these people are sick. Out of the ten men and one woman who were gated, seven were mentally disordered individuals, and that is the ratio we will be working with. They are mentally disassociated; they are mentally ill, and they should not be detained in a penitentiary. But society will not provide any other form of custody. I understand the problem. They should be in custody and will have to be in custody for many years, but my point is that they should not be held in the penitentiaries. All they do is disrupt the entire penitentiary and they spend their time, honourable senators, in the hole because of that disruption.

I want honourable senators to think for a moment about this: When this individual is gated, do you think he does not know who has gated him? He knows that it was the men in that penitentiary who have been working with him, that that is where it started. And do you think he will come near them or have anything to do with them for that 12 months? Do you think they will be able to work with him during that period? Do honourable senators not understand the problem they are going to give to their custodial officials in detaining this sort of inmate for that 12-month period? He knows who has triggered this; he knows who has put the finger on him. He will be a problem the whole time he is detained in custody in prison. We know that; the men in the penitentiaries told us that.

I asked one individual: "Would this man understand the procedure of gating?" He said, "He certainly would." I asked what would be the result of that. He said, "I would not want to be near him." I asked a custodial official on another occasion whether he foresaw any problem with this sort of inmate once he is detained and kept in custody. The man replied that there would be no problem if there were three or four such inmates. I asked him what would be the case if there were 100—and, honourable senators, that is just a guess. There will be 200 such inmates and the maximum security institutions will have 30 of them. In reply to my question he said that that will be a problem. So, honourable senators can ignore his advice if they wish and put more pressure on the institutional staff—as if they do not have enough already, with all of the violence they have to put up with in those institutions. Pass this bill and we will put 100 more problems on their shoulders. We will destroy any of the work they have been able to do during the time those inmates have been in custody.

Honourable senators, I have said that the staff do not support this legislation. I just wish to read a recommendation contained in a study entitled "Release on Mandatory Supervision of Mentally Disturbed and Dangerous Inmates". This

study was prepared by the Evaluation and Special Projects Division of the Corrections Service of Canada. Recommendation No. 6 states:

> That CSC encourage the Ministry to retable, at an early date, the proposed legislation to allow for a court review of the MS release of dangerous offenders. It should be noted, however, that this only postpones the problem until Warrant Expiry, at which time it is no longer possible to make supervised release plans for these offenders.

Finally, honourable senators, I wish to quote from a decision of the Federal Court of Canada regarding one Howard, an inmate in Stoney Mountain Penitentiary, and a presiding officer of an inmate disciplinary court. The inmate asked for and was denied counsel, so the Federal Court was asked to adjudicate the matter. This is the judgment of Mr. Justice Thurlow and Mr. Justice MacGuigan.

> An inmate's liberty is at stake . . . because his earned remission is in jeopardy . . . In this case, the appellant's entire earned remission was in jeopardy . . . He was entitled to counsel to adequately present his defence.

Honourable senators, that is what this detention hearing will do—it will place the inmate's entire earned remission at risk. The judge has ruled that according to the basic fundamentals of justice, in answering the charges against him this man was entitled to counsel. He was entitled to counsel where an offence had been committed, but the legislation we are passing here will provide that although he might have counsel at that hearing, his counsel will only be able to make a statement. He will not be able to cross-examine. Surely one of the basic fundamentals of justice, as I, as a layman, understand it, is the right of the inmate to know the charges against him and the right to respond to them. That right to respond carries with it the right to counsel and his ability to cross-examine. I repeat that counsel will be unable to cross-examine at these hearings. He will only be able to make a statement at the end of the hearing, saying that he does not think Johnny will be a bad boy. That is all he can do. He cannot ask those on the other side to prove beyond doubt their allegations.

Again I quote from Mr. Justice Thurlow:

> —in a social system which recognizes the right of anyone to counsel in any of the ordinary courts of law for the defence of any charge, no matter how trivial the possible consequences may be, it seems to me to be incongruous to deny such a right to a person who, though not suffering from any physical or mental incapacity to defend himself, is faced with charges that may result in a loss of his liberty, qualified and fragile though it may have been, for some 267 days.

Finally, Mr. Justice MacGuigan on the same point:

> It is sufficient for the present that revocation of earned remission was a possible punishment—although in fact here it was also the actual punishment and not merely a possible one. In such circumstances penitentiary inmates are entitled not to be deprived of their right to liberty except in accordance with the principles of fundamental justice . . . The right to counsel would . . . include the right to confront and cross-examine adverse witnesses . . .

[Senator Hastings.]

Honourable senators, I might have spoken for too long. We have worked together on this legislation for four years now. I do not think I have wavered in my views with respect to the inadequacy of certain portions of the legislation as explained by the sponsor. I intend to continue with all my capability to enlighten the government, with respect to these hearings, on the need to amend this legislation, to make it a better bill, to appeal for understanding, logic and reason. I have done all I can in loyalty to my conscience to convince honourable senators and to convince the government of my conviction that this legislation is inadequate. As an appointed official, I cannot block the will of an elected government. But insofar as I have been able to as an appointed official, as a senator of Canada, I think I have done my duty. I make no apology for this sitting today or for the sittings that will be held in the future as we continue to discuss these bills. In those days I shall continue to appeal for logic, reason and understanding when the freedom of the individual is placed in jeopardy.

● (1110)

Some Hon. Senators: Hear, hear.

Senator Nurgitz: Honourable senators—

The Hon. the Speaker *pro tempore:* I wish to inform honourable senators that if Senator Nurgitz speaks now, his speech will have the effect of closing the debate on second reading of this bill.

Senator Nurgitz: Honourable senators, I have a few brief comments. I should like to thank Senator Hastings for his thoughtful presentation. No one is asking him to apologize for exercising his right in expressing a view which we all know he strongly holds. That has not been an issue on this side or among his colleagues in committee.

The honourable senator referred constantly to the liberty of the subject. I am sure that none of us here wishes to take any steps which would interfere drastically with the liberty of any subject. The question really is one of striking a balance between public safety and measures which have to be taken.

I have a few brief comments to make on the substance of the honourable senator's remarks. One concerns the question of appearing before the Parole Board with all the power of the state against a particular individual. Honourable senators, from the moment that a man or woman is arrested for an offence and faces trial, possible appeal and whatever else, he or she is facing, I would hope, the very power of the state. That is how the system works.

The honourable senator asked, "Where is the urgency; where is the great risk? This bill was sitting in the House of Commons for many months." The honourable senator is well aware that from September to June the Senate committee was urged to produce a report and to deal with the minister on it. I regret to say that the Standing Senate Committee on Legal and Constitutional Affairs was urged, pushed and pressed. I believe the Solicitor General gave all kinds of indications that he wanted the bill to move ahead quickly.

Senator Hastings, in referring to the term of the sentence, mentioned that according to law the inmate was entitled to release after serving two-thirds of his sentence. Honourable senators, we are changing the law, but we are not changing the law for 11,000 inmates, as one could be led to believe; we are changing it for 150 high-risk, obviously violent inmates. I believe Senator Hastings put it best when he said they were sick.

I do not know what the problem is either technically or medically. I do not disagree with anything that the honourable senator said at the conclusion of his remarks. The people to whom I referred are those who, in the words of Senator Hastings, at the urging, I believe, of Senator Frith, "should be in custody, but not in a penitentiary." I stand to be corrected, Senator Hastings, but I believe those were your words. But having said that there is no place where they can be put in custody, is the answer to the problem to put them on the street? Is it the answer to put small children or innocent women, or other law abiding citizens at risk? Is that the answer?

I quite agree with the honourable senator that those people are not normal by the ordinary test of human behaviour. I accept that, and so, I believe, does the committee. The question is: What do we do? Honourable senators can take the view that because keeping them in the penitentiary does not cure them—and I accept that also—then "let us just put them out on the street." But, honourable senators, I am afraid that the response of the public to that would be something less, I would suggest, than Senator Hastings would like to hear.

There was some discussion concerning retroactivity. This bill has been introduced because of the fear that there is within Canada's prison population—in committee we were given the figure of 150 out of a population of 11,000—150 very dangerous and obviously very violent high risk people. To say that this bill will not apply to them is to say, "We are going to release 150 inmates and let the chips fall just where they may; just keep off the streets."

We have been given an assurance—I believe by the minister and certainly by officials—that there is an opinion given by the Department of Justice that this legislation does not breach the Canadian Charter of Rights and Freedoms. I confess to honourable senators that it is an important matter and one that quickly comes to mind, without attempting to give a legal opinion. It may well be that the courts will decide that we cannot impose this on people who are already sentenced. That may be so, but I do not know that it is for us to play lawyer in this matter. I am simply saying that we have been assured that the legislation does not breach the Charter.

The minister and officials have come forward and said that there is a high risk, that there are dangerous people in the institutions. Let it be for the reasons which Senator Hastings has described—I accept that. But what is the answer? I suggest, honourable senators, that we move ahead with this piece of legislation, but that Senator Hastings should continue to do what he is doing. We bless him for what he is doing, that someone like him is mindful of the situation and will be monitoring this type of legislation; and if improvements have to be made, then they will have to be made. In the short term I do not have an answer, but I suggest, honourable senators, that to put violent inmates out on to the streets is not an answer.

Hon. Gildas L. Molgat: Would Senator Nurgitz permit a question?

Senator Nurgitz: Certainly.

Senator Molgat: If I understood the honourable senator correctly, I believe he said that there had been pressure applied to or requests made of the Senate committee to produce a report. Did that in any way prevent the government from proceeding with the bill in the House of Commons? Were they waiting for the Senate report?

Senator Nurgitz: No, honourable senators. It could have come to the Senate and been amended here. The Solicitor General was very clear: "Let me know your amendments." In fact, the inclusion of the regulations, as honourable senators know, was a topic very close to the heart of Senator Godfrey, who, I believe, joined the committee almost for that purpose, namely, of urging us to get the provision in the bill and not in regulations. It was also one of the items to include a provision to have the Senate as part of the review committee—another recommendation of the interim report of the committee—made part of the bill. So, we were urged. However, I quite agree with Senator Molgat that it could have gone ahead the other way.

Senator Molgat: Honourable senators, I have a further question. I thought I had understood from Senator Nurgitz that some of the witnesses who appeared before the committee had been favourable to the bill. However, I thought I heard Senator Hastings say that none of the witnesses, except departmental people, supported the bill. Could Senator Nurgitz clarify that for me?

Senator Nurgitz: Certainly. In reviewing the matter over the weekend—I am thinking now particularly with respect to Bill S-32—a lady by the name of Mrs. Clausen, who appeared with a victims' group, was supportive of this kind of legislation. She clearly was supportive of a gating type of legislation—without going into particulars of this kind of process. This was supported by the Citizens United for Safety and Justice, who made a presentation to the House of Commons committee. It was supported by a group called Victims of Violence, by a group called Victims of Justice and by the Queen's University Correctional Law Project.

• (1120)

Motion agreed to and bill read second time, on division.

REFERRED TO COMMITTEE OF THE WHOLE

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

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I move that the bill be referred to Committee of the Whole later this day. The hope is to deal

with both Bill C-67 and Bill C-68 in Committee of the Whole at the same time.

Motion agreed to and bill referred to Committee of the Whole.

THE PAROLE ACT AND RELATED STATUTES

BILL TO AMEND—SECOND READING

Hon. Nathan Nurgitz, moved the second reading of Bill C-68, to amend the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and the Criminal Code.

He said: Honourable senators, I have some comments to make with respect to Bill C-68 which, like Bill C-67, also received third reading very late in the proceedings in the House of Commons. While Bill C-68 addresses concerns of a more technical nature, it nonetheless contains important changes to the conditional release statutes which are long overdue. The last significant amendments to the Parole Act, Pentitentiary Act and Prisons and Reformatories Act were made in 1977, some nine years ago. There is some suggestion that oversights at that time are in need of correction.

The amendments in this bill are intended to clarify the calculation and administration of sentences, as well as to facilitate the operation of the National Parole Board, the Correctional Service of Canada and provincial correctional departments. Some of the proposed amendments have appeared along with more substantive amendments in previous bills which were not adopted by Parliament, and we have discussed some of those today. During the review of Bill C-68 before the Commons legislative committee, a number of witnesses offered comments and suggestions on various provisions in the bill. As a result of these suggestions, a number of motions to amend the bill were put forward and adopted by the committee. The government is confident that the bill before you reflects the best possible effort to provide for the effective administration of custodial sentences imposed by courts throughout this country.

Regrettably, this bill did not receive the same attention in our Legal and Constitutional Affairs Committee as Bill C-67. I would like to take a few minutes to highlight for honourable senators a few of the features of the bill. First, I shall deal with the Parole Act. It provides for the calculation of sentences for inmates in federal penitentiaries, as well as for release of those inmates on parole or under mandatory supervision. Since its proclamation in 1959 the Parole Act has been subjected to periodic amendments, largely initiated in response to immediate pressures and events. The board has grown from five members to close to 26 permanent members and approximately 75 temporary members, from a centralized establishment in Ottawa to a more mobile service that now operates across the country, and from reviewing parole applications on paper to review by hearings, with all the safeguards that are inherent in that process. Since the Honourable Senator Hastings has referred to several cases involving the penitentiary and parole service, I would point out that it also handles a heavy caseload of litigation.

[Senator Doody.]

Senator Hastings: There will be more.

Senator Nurgitz: Senator Hastings has just assured us in good faith that there will be more such cases.

In many cases correctional authorities are attempting to cope with the current situation with an inadequate and out-of-date framework. The amendments address, I believe, some of the shortcomings of the existing law.

A primary concern in the Parole Act which Bill C-68 addresses is that of ensuring that sentences of inmates confined in federal penitentiaries are calculated so as to reflect accurately the intent of the judge who sentenced the offender. Section 14 of the Parole Act was originally enacted to facilitate the calculation and administration of sentences by correctional authorities. The section attempts to achieve that purpose by deeming different terms of imprisonment which were imposed either at the same sitting of a court or on separate occasions, and for which there would normally be different parole eligibility dates and release dates, to constitute one single sentence for which there is only one parole eligibility date and one release date. I emphasize that the deeming provision does not modify the duration of the sentences imposed by the courts. The single sentence it creates begins on the earliest day on which any of those sentences commenced and ends on the final day of the last to expire.

Although there is no doubt that section 14 has been of great assistance in the administration of the majority of sentences, its present wording suffers from certain shortcomings which limit its application and prevent correctional authorities from giving the full and proper effect to sentences imposed by the courts. For example, under the present section 14 situations have arisen where a judge has sentenced an offender to a substantial term of imprisonment only to find that the offender is immediately eligible for, or indeed is released on, parole due to the effect of combining the new sentence with the old. Such anomalous results are a source of great concern both to the public and to correctional authorities, and this bill clarifies that situation.

Other amendments to the Parole Act will not so much correct oversights as they will eliminate redundancies and obsolete provisions. I do not wish to get into all of them, but, for example, the definition of a magistrate has been deleted, since the substantive section to which it related was repealed by previous legislation. There are other such housekeeping amendments. Some of these amendments pertain to the Penitentiary Act, the act which provides for the administration of our federal penitentiaries. These amendments do not embody substantive changes in policy. Rather, they are attempts to correct some longstanding technical problems. For example, the name of the Canadian Penitenitiary Service will be officially changed to Correctional Service of Canada to reflect in the statutes the amalgamation of the Penitentiary Service and the National Parole Service which took place some nine years ago. This long overdue amendment will permit the official use of the designation Correctional Service of Canada, which has been used in practice since 1977.

There are other such related amendments. For example, there has been some disagreement between federal and provincial authorities. There is a practice where certain inmates serving provincial sentences—that is, a sentence of two years less a day or less as opposed to federal offences of two years or more which are served in federal institutions—who would ordinarily be in provincial institutions serve their time in a federal institution because of proximity to family and for other reasons. There are amendments to those acts which clarify many of those kinds of arrangements.

• (1130)

Some of the amendments also deal with terminology. For example, the use of the terms "rules" and "regulations" will be made consistent throughout the act. There is also a good deal of repeal of obsolete provisions. Lastly, one amendment will be made to the Criminal Code in consequence of the amendment to the Penitentiary Act respecting the limited designation of certain members of the Correctional Service of Canada as peace officers. As honourable senators may recall from another piece of legislation, there is a very lengthy designation of "peace officers" in the Criminal Code and for the purposes of the administration of the Penitentiary Service, some of those members will be included.

In conclusion, honourable senators, I am sure that you will agree that those who are charged with the onerous duty of dealing with convicted offenders on a day-to-day basis need up-to-date legislation in order to carry out their duties. In my opinion, this bill is a good beginning to modernizing the correctional law and eliminating technical obstacles to understandable and efficient correctional programs. This bill will update and streamline the legislation in this field and for that reason I urge support for it now.

Hon. Earl A. Hastings: Honourable senators, I would like to say briefly that whenever I hear a minister or anyone else introduce a bill by saying, "These are merely technical amendments," I always feel I have to take a second look. I agree with Senator Nurgitz: It is a technical clean-up of some matters with respect to the operation of the Parole Board and the Correctional Service of Canada. However, whenever we try to, in your words, reflect the judgment of the court, it seems to me that it always results in a lengthening of sentence. It also seems to me that the Correctional Service of Canada and the Parole Board are obsessed with the lengthening of sentences and, in that connection, I would like a very careful scrutiny of clause 14 of this bill with the sentence administrator when we come to deal with it in Committee of the Whole.

Other than that, I think I must agree with Senator Nurgitz. This bill takes care of a great many technical amendments. However, with respect to amendments that lengthen the sentence, it seems to me, as I have said, that we are obsessed with lengthening the sentence. When a man is sentenced to five years by a judge and he has six months left on his old sentence, it seems to me that there is great attention paid to the adding on of that left-over six months, notwithstanding that the man will be in custody for five years. In other years, we seemed to place more importance on getting that sentence lengthened instead of adopting the view, as I suggest we should, that five years in custody is plenty for any inmate. In my view, we do not need to be so concerned or so obsessed with lengthening sentences.

As Senator Nurgitz has indicated, computing sentence has become a growing industry within the Canadian Penitentiary Service. We have amended bills and changed bills, and we are preoccupied with what kind of sentence it was, depending on what the judge has said. I understand now that we have a sentence calculator in every institution and an auditor in every region. We have confused the issue so badly over the years and, while I hope that this bill will clarify this area, I have some doubts that it will, in fact, add much to it. Perhaps it is time the Solicitor General gave some consideration to a complete overhaul of all the acts pertaining to this subject in order to make it one act with one regulation instead of the present situation, which creates confusion among inmates and among staff in computing sentences.

With those few remarks, I would like to support the bill, but it is in bad company with Bill C-67. However, we will give consideration to it following an explanation of clause 14.

Senator Nurgitz: Honourable senators—

The Hon. the Speaker *pro tempore:* I wish to inform the Senate that if the Honourable Senator Nurgitz speaks now, his speech will have the effect of closing the debate on the motion for second reading of this bill.

Senator Nurgitz: Honourable senators, I stand on the same good faith as Senator Hastings, and, like him, I urge you to give speedy passage to this bill, notwithstanding its friend.

Senator Frith: It has fallen amongst evil companions.

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE OF THE WHOLE

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

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I move that the bill be referred to Committee of the Whole, and that the Senate do now resolve itself into a Committee of the Whole for the purpose of considering Bill C-67 and Bill C-68.

The Hon. the Speaker *pro tempore:* It is moved by the Honourable Senator Doody, seconded by the Honourable Senator Murray, P.C., that this bill be now referred to Committee of the Whole.

Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill referred to Committee of the Whole.

PAROLE ACT
PENITENTIARY ACT

BILL TO AMEND CONSIDERED IN COMMITTEE OF THE WHOLE

The Senate was accordingly adjourned during pleasure and put into a Committee of the Whole on Bill C-67, the Honourable Senator Rhéal Bélisle in the Chair.

Pursuant to rule 18 of the Rules of the Senate, the Honourable James Kelleher, P.C., Solicitor General of Canada, was escorted to a seat in the Senate chamber.

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Mr. Chairman and honourable senators, I have the great honour and pleasure of welcoming on your behalf to the Committee of the Whole, for the first time, the Honourable James Kelleher. Mr. Kelleher is a distinguished member of the Bar of Ontario, and a Q.C. still. He is the Member of Parliament for Sault Ste. Marie, and has been since September 1984. He was the Minister for International Trade until Monday last, when he became the Solicitor General of Canada. Thank you, Mr. Chairman.

The Chairman: Honourable senators, the Senate is now in Committee of the Whole to give consideration to Bill C-67, intituled: "An Act to amend the Parole Act and the Penitentiary Act."

Shall consideration of the title of the bill be postponed?

Hon. Senators: Agreed.

The Chairman: I ask the honourable minister to make a short statement.

Hon. James Kelleher, P.C., Solicitor General of Canada: Mr. Chairman and honourable senators, I listened carefully to the remarks of Senator Murray in which he said that I still have my Q.C. I regret to say, Senator Murray, that when I expressed to my colleague, the then Minister of Justice, Mr. Crosbie, my concern over the proposed amendment from the Ontario government, he assured me not to worry, that as long as I supported his measures for Newfoundland I could, indeed, be given a federal Q.C. I am now in double jeopardy because he has since been moved!

• (1140)

I have with me today, honourable senators, two members of my staff: Mr. M. Dion, Senior Counsel, Legal Services Unit, Correctional Service of Canada; and Mr. R. Zubrycki, Acting Director General, Corrections Policy, Ministry of the Solicitor General. As honourable senators are aware, my appointment is of recent vintage. I will be the first to admit that notwithstanding my legal background, I have not as yet mastered and will not for quite a while master the intricacies of this department. So, I trust that you will bear with me. I will certainly do my best to answer every question, but obviously from time to time I am going to have to look to them first for assistance.

I should like to reiterate that it is indeed a privilege to be appearing before the Senate today. I know that some honourable senators are sorry that this is taking place in July, but I think we all agree that the bills before the Senate are, indeed, very important to society. While I will be brief in my remarks, I should like to express at the outset my appreciation for this opportunity to address the Senate with respect to Bill C-67 and Bill C-68.

Honourable senators, in government, as in life, there is a time to listen and a time to act. What we have heard from ordinary citizens is this: They want us to look to alternatives for incarceration of offenders who are not dangerous, but they also expect their government to do everything possible to protect them from dangerous criminals who have clearly exhibited that they are a risk to the public. These bills, and Bill C-67 in particular, will help achieve that goal, and Canadians deserve to see them enacted.

There have been too many victims of dangerous criminals for us further to delay passage of these bills. The House committee heard from those victims and their families. They have written to members of Parliament, many of whom have listened to them in person. Nothing is more painful than to hear their stories and to know that we, as legislators, have it within our power to take the steps to reduce this needless violence.

Honourable senators, we have that power and that responsibility and we must act on it. Every further day of delay jeopardizes innocent, law-abiding citizens and Canadians across this country. A full year has now passed since Bill C-67 and Bill C-68 were introduced in the House of Commons for first reading. Since that time I have seldom—at least in my short tenure—seen bills receive such scrutiny and discussion in committees of the House of Commons and the Senate. The House of Commons committee studied these pieces of legislation from September to December of last year. The Standing Senate Committee on Legal and Constitutional Affairs has conducted a pre-study of the bills since the beginning of February of this year. The honourable members of the committee have not only called on several occasions the former Solicitor General and departmental officials to appear before them but they have visited penitentiaries and have talked with staff and inmates.

I sat in the gallery earlier this morning and listened in particular to the Honourable Senator Hastings. I know the deep feelings that all of you have with respect to the subject matter dealt with in these particular bills.

As a result of this process, the government has taken into consideration the comments and suggestions of the members of both houses. I am grateful for their work. I am confident that the bills before the Senate reflect the best possible effort to provide for the safety of Canadians and for the effective administration of custodial sentences imposed by the courts of the country.

Some of the amendments which have been made touch on particular concerns of honourable senators. For example, the decision-making guidelines, which will be used by the National Parole Board in the detention review process, have now been entrenched in the Parole Act rather than forming part of the

regulations. As well, the one-chance mandatory supervision provisions have been substantially narrowed since Bill C-67 was first introduced in the House of Commons. The provisions will now apply to a much more limited group of offenders and will not be retrospective in effect. By that I mean that the provisions will only apply to those inmates who are reviewed and released by the board after the bill comes into effect.

To further restrict the application of the provisions, as some honourable senators have suggested, would be unworkable and, in our opinion, ineffective. It should not be necessary to wait until after an offender released under mandatory supervision has been convicted of a new crime before active steps can be taken to ensure that he or she is returned to custody to serve the full sentence in a penitentiary. We must act to end the revolving-door syndrome from operating to the benefit of offenders who perpetrate violent crimes.

Some honourable senators have also expressed concern about the review and termination of the proposed legislation. Following deliberations in the House of Commons committee, a review clause was added to Bill C-67. The clause does not provide for the automatic termination of the detention and one-chance mandatory supervision provisions but, rather, provides for the opportunity for a parliamentary committee to review the effectiveness of the provisions three years after their enactment to determine if any changes are necessary. By amending Bill C-67 to provide for automatic termination of its provisions we would, in our opinion, be running the risk of a gap in legislation. I believe we cannot afford to allow public safety to be subject to that risk.

Finally, honourable senators, some honourable senators have expressed concern about the use of the National Parole Board rather than the courts to make the detention decision. This issue has been discussed on many occasions and in many forums. Honourable senators, the government has chosen, after much deliberation, to keep this responsibility with the board because it believes that it is best suited for making this type of decision. The National Parole Board makes thousands of similar decisions a year based on risk assessment. The courts determine guilt and assess punishment. That is their job and their responsibility. I have confidence in the board's abilities, and I have confidence that Bill C-67 and Bill C-68 provide the most thorough and fair tools to enable them to make these decisions.

In addition to changes that were made to the bills with respect to concerns of honourable senators, the government has responded to comments and suggestions on a number of other issues. The Schedule of Offences, for example, has been reviewed in detail and has been tightened up in the House committee through the elimination of summary conviction offences. As was mentioned earlier in the debate, the bill is balanced in that day parole has now been made easier, and an inmate will become eligible for that after the serving of one sixth of a sentence.

Honourable senators, these bills have been debated, these bills have been studied, these bills have been amended where amendments were required. Now is the time for us to stand with the vast majority of Canadians in saying that we will do everything in our power to stem the tide of needless violence. Canadians ask no more of us than that, and, surely, they have the right to expect nothing less.

● (1150)

That concludes my remarks, Mr. Chairman, and I will certainly do my best, in the time that is left, to answer the questions that are put to me.

I would like to say one thing further. It has always been my objective in serving as a minister of this government to make myself available to you at any time, and I make that pledge to you today. My office door is open. I am prepared to see you at any time and in any place that you would like to see me, and I am happy to discuss with you your concerns.

I have been a member of the Bar now for some 30 years. I have a great, deep and abiding respect for and interest in the law, and I am certainly prepared to do what I can to try to make our society a little better to live in. Thank you.

The Chairman: Honourable senators, before calling on the honourable Leader of the Opposition either to ask questions or to make a speech, it is the intent of the Chair to let any senator who wants to ask questions or make a speech do so.

Senator MacEachen: Honourable senators, I begin by congratulating the minister on his new assignment as a member of the government. Personally, I thought he had conducted himself as Minister for International Trade in an effective and useful manner. He appeared before the Senate committee in that capacity and was very candid in his responses and threw additional light on the subject we were discussing at that time. So, as he undertakes a new responsibility, I hope he believes, as I do, that he did perform successfully in his past function.

I must say that I am somewhat surprised that the minister would have come to the Senate to deal with this bill so soon after his new appointment. This is a complex bill. It has been studied extensively by members of the House of Commons and of the Senate, and I must say that no bill that I know of in my short tenure in the Senate has attracted as much concern as this particular bill.

The Standing Senate Committee on Legal and Constitutional Affairs devoted itself carefully to this matter and made some recommendations to the former Solicitor General. It is my understanding that the Senate committee did not receive a formal response from the former Solicitor General as to the reasons why those proposals were not accepted.

Now we have the situation that the Senate has been called back to sit after the House of Commons has adjourned—and I personally have no complaint about having been obliged to return here today if, indeed, it is necessary and if, indeed, these two bills are to be enacted into law very rapidly. But we have no assurance of that. The House of Commons has been adjourned; it is not present, and in the normal course of events it will not return until September. This bill cannot be made law until there is Royal Assent, and that requires the presence of the House of Commons. We have had no indication that if the Senate gives third reading to this bill, the government

proposes to summon the House of Commons so that the bill can receive Royal Assent and become law.

I should have thought that in those circumstances it would have been prudent for the minister to take the opportunity provided by these months to contemplate and reflect and make his own judgments upon the validity of the amendments that were proposed by the Senate committee. I think that is a matter that is still open to the minister, because there is no point, honourable senators, in pushing this bill to third reading and having it passed if it stands until September before being made into law—which can only happen with Royal Assent.

Earlier I asked the Leader of the Government in the Senate whether there would be an early Royal Assent and the answer was that no decision had been taken. So, we do not know. I infer, in the absence of a decision, that the normal evolution will occur and we will return and give Royal Assent to this bill in early September. So why, honourable senators, does not the minister take advantage of the time available to him—nothing suffers—and reflect upon this matter and give himself a chance? I do not think it would be a reflection on any minister to say, "Well, I am not quite prepared today to make a final judgment; I would like to look at this," because, after all, any minister who has been discharging the complex work of the Department of Trade would need some time to master the intricacies of this particular bill.

What I am asking is: Is there to be Royal Assent? If so, when? Or are you going to let these bills sit until September? If you intend to let them sit, then why do you say that it is important to society to have these bills passed, but not important enough to have them made into law until September?

At one time the minister himself stated that these bills should not suffer further delay. Well, the fact is that unless we are given assurance that Royal Assent will take place and that the House of Commons will be brought back, these bills will be delayed until September. I have that very much in my mind and so do my colleagues as we face what has been presumed in our minds to be an urgent desire on the part of the government to pass the bills in the Senate, but not to have them made law until some indefinite time in the future. That is an important factor.

I want to add further, honourable senators, to the minister, that it is all the more important that the minister consider these proposals from the Senate carefully and give himself time to consider them, because the Senate has had a consistent attitude on this particular subject with respect to the role of the Parole Board and the courts. It is not a question that has suddenly arisen with the new Government of Canada; this question was dealt with when the former government was in office, at which time the Senate insisted and re-insisted unanimously, every part of it, until Mr. Kaplan, the minister of the day, accepted its views. The question I and other honourable senators should ask ourselves is: Why should the Senate now swallow itself and say that those principles which motivated it so strongly should be abandoned and the bill should go through the Senate unamended?

[Senator MacEachen.]

• (1200)

I do not reproach Senator Nurgitz for his new-found support for principles which he previously found unacceptable—that is his problem—but I believe that the Senate must ask itself: Have we any honour? Do we stand for anything? Are we prepared to force one minister, on principle, to amend a bill and then, when it comes around the next time, to say to the new government that it does not mean anything to us any more? Do we decide at this stage to back off?

I quite sincerely welcome the Solicitor General to his portfolio. I believe him when he says that he has sincere intentions. I think it would be an evidence of those sincere intentions if he were to listen to the Senate, to listen to what is said in the Committee of the Whole and to say that he is going away to consider our views and that nothing will suffer in the next several months, because the bill is not going to be made law in any event. If that time is used to consider the matter, then I think the minister could put forward a much more credible defence of his decision than, as he is forced to do today, to defend a decision taken by his predecessor and which he, despite his best intentions, has not had the opportunity to consider in all its ramifications as have members of the Senate.

There is no person who ought to be listened to more carefully than Senator Hastings. There may be others who merit attention, but none more so than Senator Hastings, who has probably put more thought into this matter than anyone else, including the present and former Solicitors General.

Honourable senators, I am in quite a difficult position by being asked, as a matter of urgency, to pass two bills today and tomorrow, knowing that they will sit until September before they become law, when that intervening time could be used by the minister to reflect. He could come back in early September and tell us that he has listened to our proposals and that he does not find them valuable. Then the Senate could act in accordance with its own responsibility at that stage.

Mr. Kelleher: Mr. Chairman, in listening to the words of my friend, Senator MacEachen, I was reminded of Shakespeare's *Julius Caesar* with respect to certain praise I was receiving which, perhaps, contained another message for the government. However, far be it from me to suggest anything of that nature.

I would like honourable senators to know that I do not feel pushed. I am quite prepared to stand here today and defend the bill to the best of my ability. I think that my predecessor and, indeed, both houses have conducted extensive studies with respect to the provisions of this bill and I do not feel, with the greatest of respect, that anything will be gained by my sitting down and spending time studying this bill further.

I can tell you that because of my background I am familiar with the subject. I certainly may not be familiar with it to the extent that many of you here are, and I will be the first to admit that. In my earlier career I spent a number of years as a crown attorney and as defence counsel. I believe I understand the fundamental issues contained in this legislation and can tell you quite openly, frankly and honestly that I agree with

the legislation before you. I have no problems with the provisions contained in Bill C-67.

As far as passage at this time is concerned, it is my intention to discuss this upon securing third reading by the Senate. I intend to contact the new house leader and, if required, the necessary members of cabinet to try, to the best of my ability, to make the arrangements for a necessary sitting of the House of Commons this summer so that, indeed, Royal Assent can be given.

As you know, Mr. Chairman, we have a new house leader. He, as a member of cabinet, is in Saskatoon attending a meeting this week, and it was not possible to discuss this matter with him. He, as have I, has just taken up his new duties. Mr. Chairman, I can give you and, through you, honourable senators my assurance that I intend to raise this matter with him immediately and to impress upon him, in my opinion, the necessity and urgency for the passage of this legislation, because I firmly believe it pertains to the safety of our citizens and requires speedy action. That is the assurance I give, Mr. Chairman, to honourable senators.

Senator MacEachen: Honourable senators, I think that assurance is not a very solid one. The minister is saying that once the bill has received third reading in the Senate, he will then go to his colleagues and say that the bill should be given Royal Assent.

I believe that the minister ought to go to his colleagues before the Senate gives this bill third reading and come back and tell us whether the government is prepared to proceed with Royal Assent; otherwise, it would be quite possible to adjourn the debate until September and proceed with third reading then. The minister would then be pushed, unwillingly possibly, to take what I consider to be the necessary time to consider the reflections of the Senate committee.

I believe it is somewhat disrespectful to the Standing Senate Committee on Legal and Constitutional Affairs for the minister to come in so breezily and say, "I have mastered this in 24 hours and I am ready to rubber stamp what the previous minister has done." That is his conclusion. My conclusion is that the Senate should, if possible, provide the minister with that opportunity which will necessitate his further examination of these points.

• (1210)

Mr. Kelleher: Mr. Chairman, I can only repeat the assurance that I have already given, that after passage by the Senate I will immediately proceed to contact the House leader and, if necessary, other members of cabinet to see if a sitting can be arranged so that Royal Assent can be given as expeditiously as possible.

Senator MacEachen: May I ask why the minister will not do that immediately? I understand that the "powerhouses" are meeting today. I understand that the Priorities and Planning Committee is or will be assembled. Why can we not find out before third reading whether there is to be Royal Assent? What the minister is saying is quite clear. He is saying that this bill ought to be passed, that public safety demands its passage, but that he is not sure that the government shares his view, because he will ask after third reading in the Senate whether it is possible to have Royal Assent. Honourable senators, I do not think that that is a very solid assurance. We have had no assurance today that this bill will receive Royal Assent at all until the House of Commons comes back in September. That is the situation. The minister has simply said, "Give me the bill. You go home when you give me the bill and then I will see whether the government will have Royal Assent."

Senator Hastings: Mr. Chairman, I join with other honourable senators in welcoming the new Solicitor General. He has all of my sympathy as he embarks on his new duties. I have some knowledge of the problems and the pitfalls awaiting him, and I can easily say that I think it is a no-win position to be in. I want to assure him of all of my co-operation, for whatever that may be worth. I regret that we disagree on these two or three issues contained in Bill C-67, but my disagreement is not reserved for him. I also opposed Mr. Kaplan, who is of my own political faith, with just as much vehemence as I have opposed Mr. Kelleher and his predecessor, so it is nothing personal.

I want to say that I, too, have every sympathy and consideration for the victim, whose plight was eloquently put forward by the Solicitor General. I have dealt with the victims in these cases to the best of my ability. In trying to straighten out lives I have also dealt with the mothers and the wives of inmates who are also, Mr. Minister, victims of crime. Concern over the victims and concern over the violence in our society is not confined to those who support this bill.

I should like to ask the minister his views on the remarks of representatives of his own department when they said, in one report, "It will only delay the bill." Another report of his department stated, "It will only delay the problem; there is no solution." I would ask him, incidentally, to read the views of a victim of violence in Alberta, Mr. Bob Robinson, who says that such a change is only cosmetic, at best, and that you are only going to placate people for the future. I would say to the minister that this is what we do so often. I am not criticizing him; I am criticizing all of us in this room. We are inclined to take what Mr. Outerbridge has described as being only a band-aid approach. The director of parole on the prairies, Mr. Fagnon, has said that we are only tinkering and, if it doesn't work, we will tinker again later. This is the approach we seem to adopt with respect to corrections, and we mislead the public in doing so.

We misled the public when we passed mandatory supervision. There was another solicitor general in the place of Mr. Kelleher at that time making the same argument for mandatory supervision as that which is being made today: We are going to protect the public.

Mandatory supervision was supposed to protect us from the violent offender. We have seen the results of mandatory supervision. We are now going to have legislation that is going to protect me from the mandatory supervision inmates. I have no doubt that if this legislation passes, in two or three years we

will have another piece of legislation to protect us from the detainees.

In any event, we pass these laws and we tell the public that we are protecting it, but all we are giving is short-term protection—protection of two or three months. This is not only my view. I can tell the minister that it is the view of representatives of his department and of his employees throughout the regions. It was the view of the former chairman of the National Parole Board, Mr. Outerbridge, when he said:

> —the action we are taking (gating) is not going to have long-term or substantial impact on the incidence of violent crime in the community.

One of the minister's predecessors, Mr. Kaplan, said:

> It (gating) is a postponement. It may be also a worsening, in my view, of the chances that the community will be safe from him.

Mr. Kaplan said:

> Our conviction is that if mandatory supervision was taken away from this group and they were held behind bars until warrant expiry, their crime statistics would be worse.

In the light of all of that evidence, there is great uncertainty respecting what we are doing here. We are passing a bill to placate the public for the moment, but, believe me, it solves no problem whatever—just as mandatory supervision solved no problem whatever. The public will be resentful and will reject us even more. We do a disservice in providing these band-aid solutions, this tinkering, only to broadcast to the public later that we have provided protection. I ask the minister whether he would give us his views with respect to this uncertainty that has been expressed by so many witnesses, by so many of his employees and by reports of his department. Would he care to give us his views with respect to this uncertainty that is prevailing?

Mr. Kelleher: Mr. Chairman, at the outset I would like to clear up any misunderstanding if the honourable senator thought that I had implied in any of my remarks that he was not concerned about the victims of these crimes. I know that that is not the case. I know that he, too, is just as concerned as anyone else about the victims. I would not want to have it implied or suggested that he did not share that concern with everyone else.

If I may go to the heart of his question, honourable senators, when he said that we should not be attempting to bring this legislation in just to placate the public, I can only say in the strongest terms that we are not bringing this legislation in to placate the public. We are bringing this legislation in to protect the public. We have a deep concern for the safety of the public. We can only look at the statistics. In 1983 only eleven prisoners were gated, as the term is used, before the court intervened and said, "No, they must indeed be released." Of those eleven, upon their release six went out and were involved in further crimes against the public—six of the eleven. I believe that is a very telling statistic and one that we should be concerned about.

• (1220)

I would be the first to admit, Mr. Chairman, that there is no perfect solution. Since the earliest history of mankind, when we started to control violent behaviour in our society, we have been searching for the right and perfect solution. I do not think that a right and perfect solution is possible. At least, to date the best minds in the world have not found it. But simply because we have not found it is not to suggest that we should stop trying or that we should not impose a solution that the majority of people think is the best possible solution at this time, although not perfect—because we must always keep in mind the safety of the public. Indeed, Mr. Chairman, the House—a duly elected body, elected by the people—after a good deal of discussion, of debate, of hearing the views of witnesses across the country, decided that at this time this is indeed the best solution that we can come up with in order to control those people. I accept the opinion of the House; I accept the opinion of the public in that respect; and it is my strong belief that we should proceed with the bill as written and as approved by the House.

Senator Hastings: If I understand the minister, he accepts the opinion of the House and the opinion of the public, as misguided as it may be, but he is rejecting the opinion of his own department, of the officers who work for him, who have dedicated years of service—such as a man like Mr. Outerbridge, who is one of the best correctional men in Canada. That is the minister's right, if that is his opinion.

Concerning the eleven gated inmates, you correctly stated, Mr. Minister, that six of them, when released by the court, committed further crimes. I am glad that you did not say "violent crimes". I believe that only one was returned for committing a violent crime. But what the minister did not speak about was the fact that five were able to complete their sentence in freedom, which represents 45 per cent—which is just about the rate of misguessing or misprediction of the Parole Board. It is wrong about 50 per cent of the time. There is not much consideration given to the five who would have been kept in custody because of the ingenious procedure of gating which will now be continued as a result of the bill. I guess the difference between you and me, sir, is that when we are talking about the 150, if I apply 50 per cent there will be 75 inmates who will be involved. I am not criticizing. It is simply that it is impossible to predict future human behaviour. It is an untried science and, according to all of the information we have available, we are wrong about 50 per cent of the time.

If this bill passes, it means that there will be 150 inmates involved. I notice that the figure has crept up. For a few days it was 100, but now it is up to 150. I rather suspect, Mr. Minister, that it will be about 200 or 300, and 50 per cent of 300 is 150 men who will be kept in custody because of the inability to predict accurately—and those are the 150 about whom I am concerned, and the reaction of those 150 who have been unjustly detained and confined in custody.

Mr. Kelleher: Mr. Chairman, I understand that of the eleven who were released six of them did, in fact, commit other crimes. It is my understanding and information that they were

reconvicted for crimes against the person, and those are indeed the kinds of crimes and offences that we have set out in the schedule to the amendments. As I said earlier, I will be the first to admit that nothing is perfect in this world and that undoubtedly errors have been made; and so long as man exists on earth errors will continue to be made. But in this particular case I believe that if errors are to be made, then I would prefer that the errors be made in favour of the safety of the public—and that is my firm belief, Mr. Chairman.

Senator Hastings: I can only conclude from the minister's remarks that it does not matter that 75 men will remain in custody. We are going to have 75 who would commit a violent offence—and that is the price that we are going to have to pay. Seventy-five men will be kept in for 11 months, as the average term, while we keep in for that same period of time the other 75 who will likely commit a violent offence. That does not take into consideration the fact that the ones who will commit a violent offence will be out in 11 months, and the ones who have been unjustly kept in for 11 months will also get out. All of the 150 will be worse off and a bigger problem for society when they do get out.

However, I accept that it is the view of the minister that it is worth the price—that it is worth the price that we may have a much bigger problem at the end of the term. I cannot say much more. That is the whole basis of the legislation. In that respect, I again join Mr. Outerbridge and others in saying that this legislation involves the short term. It is merely tinkering. It will give us 11 months' protection, but at the end of that period we will be back into the same situation. We will be going round and round again and the incidents of violence will have no effect whatsoever on the public.

I now turn to the decision-making process. Mr. Minister, both you and Senator Nurgitz must have had the same speech writer, because you have both said that you believe that the board is the agency most capable of making these decisions because it makes thousands of such decisions. But, Mr. Minister, it does not make any decisions like this. It has made only 11 decisions, but it has never made any decisions like this. Being a releasing body, the board makes decisions on who will be released, and not who will be kept in jail. This is where you are placing in further jeopardy the credibility of the Parole Board.

Honourable senators, I can never understand why we cannot reach the conclusion that the Parole Board should look after parole. This is how the credibility of the board is being destroyed, by you and me and other legislators, namely, by asking this board to do work that it is incapable of doing. We have piled on to it the administration of mandatory supervision, and it has to take all of the criticism directed against that. The board must hold hearings with respect to revocation of mandatory supervision. It must deal with the Criminal Records Act. All this is because each successive minister thought that it was the logical body to carry out these functions. When we studied the parole process, we said that it was the most logical, reasonable and best way of releasing inmates into society. If we left the Parole Board to do that function—and it does a very good job of it, contrary to all the criticism it has received—they would be doing what they should be doing and what they were created for, assessing whether the best inmates can be released into society and how quickly. Making decisions as to who should be released is much easier than making decisions about who should remain incarcerated. Determining who will not commit violence is much easier than determining who will commit violence.

● (1230)

So, I suggest, Mr. Minister, that the board has not made these decisions—at least up until now, and only then if we give them the authority. It is not quite factual to say that the board has made such decisions and that therefore it is well qualified. The chairman of the board repeated before the Senate committee that the board has no magical powers and has no ability to predict violence accurately any more than anyone else. I believe that if the truth were known, the National Parole Board does not want this job, because their whole purpose, as I have said, is to release inmates. By giving the board this job it will damage the credibility of the parole process and of the Parole Board. It is just not capable of doing the job. The job would be much better done by judicial review than by this board which, time after time, has taken on additional assignments until it has no credibility with the inmates or with the staff.

Mr. Minister, Senator Nurgitz said, and you repeated it—as I said, you two seem to have the same speech writers—that the judicial decision was outside the role of the courts. We ask the courts to make decisions with respect to preventive detention of dangerous offenders. The courts will be making decisions with respect to those serving life or 25 years when they come up for 15-year review. These are administrative decisions that we have felt comfortable designating to or being persuaded that they can be made by the court. Surely the court is the only body that should be making such decisions with respect to the freedom of subjects—not the board. I do not think that the minister is correct in saying that such decisions are outside the role of the judiciary or, in other words, that we have never thought of this idea over the years as we have discussed the matter.

I come back to that decision-making process and repeat what my leader has said, that the Senate has never wavered in its point of view. In 1974 we conducted an extensive review of parole in Canada under the then chairman of the Legal and Constitutional Affairs Committee, Senator Carl Goldenberg. We said in that report that the Parole Board should not be the sole decision-maker. We repeated that point in 1983 in our discussions on Bill S-32, and we repeated it again in our report of May 14, 1986. The Senate has never wavered in that view. Therefore, I must ask myself: Why should we waver now, and why should I surrender my conscience on that point just because the minister has asked me to do so? So, I ask the minister, would you consider, as did your predecessor, the Honourable Robert Kaplan, in 1983, an amendment to the bill to move this review process to judicial resolution?

Mr. Kelleher: Mr. Chairman, the short answer is no, I will not. I shall follow in the steps of my immediate predecessor, the Honourable Perrin Beatty. What we have here is the classic case of where we have a problem—and I think that everyone would agree that we have a problem—and someone will have to be nominated, so to speak, to deal with the problem. Our government, after careful consideration by a duly elected body, has decided that the best way to deal with this problem is through the use of the Parole Board. I think it is quite fair to say that the Parole Board presently makes decisions respecting and restricting the freedom of inmates. Every time parole is revoked, which is a function of the Parole Board, all remission is lost; in other words, the rest of the mandatory supervision is suspended. Every release decision presently made by the Parole Board is indeed based upon risk assessment. This will continue to be the major consideration under the power that we now wish to give to the board.

I would also like to point out to the honourable senator that the board, of its own volition, started gating. Gating was not started at the request or direction of a solicitor general. There has been a great deal of debate as to who should have this authority. As I say, the government is elected to act after due consideration or after hearing from all parties. I am sure that all members of this chamber would agree on that point. Indeed, a great deal of opportunity has been afforded to all parties and we have now made our decision, as the people expect us to do. That is what governments are elected for, to make decisions. We have given final reading to this bill and, therefore, I am not in any position at this time to give reconsideration to moving the process from the Parole Board to the courts, nor do I personally feel that I should.

Senator MacEachen: Honourable senators, on this point I draw to the attention of the minister the report of the Standing Senate Committee on Legal and Constitutional Affairs, dated May 14, 1986. That report was submitted on behalf of the committee by Senator Lewis, for Senator Nurgitz, the deputy chairman. I think I understand what the minister's decision is. He has said that he will not accept an amendment that would constitute the court as the body for deciding the question of detention, that in his view this responsibility should be placed with the Parole Board. That is the issue. I want to understand the reasons for that stand taken by the minister and the government. I understand that the decision is final, but I want to understand it because, while it is true that governments are elected to make decisions, presumably legislative bodies exist to pass legislation, to reject it or, indeed, to amend it. However, simply to say that governments are elected to make decisions does not remove from the Senate the responsibility to deal with this legislation and approve it, reject it or amend it. I understand that the Senate committee was clear and unanimous on this point, and I quote:

● (1240)

> The first issue has to do with the question of what is the appropriate body to make decisions with respect to the detention of allegedly 'dangerous' inmates beyond the date of their eligibility for release on mandatory supervision.

[Senator Hastings.]

The question is: Which body should make that decision? It is not only a fact, honourable senators, that the Senate committee as recently as May of this year made a unanimous recommendation on this matter; it is also a fact that with respect to Bill S-32, passed by the Senate on June 9, 1983, the Senate as a body decided that this decision-making authority should rest with the courts and not with the Parole Board. Therefore, it was not just a committee of this Parliament; it was the Senate itself which passed a bill designating the court as the decision-making body. Let me quote further:

> It is the opinion of the Committee that the legislation should reflect the principle approved by the Senate when it adopted Bill S-32, *An Act to amend the Penitentiary Act and the Parole Act* (on June 6, 1983 in the First Session of the Thirty-Second Parliament), namely, that the courts, rather than the National Parole Board, should make decisions respecting the continued incarceration of inmates who would otherwise be eligible for release on mandatory supervision.

I am quoting from the Report of the Standing Senate Committee on Legal and Constitutional Affairs dated May 14, 1986, which states that a bill, Bill S-32, was passed by the Senate giving effect to a principle, namely, that the court rather than the National Parole Board should make decisions respecting the continued incarceration of inmates, et cetera. I was not a member of this chamber when all the Senate came together in support of that principle, but many of you were here when that bill was passed. Senator Nurgitz keeps nodding and objecting, but his report states that Bill S-32, incorporating this principle, was adopted by the Senate. Therefore, honourable senators, we are faced not only with a committee report of this Parliament but with a bill passed by the Senate and sent to the House of Commons saying that the court should have this responsibility. It is not a whim; it is not "Hastings Incorporated"; it was the whole Senate that passed a bill in the last Parliament saying that it should be the court who should have this responsibility.

The Senate committee then reconvened and repeated its conclusion, and the government says "no." The government has said "no" once through Solicitor General Beatty and now through the new Solicitor General, an instant decision-maker. The government is saying "no" to a decision made by the Senate as a whole—the Liberals, Conservatives and Independents.

Therefore, in laying that foundation, I ask why the court should not have this job. What I really want to ask, with reference to public safety, is whether anyone believes that if the court exercised this authority public safety would be affected any more than it might be affected by the exercise of the judgment of the Parole Board.

I understand that vague term, "It is more appropriate . . ." Bureaucrats and others—including politicians—when forced to state a reason when they have none often say, "It is more

appropriate . . ."—whatever that means. They say, "It is more appropriate . . ." In this case, the "appropriateness" favours the National Parole Board. To me, that is vague. I want to know why it is better for the board to have this authority rather than the court. If the minister were to say to me, "I fear that if the court had this authority, they would endanger public safety or they would be reckless or heedless," then I would pause. However, there is no question here of avoiding the responsibility of making a decision. A decision will be made. The question is: Will it be made by the Parole Board or by the court? The Senate passed a bill saying that it should be made by the court. Furthermore, the Senate has always held that view. Not only Grits; even Tories have held that view—

Senator Molgat: Even them!

Senator MacEachen: —which should impress the minister.

Senator Frith: If nothing else has to date.

Senator MacEachen: What reason exists in the mind of the government to turn aside the total wisdom of the Senate, that chamber of sober second thought, now exercised so frequently? Why should the Senate now say, "We were all wrong in 1983"? Why should all the senators who were here in 1983, including Senator Hicks, Senator Molgat, Senator Frith, Senator Denis, Senator Nurgitz and others, now say, "We were wrong"? I have not heard a single reason, except the one dealing with "the appropriateness". Later today in our caucus we will be considering what we are to do about this bill, and I would like to know whether there is a good reason for this change. Certainly, it can be a question of fashion; one's taste can change or it can be a difference of judgment.

Senator Frith: Or it is caprice.

Senator MacEachen: One can say, "In my judgment, it is better that the Parole Board do this," while in another man's judgment it should be the court's responsibility, and that would be reasonable. In that event, one could certainly judge that situation. However, I am wondering whether there is a deeper reason rather than merely judgment. In other words, I am asking whether public safety is involved in this decision. Would it suffer or be better, or would you say that the judges would be more reckless than the members of the Parole Board?

Senator Nurgitz: Honourable senators, I would like to add something here, because much has been made out of two decisions of the Standing Senate Committee on Legal and Constitutional Affairs. The decision made to amend Bill S-32 was a decision wholly disagreed with by the then Solicitor General, Mr. Kaplan. He took back that decision of the Senate to the government, of which a senior member at that time was the now Leader of the Opposition, and from June 1983 to June 1984 we never again heard of the Penitentiary Act and the Parole Act. Honourable senators, that is the reality, so that the decision of the Senate that the court, and not the National Parole Board, should have the authority was rejected out of hand by the Honourable Robert Kaplan, the then Solicitor General, for reasons which he gave us.

I recall at that time as well that when the Senate committee met in June 1983, it was not a unanimous decision of that committee. In other words, there were some dissenters to it, and the dissenters were on the other side of this chamber. Therefore, I merely want to point out, honourable senators, that this great decision that we have been sitting here for some time waxing eloquent about was a decision made by the Senate committee which was rejected by the then government of the day, and that rejection is evidenced by one year of never again having that bill introduced after it was amended in the Senate.

• (1250)

Senator MacEachen: I must not permit Senator Nurgitz to obfuscate the clarity of his report which we received on May 14, and which stated that the Senate had passed Bill S-32. I was not arguing what the government should do; I was arguing what this body ought to do today.

Senator Nurgitz: I was arguing what the government did not do.

Senator MacEachen: But that is a new argument. Confront your own conscience about your support of Bill S-32 and not the conscience of a government which is no longer in existence. I am not debating what the government did. I think the senator is wrong on that point as well, but I am not debating that. The fact of the matter is that despite what Senator Nurgitz is saying now, the Senate passed a bill incorporating the principle that the court should make this decision. What the government did with it is another matter. What this government might do with a decision of the Senate is unknown to me and is another matter. I am asking: What is the duty of the Senate? To swallow itself? To accommodate the government, or to take a stand on principle?

Senator Nurgitz may have great difficulty in giving any credit to the former government, but that is not the issue; the issue is what we do about this particular question in light of the Senate committee recommendation of the judicial determination of detention. In asking what we ought to do we ought to remind ourselves that the Senate has dealt with this in the most solemn way possible open to a legislative body, by making a decision through the passage of a bill. The Senate did that in 1983. It may be teetering on the verge of swallowing itself.

Senator Hastings: Mr. Chairman, for the benefit of Senator Nurgitz, I just wish to restate what happened in 1983. Bill S-32 was introduced in the Senate in December 1982. It was immediately referred to the Standing Senate Committee on Legal and Constitutional Affairs with the idea that it would be passed by Christmas because, as was said then, "We have to save lives."

Honourable senators will recall that as we studied that bill, we found some faults with it. As the committee continued studying the bill in the months of January, February and March, the committee found faults with which all of the members of the committee agreed. Senator Nurgitz was a member of that committee, as was Senator Flynn and others. The one thing all of the members of the committee agreed

upon was that it should be the court that makes that decision. We pleaded with the minister, a more reasonable minister at that time, and on May 24, 1983, the Deputy Solicitor General, Mr. Gibson, stated before the committee:

> Thank you, Madam Chairman. I have indicated to you that the minister has authorized me to indicate to you this afternoon that as a result of further consideration of representations made by honourable senators during the last meeting of this committee at which the minister appeared and as a result of a number of discussions since that time, the Solicitor General has given further consideration to the draft amendments regarding gating which he tabled in the committee. You will recall that some discussion at that time centred around the locus of authority to make the gating decision and the nature of appeal or judicial review which flowed from a decision of the National Parole Board with respect to gating. Following those considerations the Solicitor General, with the agreement of his colleagues, is prepared to modify those motions to amend to vest gating authority in a superior court of the province in which the gated inmate is incarcerated, rather than in the National Parole Board.

So, it was done as a result of the committee meetings and the recommendation to the minister. You said two years later. That is three months of consideration. So, it was as a result of the work of the committee that the more reasonable minister accepted that recommendation, that it should be made by a court and not by the National Parole Board, which was "more appropriate". The National Parole Board is always "more appropriate" when dealing with inmates. It is certainly "more appropriate" to make a decision in the back room of a penitentiary with an inmate having no counsel. It is "more appropriate" when the accuser can decide whether the inmate should have counsel or a friend present, and all the counsel or friend can do is, at the end of the hearing, make a statement. It is "more appropriate" to make these decisions in that way with no court record. The decision makers do not have to be accountable to anyone. I reject that as I rejected it in 1983. The appropriate decision-making authority is the court, and I will continue to discuss it with my colleagues in that sense.

Senator Nurgitz: Honourable senators, I did not mean to mislead the honourable senator. The amendment to Bill S-32 was made in June 1983. From June 1983 until June 1984, when that administration was still in office, no bill was presented. That was my point; one year, no bill.

Senator Frith: What has that to do with our decision?

Senator Nurgitz: I thought that Senator Hastings was correcting my timing.

Senator Hastings: The bill was approved by the Senate and sent to the House of Commons. It did not get passed by the House of Commons. The report was adopted by the Senate.

Senator Murray: Mr. Chairman, we have been reminded several times during the course of this discussion that this is not a new issue. Quotations have been placed on the record from our former colleague, Senator Goldenberg, from 1974, and at various times since then. Bill S-32 has also been referred to. Since that time there have been at least two solicitors general and two governments. This is not a situation in which the historic role of the Senate as a place of sober second thought really comes into play, because, notwithstanding the recommendations that our various committees have made at various times, and notwithstanding the bill to which my honourable friend refers, governments—and it is the current government taking the responsibility—and the House of Commons of Canada, having had an opportunity to reflect on those recommendations, have decided otherwise. That is the situation that is before us today.

That is one good reason I believe all honourable senators should reflect on our role in modern times. In modern times we have tried to influence the course of legislation and the course of public policy not by exercising to the full our theoretical Constitutional powers but by way of quiet diplomacy and by way of persuasion. It will be clear to my honourable friends opposite that in this case—and I am not really discussing the merits of the arguments put forward so passionately and eloquently by Senator Hastings—it is very clearly going to take a little longer to persuade, if they are going to persuade, the government and the other place as to what they regard as the wisdom of their position on this matter.

It has been a very, very long time since the Senate has attempted to exercise its full theoretical Constitutional powers on a matter of legislation, and I would hope that honourable senators would reflect over the lunch hour, and when my friends are meeting in caucus, on the modern role of the Senate, which is one, as I said, of quiet diplomacy. It is one of persuasion rather than resort to the majority in the Senate when the elected majority in the other place, after reflection, has taken a different position. I simply place that thought before honourable senators for their consideration over the lunch hour.

• (1300)

In conclusion, I wish to thank the minister for having appeared in the committee this morning to explain his bill and for answering the questions of honourable senators with such candour and forthrightness.

Senator MacEachen: Honourable senators, I will not deal at this moment with Senator Murray's elaboration of the modern role of the Senate, which I find to be quite unacceptable and evidence of the transformation that suddenly occurs when a person becomes a minister. That protective attitude immediately emerges and former instincts of robustness are then imprisoned.

Senator Frith: An occupational disease.

Senator MacEachen: So, I will deal with that another time.

However, the minister will not be with us this afternoon, and I want to know, concerning the court versus the Parole Board, whether it is a question of public safety at all, or if it is a question of appropriateness.

Mr. Kelleher: Mr. Chairman, I do not think it is possible to give a definitive answer to that. I think the honourable senator knows that if I feel I can give a clear answer I will.

I think it is a combination of matters, but basically what it comes down to is that the House of Commons studied the bill for many months, heard the evidence of witnesses, evaluated that evidence, evaluated the appropriateness of the court versus the Parole Board, and decided on the basis of the evidence that, indeed, it was their judgment that this could best be, and should indeed be, handled by the Parole Board.

I cannot get into the minds of the members of the House of Commons. Having sat there for only two years, I doubt that if I sat there another thirty I could ever get into the minds of all of the members and what made them reach their decisions. But I think it is fair to say that they did make a reasoned and rational decision after hearing all the evidence.

Senator MacEachen: Well, I understand the minister's principal argument is that the House of Commons has examined this and reached a certain conclusion—

Senator Murray: Having considered our opinions, having considered our view.

Senator MacEachen: —and that is what he puts before the Senate—that they have reached a conclusion. There are a number of factors involved, but the principal one is the fact that the House of Commons has deliberated. It is true that the House of Commons has deliberated—and no one has more respect for the House of Commons than I do, and I am hoping to develop and maintain some respect for the Senate as well—but it is not appropriate, I think, to state that simply because the House of Commons has reached a conclusion that conclusion should automatically be accepted by the Senate.

Senator Frith: They did not feel that way about our conclusions, apparently.

Senator MacEachen: Honourable senators, having said that, I want to ask a question on another point: Is the situation any firmer on Royal Assent now than it was an hour ago?

Mr. Kelleher: I will come to your last question later, but I would like to affirm to honourable senators that indeed the House of Commons, in arriving at its decision, was well aware of your interim report of May 1986 and did, in fact, consider your interim report and your decision that indeed it should be the court. So, it is not as though the House of Commons made its decision in the absence of your interim decision. That was before our house. We were aware of it and it was taken into consideration.

With respect to the last question put to me by the honourable senator, again the simple, short answer is no. During the course of this hour, which I have enjoyed very much and have found instructive, the debate has not been such that it would in any way make me change my mind.

Senator MacEachen: On Royal Assent?

Mr. Kelleher: Yes.

Senator MacEachen: We have no assurance that Royal Assent will take place before September.

Mr. Kelleher: What I have said I will repeat, Mr. Chairman, that upon passage of this measure by the Senate—which I hope will be forthcoming—I will immediately contact the house leader and, if necessary, pursue it with the appropriate members of cabinet to do everything I can to see that the House is called back to obtain Royal Assent.

Senator Frith: Honourable senators, I have two quick points because I know the minister wants to get away. It seems to me that as a principle, the question of our taking into account the fact that the House of Commons has deliberated would apply to the House of Commons to take into account that we have deliberated. So, that ends up as a standoff, it seems to me.

Senator Murray: Which they did.

Senator Frith: Yes. We are now considering what we should do, and they may take into account again that we have deliberated, and so on, and we may take into account that they have deliberated. That is a standoff, it seems to me.

The other question I want to ask, which I think is important, is further to what the Leader of the Opposition has just asked. I think I do have it clear, but I take it that the minister does not intend to make a phone call to western Canada until he hears that the bill has been passed. Is that correct?

Mr. Kelleher: Yes.

Senator Haidasz: Too bad!

Senator Doody: Honourable senators, the time is 1.15 p.m. It has been suggested that we could have the committee rise and report its progress and ask for leave to have it sit again later this day. I think it would be more appropriate to recess for an hour and come back at the call of the bell at 2 o'clock than to have the committee rise, and so on. Perhaps we could allow the committee to sit again when we come back at 2 o'clock.

Senator MacEachen: At 2.15 p.m.

Senator Doody: 2.15 p.m.?

Senator MacEachen: Yes.

Senator Doody: So, Mr. Chairman, with the Senate's permission we will now adjourn until 2.15 p.m., to the call of the bell.

The Chairman: Is it agreed, honourable senators?

Hon. Senators: Agreed.

Motion agreed to.

The Senate adjourned during pleasure.

At 3.00 p.m. the sitting of the Committee of the Whole was resumed.

The Chairman: Honourable senators, unfortunately, the minister is unable to attend this afternoon, and Senator Nurgitz, the mover of the bill, will answer any questions.

Senator Frith: Nurgitz for minister!

Hon. Senators: Hear, hear.

Senator Hastings: Mr. Chairman, before the bill is put to the Committee of the Whole clause by clause, I wish to give notice that I intend to move an amendment to the bill. The amendment will be as follows: That clause 5 of the bill be amended by adding immediately after line 5—

The Chairman: Which bill?

Senator Hastings: Bill C-67. Bill C-68 is not too bad.

In any event, my proposed amendment will be:

> An inmate who is in custody pursuant to an order made under subsection (4)—

That is, an order made by the Parole Board.

> may appeal against that order to a superior court of criminal jurisdiction on any ground of law or fact or of mixed law and fact.

Senator Doody: Could we have a copy of the amendment?

Senator Hastings: It pertains to clause 5. I merely wanted to give notice that when we reach clause 5 I will introduce that amendment.

The Chairman: Honourable senators, we are dealing with Bill C-67. Shall clause 1 of the bill carry?

Senator Hastings: Honourable senators, I should like to ask the sponsor a question. This provision raises the number of members on the National Parole Board to 36. As I understand clause 1, dealing with section 3, the board will now be comprised of 36 members. As I understand the situation, the board has members in the regions of the Correctional Service of Canada. How many members of the board serve in each region?

Senator Nurgitz: Honourable senators, in the province of British Columbia there are three members of the board serving; in the prairie provinces there are three members of the board serving; in the province of Ontario, there are four members serving; in the province of Quebec, there are three members serving; and in the Atlantic provinces, there are three members serving. Although that may seem all very good, the arithmetic is not very good.

Senator Hastings: How many are located in the Ottawa office?

Senator Nurgitz: There are four in the Ottawa office.

Senator Hastings: As appeal?

Senator Nurgitz: Yes.

Senator Hastings: That makes 20.

Senator Nurgitz: Under the existing legislation, there are currently three vacancies.

Senator Hastings: How long have those vacancies existed?

Senator Nurgitz: I do not have that information.

Senator Hastings: I wonder why we are increasing the board by ten members when we do not seem capable of keeping the vacancies filled.

Senator Nurgitz: I think the increasing number is self-evident in the hope and expectation of getting some legislation through so that there will be a greater caseload for those members to deal with.

Senator Hastings: I can assure the honourable senator that with the present caseload the board members are kept very busy. It seems to me that the government cannot keep the vacancies filled, some of which have existed for years. Why are we in such a hell-bent need to increase the board by ten members?

Senator Nurgitz: Honourable senators, I do not have a ready answer. I do understand that the government is attempting to fill the vacancies and that they will be filled as soon as possible.

Senator Hastings: When Mr. Outerbridge appeared before the House of Commons committee, he indicated that members had to be appointed fairly quickly and be trained for the job. Is there a shortage of capable, skilled men in corrections? Why are we appointing people who are unskilled and require training? Would it not be much more of an advantage to the government to seek professional men in the field who are now in the service? We have many professional people in the Correctional Service of Canada and in the parole service who are quite capable, knowledgeable and able to serve on that board. We would not have to waste government money in training people for the job.

The Chairman: Honourable senators, shall clause 1 carry?

Hon. Senators: Carried.

The Chairman: Shall clause 2 carry?

Senator Haidasz: In relation to clause 2, I should like to ask our witness whether he can give us the number of inmates who are imprisoned for more than two years and those who are imprisoned for less than two years.

Senator Nurgitz: I take it the honourable senator is asking how many inmates are inmates of federal institutions serving sentences of two years or greater.

Senator Haidasz: In essence, that is right.

Senator Nurgitz: There are approximately 12,000 men and women.

Senator Haidasz: Twelve thousand men and women who are imprisoned for longer than two years?

Senator Nurgitz: Two years or more, not "longer than two years."

Senator Haidasz: Twelve thousand such prisoners.

Senator Nurgitz: There are approximately 12,000. As honourable senators will appreciate, that number changes daily, if not hourly.

Senator Haidasz: Could our witness also tell us what is the cost to the taxpayers of Canada for keeping one such prisoner incarcerated for one year?

Senator Nurgitz: I have no idea, but I will certainly make every effort to obtain that information.

Senator Haidasz: Could the officials whisper the answer to Senator Nurgitz?

Senator Nurgitz: There is a guesstimate of $40,000 per year per prisoner.

Senator Hastings: Perhaps I may add to that answer for the benefit of my colleague. It varies according to the type of custody. The least expensive type of custody is maximum security which costs about $22,000 a year; and the most expensive type of custody is for those who are detained in psychiatric centres where it costs up to about $120,000 a year.

Senator Haidasz: With reference to the population of inmates incarcerated in our federal penitentiaries, is the number increasing or decreasing in this decade?

Senator Nurgitz: The number is increasing in this decade.

Senator Bosa: Honourable senators, could the honourable gentleman explain to me what the rationale is for having inmates who are sentenced to two years or more sent to federal penitentiaries and those who are sentenced to two years or less in provincial penitentiaries?

Senator Nurgitz: Honourable senators, my understanding is that there is not a rationale and that it is a historical factor that was considered at the time, somewhere about the formation of the first British North America Act, in determining what responsibility the provinces would have in the keeping of prisoners and what responsibility the federal government would have.

You must remember that in institutions in which the provinces have prisoners there are many prisoners who are there for non-criminal offences, that is, they are not there as a result of breaches of the Criminal Code or the various drug offence acts. They are incarcerated for breaches of provincial statutes, for example, provincial liquor laws and offences of that nature. But there is no jurisprudence or philosophical meaning behind the two years and two years less a day distinction.

• (1510)

The Chairman: Shall clause 2 carry?

Hon. Senators: Carried.

The Chairman: Shall clause 3 carry?

Hon. Senators: Carried.

The Chairman: Shall clause 4 carry?

Senator Haidasz: Mr. Chairman, I have a question respecting the mandatory conditions in clause 4. Can the witness tell us whether the retroactivity applicable in this bill has been checked with the Department of Justice in terms of its constitutionality, especially as regards the Charter of Rights and Fundamental Freedoms?

Senator Nurgitz: Honourable senators, I am sure that when Senator Haidasz rereads the *Minutes of the Proceedings* of the committee, he will see that that question was put specifically to the minister, who stated that an opinion had been obtained from the Department of Justice indicating that the retrospectivity of this bill does not in any way breach or violate the Charter of Rights and Freedoms.

The Chairman: Shall clause 4 carry?

Hon. Senators: Carried.

The Chairman: Shall clause 5 carry?

Senator Hastings: Honourable senators, I should like to move an amendment to clause 5. I move:

> That clause 5 of the Bill be amended by adding immediately after line 5 on page 10 the following:
>
> (8) An inmate who is in custody pursuant to an order made under subsection (4) may appeal against that order to a superior court of criminal jurisdiction on any ground of law or fact or mixed law and fact.

The Chairman: Honourable senators, it is moved that clause 5 of the bill be amended by adding immediately after line 5 on page 10—

[*Translation*]

Senator Corbin: Honourable senators, on a point of order. We do not have the French version of the proposed amendment, although in the circumstances, there may be a good reason why it could not be submitted to us. I also realize that my colleagues are entirely free to present amendments in the language of their choice. However, the interpreters do not even have copies of the English version so they can render it correctly in French. Could we have the text of the amendment and the bill sent over to the interpreters so that they can provide an interpretation that conforms to the letter and the intent of the legislation we are trying to amend?

The Chairman: Would the Gentleman Usher of the Black Rod be so kind as to provide interpreters and senators with copies of the French version of the amendment?

Senator Hastings: Honourable senators, I am sorry it was not available in French, but I think the document will be translated in a few minutes.

[*English*]

Perhaps we could stand clause 5 and return to it when the translation is ready.

The Chairman: Is it agreed that we stand clause 5?

Hon. Senators: Agreed.

The Chairman: Shall clause 6 carry?

Hon. Senators: Carried.

The Chairman: Shall clause 7 carry?

Hon. Senators: Carried.

The Chairman: Shall clause 8 carry?

Hon. Senators: Carried.

The Chairman: Shall clause 9 carry?

Senator Hastings: Could the witness provide an explanation of the implications of clause 9? It is to be found at page 16 of the bill.

Senator Nurgitz: Honourable senators, my understanding of the reason behind clause 9 is that the section as presently worded allows for the remitting of any statutory remission which was previously taken away from the inmate. The proposed amendment would make any such remitting subject to two exceptions: First, where a detention order is made against an inmate, he or she forfeits all remissions standing to his or her credit. That remission shall not be recredited, pursuant to section 23. Second, where an inmate is subject to one-shot mandatory supervision and that is revoked, he or she loses all remission standing to that inmate's credit and that remission shall not thereafter be recredited, pursuant to section 23.

As honourable senators will recall, there will be identified amongst the 12,000 inmates certain persons for whom one-shot mandatory supervision will apply because they have been designated as risks. This clause has to do with the recrediting of their time after they are back in.

Senator Hastings: Honourable senators, I want to be perfectly clear on this. The clause applies to an inmate who has been referred to the board for gating, as I understand it, where the board has decided not to gate him; in that case, he is recredited with his remission and released on mandatory supervision. Am I correct in my understanding?

Senator Nurgitz: Yes.

Senator Hastings: Should his mandatory supervision be revoked and should he be returned to custody, he can no longer earn remission. Is that correct?

Senator Nurgitz: That is correct. That is the limiting focus of one-shot mandatory supervision, which was originally to apply to the population of 12,000 inmates. It will now apply to—

Senator Hastings: It will now apply to 500.

Senator Nurgitz: —whatever number.

Senator Hastings: Suppose that an inmate has been referred to the board as being allegedly dangerous, yet the board finds he is not dangerous. The board will recredit his remission and release him on mandatory supervision. When he comes back, why can he not earn remission?

Senator Nurgitz: I think that the Honourable Senator Hastings is missing the point. There is the general fear that a portion of the prison population—I believe it is a small number in comparison to the whole—is potentially dangerous. But, although these inmates are designated as such, a hearing must still be held to determine that that is so. Surely my friend is in favour of that.

Senator Hastings: Yes.

Senator Nurgitz: A person who has a record of some sort of violence while in prison, in addition to a violent criminal record of his own, might show some predictability of further violence. But at the hearing the Parole Board in its wisdom will decide that perhaps there is not quite enough evidence to revoke that person's mandatory supervision, so the last third of his sentence may be served outside. That person has already been looked at sideways, if you like.

• (1520)

The situation is that the Parole Board will now take a chance, but just one chance. I do not know of any other way to put it, but that really is what it amounts to. That does not affect the other 11,000 or 12,000 inmates, who will go out on mandatory supervision, perhaps commit a breach of the terms of their mandatory supervision, in which case they will come back in and they will be treated like everyone else in that they again earn their remission, and so on.

Senator Hastings: But my proposal is: Why cannot he be treated like everyone else? The honourable senator is quite correct. He has gone before the board, which has decided that he is not dangerous and it has let him out. He has been given back his remission and he goes out on mandatory supervision. When he returns, he can no longer earn remission. Why is he not treated like everyone else? You said that at the hearing he is the same as everyone else—

Senator Nurgitz: No. With respect, the honourable senator is trying to put words in my mouth. I am not saying that he is like everyone else. I am saying he is not like everyone else. I am saying that there is some possibility of some risk. I recall Senator Fairbairn's telling us—and I do not want to invoke Senator Fairbairn's name as a supporter for my side, because I believe that she is a supporter of your side, Senator Hastings—that she met an inmate who was talking about having to go to Winnipeg to kill someone. Perhaps at a hearing it would be decided that if that inmate could be kept away from that location, there would not be a danger—but here is a targeted person, if you like, a person with a propensity for violence. He is not the same as the other 11,000 or 12,000.

The Chairman: Shall clause 9 carry?

Hon. Senators: Carried.

The Chairman: Shall clause 10 carry?

Hon. Senators: Carried.

The Chairman: Shall clause 11 carry?

Hon. Senators: Carried.

The Chairman: Shall clause 12 carry?

Hon. Senators: Carried.

The Chairman: Shall clause 13 carry?

Hon. Senators: Carried.

The Chairman: Shall clause 14 carry?

Hon. Senators: Carried.

The Chairman: Shall clause 15 carry?

Hon. Senators: Carried.

The Chairman: Is it agreed that we revert to clause 5?

Hon. Senators: Agreed.

The Chairman: Honourable senators, it is moved by Senator Hastings, seconded by Senator Petten, that clause 5 of the bill be amended by adding immediately after line 5 on page 10 the following:

> (8) An inmate who is in custody pursuant to an order made under subsection (4) may appeal against that order to a superior court of criminal jurisdiction on any ground of law or fact or mixed law and fact.

Shall the amendment carry?

Some Hon. Senators: Yes.

Some Hon. Senators: No.

Senator Hastings: Mr. Chairman, I would like to speak to the amendment. We have discussed who is the best authority to make decisions with respect to keeping men in custody *ad infinitum*. We have heard the words of the minister this morning that he would not entertain an amendment vesting that authority in a court of competent jurisdiction, where an inmate would have the benefit of counsel, of cross-examination and of appeal. The minister and the government feel that it is more practical to have these decisions made by a board—political appointees—made, as I said this morning, in the back rooms of penitentiaries, where the accuser decides whether or not the inmate should have counsel "or a friend to assist me"; where the accuser decides what evidence shall be given to the inmate to examine; and where there is no appeal.

Honourable senators, it is repugnant to me to have these decisions made when it affects the freedom of an individual who has earned his remission. I have argued to the best of my ability to impress upon my colleagues my belief that the court is the best forum in which that decision should be made.

I am putting forward for the consideration—and I hope approval—of honourable senators an amendment to the clause, which is very simply stated. Any inmate who was ordered detained under the act would have the benefit of appealing that detention order to a court. It is just a simple appeal from an administrative tribunal to the court, where the inmate would have the benefit of counsel, where he would have the benefit of the information that is used against him; and if—which may be practical—the board has information which it does not wish to show to the inmate or his counsel, at least a judge will make that decision and will be a better arbitrator of what should be shown to the inmate. The judge would then either confirm or deny the decision of the tribunal.

Senator Nurgitz: Honourable senators, as has already been stated, it is the view of the government that the Parole Board, dealing on a daily if not hourly basis with the question of risk, is really in a position to make a further assessment of risk. The court, whose normal responsibility is finding people either guilty or not guilty, is in a different situation. As I mentioned in my comments earlier, the court determines what the length of the sentence should be. The administration of that sentence falls within the correctional system, within the Department of the Solicitor General—and, I am suggesting to honourable senators, it should properly fall within the purview of the National Parole Board.

I should mention, for the information of honourable senators, that there is a section of the Federal Court Act—section 18—which provides for certain procedural safeguards for all matters affecting the rights of individuals who come before administrative tribunals under federal jurisdiction. That section does provide a form of protection. Any hearings that are held in contravention of those rules allow for an appeal to the Federal Court. I repeat that there are judicial safeguards already within the system, as set out in the Federal Court Act. I have just been reading the proceedings of our committee held in April 1983 where the then Solicitor General made a rather impassioned plea by saying that to remove this authority from the Parole Board would indicate a lack of confidence in that body which has, I understand, not a bad track record over the last number of years.

• (1530)

Senator Hastings: Honourable senators, with respect to the observations of my distinguished colleague, the court, too, deals with the liberty of the subject and renders on an ongoing basis thousands and thousands of decisions in that regard. All appeals to the Federal Court must be on the basis of law. That is, on such questions as: Did they hold the hearing properly? Did they hold it on the right day? Did the individual involved receive notice? And so on. They do not deal with issues of fact. I do not think it is any reflection on the Parole Board if their decisions are appealable. I do not understand how it would be considered a reflection on the board. The individual is entitled to counsel, as I said, at the hearing and any administrative board should be able to withstand the public scrutiny of a judge as to the decision it has reached.

Senator Murray: Mr. Chairman, before the committee votes on this amendment, there are some things that I believe I should say to you as the Leader of the Government in this place. It has been a very long time since the Senate has taken the initiative to amend in any substantial way any important government bill coming to us from the House of Commons. The last occasion of that kind that I can recall took place during the days of the Diefenbaker government when a customs and excise bill was amended by the Liberal majority in the Senate. The fate of the customs and excise bill was that when it returned to the government, the government chose not to proceed to re-introduce it as amended into the House of Commons. It chose not to do so, I surmise, precisely in order to avoid a confrontation between the two houses of Parliament, the majority in the House of Commons having passed the bill some time previously. I do not know, none of us knows what will happen to this bill if the Senate takes it upon itself to amend it, although I must say that I suspect that it will have the same fate as the customs and excise bill. I think we have to ask ourselves at what risk we may be taking this quite unusual step. If we pass an amendment to this bill, what are the implications?

First, there is at least a potential danger to the public safety. I am not familiar, nor do I believe are many senators, with the individual cases of inmates that will come up in the next little while for release in the absence of this new law.

Senator Frith: Law? You have to bring the House of Commons back for it to become law.

Senator Murray: I understand the procedural position taken by my friends.

Senator Frith: It is a fact, not a position.

Senator Murray: I repeat, we do not know the individual cases that will come up within the next little while. I repeat, there is at least a potential danger to the public safety. There is also—and I believe that this point should be weighed carefully by honourable senators—a perceived danger from the public's point of view to the public safety in the failure of Parliament to pass this bill.

The first job I had in this city 25 years ago was executive assistant to the then Minister of Justice, the Honourable Davie Fulton. At that time the Penitentiary Service, the Parole Board, the RCMP and the numerous other agencies now found in the Solicitor General's Department, the Department of Consumer and Corporate Affairs and the Department of Justice were all grouped under the Ministry of Justice. During my time in that position, I visited every federal penitentiary in Canada. I was present when the first major initiatives were taken by the government of the day in the field of correctional reform. Reflecting upon that experience, I was most impressed this morning by what the Solicitor General had to say about the evolution of attitudes and the evolution of policy in the field of correctional reform. Certainly, it is true that none of us has the ultimate wisdom in these fields and we do not know where it resides.

Many times I had the experience of visiting penitentiaries across the country, particularly in the maritime provinces, where I found people whom I knew personally and with whom I had grown up in a small town in Cape Breton. I must say that it is quite an experience. I have wondered ever since, and I think I will wonder until the day I die, how it is that in a small community, such as the one I grew up in or the one Senator MacEachen grew up in, where virtually everybody is working for the same industry, for the same company on the same wage rate, comes from the same social and cultural background with pretty much the same economic opportunities, some people go in one direction and others go in quite another direction. Over the years anthropologists, sociologists, psychologists and members of all the other behavioural disciplines have tried to find out. Perhaps we are closer to some answers in that field now than we were then. Certainly, much has been done in the past 25 years, but there are a lot of unanswered questions in that whole field, and I am the first to admit it.

● (1540)

Certainly, the experience which the committee has had quite recently of visiting these institutions is valuable—and I recall one day having quite a lengthy discussion with Senator Fairbairn about the experience. One never comes away from that experience without a strong sentiment of "There but for the grace of God go I."

[Senator Murray.]

Honourable senators, I do not intend to wander too far afield, but my experience at that time has also given me a very clear understanding of the depth of public concern in this field, and my honourable friends are well aware of this. Senator Robertson, who lives in the city of Riverview a few miles from Dorchester Penitentiary, will know what I am talking about. I well recall the public outcries that would arise on occasion when we had to decide on the location of a young offenders institution, or some other kind of correctional institution in a particular community. Nowadays, of course, the pressure is to do something about the release programs that are in existence, and I cannot over-emphasize the public concern that exists about their safety. Even allowing for the fact that over the years there has been laudable and widespread public support for the reforms that successive governments have undertaken in this field, there is still—and I cannot stress it too strongly—a great deal of public concern about safety.

Honourable senators, I told the Senate earlier today that no decision had been taken on this matter of Royal Assent, and no decision has, indeed, been taken. I do not know the date of the next Royal Assent. I tell my friends, because I know that they know it, that decisions on such matters as Royal Assent are not taken by way of one telephone call from Ottawa to Saskatoon, or Ottawa to anywhere else. If we are to have a Royal Assent within the next little while during the adjournment, it means that the House of Commons will have to be called back. I believe that to call the House of Commons back, the government must persuade the Speaker of that chamber as to the urgency of the matter and must persuade him to do so.

Again, I am not familiar with the individual cases that may be coming up in the correctional system within the next little while. I do know that the government, the minister and the responsible authorities will have to reflect on that in coming to a decision as to whether an early Royal Assent should be sought from the Speaker of the House of Commons and from Her Excellency, the Governor General.

I simply say to honourable senators, as I said this morning, that it is the government's view that the prudent thing for the Senate to do would be to pass this bill now. We have had from the minister, the Solicitor General of Canada, an expression of what his view is, and that is that there should be an early Royal Assent. That is his view, and he has made it clear that he intends to make the appropriate representations to the new government house leader in the other place.

Honourable senators, as I say, I believe that substantively we are running some risk only to our own reputation in putting the government and the other place in the position where this bill will not have been passed by Parliament before the summer adjournment. I also ask you, honourable senators, to consider and reflect on what it does to the Senate if we take this unusual step of amending a government bill that has come to us from the House of Commons. As I have said, it has been some considerable time since the Senate has done that. There is no question about its constitutional powers; they are there.

However, it has been more than 40 years, I believe, since the Senate has defeated a bill.

As I said this morning, that is not the way we have proceeded in this place in modern times. We have not proceeded by way of bringing in important amendments to government bills from the House of Commons. We have not proceeded by way of defeating bills; we have relied on quiet diplomacy and on persuasion. In fact, I am not at all sure—and I do not think that my friends opposite are at all sure—that this kind of amendment, or any kind of amendment, to this bill would have much public support.

In any event, we do not address ourselves directly to the public. We are not the house which primarily addresses itself to the public and tries to persuade them. Our audience, if you will, is the House of Commons and, in particular, the majority in the House of Commons which, in this case, is the government and the ministers of the Crown in the House of Commons. That is our audience, and we are adressing them.

Honourable senators, as you know, I have been here for seven years and, quite apart from the fact that I have come to enjoy and cherish the personal associations I have made here, I have a very high regard for and I set a very high value on the work that we do in this chamber and in its committees. Senators will know that I have been for the past two years chairman of the Standing Senate Committee on Banking, Trade and Commerce. Senators will also know, because that committee has brought in many reports on government legislation, that we have proceeded by way of comments—and sometimes quite pointed and critical comments—about government legislation, but we have not moved to amend government bills.

Senator Frith: Yes, we have.

Senator Murray: We have not amended government bills coming to us from the House of Commons in any important respect.

Senator Frith: Yes, we have.

Senator Murray: I agree that it has happened occasionally on the initiative of the government, who have asked us to correct some glitches in legislation, but I ask the Honourable Deputy Leader of the Opposition to examine the statement I made when I opened: We have not been amending in any substantive way on our own initiative important government bills coming to us with the approval of the House of Commons.

Senator Frith: You certainly tried when you were on this side. You often moved amendments when you were on this side—

Senator Murray: Yes, and we had good debates on them, and we had votes.

Senator Frith: And you never expected them to be passed?

Senator Murray: The answer to that is a resounding no. I was well aware of the solidarity, let us say, that existed amongst my friends opposite.

However, let us proceed. The point was made this morning that Senate committees and senators have been expressing their concerns about particular matters that are found in this bill for some considerable time, in fact, for more than ten years, and that now when we are confronted with a piece of legislation that goes against the grain of the thinking of senators in the committee and elsewhere on this matter, we must, if we are to be true to principle, take a stand and vote against it or amend the bill accordingly. There is an analogy in the committee which I have had the honour to chair recently. The Standing Senate Committee on Banking, Trade and Commerce, for quite a few years, took a particularly dim view of provisions in financial legislation that were retrospective or that had the effect of being retrospective. The committee complained more and more pointedly about that and urged the government not to proceed in such a way on various occasions and asked the government to reconsider, and so forth.

• (1550)

One assumes that the committee was listened to as time went on, but it was not until quite recently—the budget before last—that committee members again found themselves facing retrospective legislation. At that time the committee not only decided to take a strong position but to speak informally with the Minister of Finance and to insist, before it would pass the legislation, that he give the committee an undertaking that he would consider certain matters and, after consideration, to try, if he could, to bring in the necessary amendments. The committee finally succeeded in getting that kind of undertaking from the Minister of Finance.

Time and again the Banking, Trade and Commerce Committee, and other committees of this house, have drawn the attention of ministers to undesirable or perhaps even unintended effects of legislation that they have brought in, and more often than not, honourable senators, the committees, while expressing their reservations, and the Senate in receiving those reports, have been satisfied with an undertaking from the government that it would consider the proposals and the representations made by the Senate and its committees and, if necessary and appropriate, would propose amendments in the future.

The last report I brought to the Senate as chairman of the Banking, Trade and Commerce Committee had to do with amendments to the Customs and Excise Act. Some members of the committee took a very dim view of the retaliatory measures that were being proposed in the bill in connection with the so-called shakes and shingles affair. They brought in quite a stern report on the matter. They did not, however, try to amend the bill; they did not try to defeat the bill; the bill is law.

The other day the Legal and Constitutional Affairs Committee dealt with the Employment Equity bill. Honourable senators know how that matter was treated. The committee made some comments about the bill, which were not flattering, and called on the government to take further action and appended those comments to the bill. As I understand it, the Senate passed the bill with that message to the government

and to the House of Commons, which had passed already that bill.

That is the way the Senate has operated in modern times. That is the way of this place. I want to say, as I hope I have demonstrated to some extent, that the Senate is not entirely without influence in these matters. Far from it. I read a speech given in the Senate by Senator Argue in which he spoke about recommendations that were made by a committee of this place concerning herbicides. He practically accused my friend, Lorne Nystrom, MP, of plagiarism. The point he was making was that many of the recommendations that turn up in reports of the Senate and elsewhere are grabbed by members of the other place, both in government and in opposition, and they make them their own. That is a very telling point Senator Argue made the other day, and I appreciated it. I ask honourable senators to bear that in mind.

In connection with the influence that senatorial opinions have on the government and on members of the House of Commons, I want to remind my colleagues of the statements that were made by the minister this morning. It is obvious to me that he is going to take very seriously the views that all senators, in particular Senator Hastings, have expressed on this matter. He has made it very clear that while he wants the bill, and wants the bill as it is now, he does have an open mind, he does have an open door and he does not believe that this is the last word or that anybody has said the last word on this extremely complicated matter of correctional reform. So, I ask honourable senators to give the minister a chance.

I suggest to honourable senators that the idea that is behind Senator Hastings' amendment has been canvassed by the government, has been canvassed by others in the House of Commons and has not been accepted for the moment. That is the case with other objections that senators have made to this bill. The government and the members of the House of Commons acted in full knowledge of the views of the Senate committee and other senators on this matter. The government and the members of the House of Commons acted fully aware of senatorial views.

What do I say? Obviously, it will take my friends a little longer to persuade the government and the members of the House of Commons in this respect. It will take a little longer for honourable senators opposite to persuade them, but the record of senators and of the Senate in this respect is not bad; it is not bad at all. I ask honourable senators, therefore, to continue with their work of persuasion. I ask honourable senators, before they vote in this committee on this amendment, to respect the limitations that we have placed on ourselves as a legislative body in modern times. Honourable senators know what I mean. I ask honourable senators to stay on the path of moderation, conciliation, quiet diplomacy, persuasion and of common sense in the Senate's relations with the members of the other chamber, and with the majority of the members of the other chamber. I ask honourable senators to stay on the path that has been so productive in the past for the political and legislative process of this country. I ask honourable senators not to put the Senate in the position of appearing to be casual about matters where there is a potential danger to public safety.

[Senator Murray.]

Senator Frith: The government will be in that position, not the Senate.

Senator Murray: I ask honourable senators, finally, not to run the risk of an unnecessary confrontation with the members of the elected House of Commons. I ask honourable senators to defeat this amendment.

Some Hon. Senators: Hear, hear!

Senator MacEachen: Honourable senators, the first point I want to make is that the Leader of the Government in the Senate has not dealt at all with the substance of the amendment which has been proposed by Senator Hastings. That in itself is illustrative, I believe, of the support which this concept has, in fact, received from the Senate in the past. One listening to Senator Murray might conclude that the Senate, in moving this amendment, was embarking on a reckless course, that it had left the path of moderation and was now treading a dangerously radical, unsenatorial course. Well, I think all of us, upon reflection, realize, if we refer back to the debate of this morning, that the Senate itself, and particularly the Standing Senate Committee on Legal and Constitutional Affairs, has been consistent and unrelenting in its repeated view that in the matter of deciding the destiny of incarcerated prisoners, the role of the judiciary is preferred to that of the Parole Board. That was, as I outlined this morning, the view of the Senate as a whole in the passage of Bill S-32 in 1983, which incorporated within its substance the preference for judicial review of this particular procedure.

● (1600)

So, instead of departing from the path of moderation, the Senate is staying on course.

Senator Frith: Hear, hear!

Senator MacEachen: The Senate is consistent with its own attitudes in the past, and Senator Hastings in moving this amendment is true to the traditions of the Senate. As Senator Murray said, "It is our way," and he has stayed with the way of the Senate.

Let us be quite clear. When Senator Murray says, "Give the bill a chance," of course the bill will get a chance. The bill, whether amended or unamended, will come out of the committee and receive third reading, if appropriate consents are available—and we think they will be—and it will receive third reading today, amended or maybe unamended, depending upon the decision of the Committee of the Whole. So, we will give the bill a chance and we will have dealt with it rapidly, because it first appeared on the Scroll of the Senate on Friday last.

Senator Frith: The last day we sat.

Senator MacEachen: The last day of the session. The Senate was called back here today by the government, and we are here ready to deal with the bill in all its stages today.

Senator Frith: Hear, hear!

Senator MacEachen: From June 27 to July 2: that is the speed, the commendable dispatch, with which the Senate is ready to deal with the bill.

I think it is unfair of Senator Murray to raise the question of public safety and say, "If you delay passage of the bill, if you do anything immoderate, you are creating a potential danger to public safety." The fact of the matter is that potential danger to public safety, if it does exist, has become the responsibility of the Government of Canada, because this bill was introduced on June 27, 1985, and it has been in the House of Commons for a full year.

An Hon. Senator: Right on!

Senator MacEachen: It was open to the Leader of the Government in the House of Commons, the Prime Minister, to schedule that bill the first month after it was introduced and to remove what Senator Murray describes as "the potential danger to public safety."

An Hon. Senator: Right on!

Senator MacEachen: But now, having found it tolerable to live with that potential danger to public safety for a full year, and the bill having arrived in the Senate five days ago, the government is raising the matter as an issue in an effort to dissuade the Senate from doing its duty in dealing with the amendment proposed by Senator Hastings.

Some Hon. Senators: Hear, hear!

Senator MacEachen: That is the first point I have on the potential danger to public safety. I add another point. If the failure to have this bill made law is a potential danger to public safety, why was not the minister prepared today to say, "We will have Royal Assent immediately"?

Senator Frith: Hear, hear!

Senator MacEachen: "We will remove that potential danger to public safety."

Some Hon. Senators: Hear, hear!

Senator MacEachen: Why is the Leader of the Government, threatened as he is in his mind by the potential danger to public safety, not now ready to remove that danger by having Royal Assent immediately?

Senator Frith: Hear, hear!

Senator MacEachen: But, from what we have gathered, Royal Assent may be delayed. We do not know; we can only assume that—

Senator Frith: No decision has been made.

Senator MacEachen: We assume it will be delayed because of the formidable difficulties raised by the Leader of the Government against having a quick reassembly of the House of Commons.

So, "potential danger", I think, is a bit unfair to the Senate.

Senator Frith: It is their responsibility.

Senator MacEachen: We are dealing with the bill quickly. It will move out of here today. Then, before it can become law, it is up to the government to have Royal Assent, and if it wants to deal with a possible amendment it will have to do so in the House of Commons, which it must have present in any event to have Royal Assent. So, we are not complicating in any way the work of the government.

Senator Frith: It took them a year to get it here.

Senator MacEachen: So much on the bill itself. On the alarms sounded by the Leader of the Government against precipitate action by the Senate, how refreshing it would have been to have the new Leader of the Government come in here saying, "We want to do something with the Senate. I want to give it some leadership that will lift it out of the moribund reputation it enjoys in the minds of the Canadian people."

An Hon. Senator: Hear, hear!

Senator MacEachen: How refreshing it would have been to have him say, "I will co-operate in changing the Senate so it can become a more effective body."

Senator Murray: I like the Senate.

Senator MacEachen: Instead of that, we had a speech which, in my view, was a clear argument for the abolition of the Senate.

When I came to the Senate, I assumed that I was entering a legislative body. I did not think I was becoming a member of the Business Council on National Issues, which has the opportunity to make representations to the Minister of Finance and has the opportunity to repeat those representations; which can write stern letters and hold the minister to account and which can exercise quiet diplomacy and persuasion. Whether it be the Business Council on National Issues, whether it be the Canadian Labour Congress or the Canadian Catholic Conference, it is their job to do that in a democratic society. Are we now to believe that that is also the function of a senator?

● (1610)

Senator Frith: That is what we are told.

Senator MacEachen: To persuade, to be diplomatic?

Senator Frith: To be a lobby.

Senator MacEachen: To hold them to account? To write stern letters?

I think it is interesting to say, and I accept Senator Murray's view, that the Senate is not without influence. Certainly, the Business Council on National Issues is not without influence, but that is not the point. The point is that the Senate is a legislative body.

I have always disagreed with the former Leader of the Government in the Senate when he consistently urged that the Senate should be only an advisory body. That is not its constitutionally intended function. If we are merely advisers, I suggest we can have a cheaper and more effective set of advisers than senators. We are a legislative body.

If a member of the Senate, such as Senator Hastings, spends so much time studying, worrying about and examining a bill and concludes there ought to be an amendment, and if he

wants to put it before his colleagues in the Senate and we all say that is going too far—

Senator Frith: That is not diplomatic enough.

Senator MacEachen: —and that we should never amend a bill, I think senators will lose interest. What Senator Hastings is doing is selecting a small but important point and saying, "Senators, I want you to decide whether you agree with me that when the Parole Board has deliberated and reached a decision, it should be possible to go to the courts." That is hardly confrontation with the government. That is hardly politicizing the institution. I doubt if it has great political impact on the country. It is an effort to improve the legislation, motivated by a keen conscience and a keen understanding of this problem.

What happens if the amendment is accepted? The bill will come out of committee and out of the house today as amended. One amendment will go to the House of Commons, not the whole bill but just a single amendment, and the remainder of the bill will be approved and it will move out of the Senate today. Is that a dangerous departure from the past? Is that unsenatorial? I think it is what I expect the Senate to do where appropriate, that is, to improve a bill by amending it and have it considered by the House of Commons.

Honourable senators, a number of points were made this morning to the effect that the views of the Senate have been considered by the House of Commons. The views of the Senate have never gone before the House of Commons. They have never been formally considered by the House of Commons. The report of the Standing Senate Committee on Legal and Constitutional Affairs was not tabled in the House of Commons. It was not brought before the Commons in any way. When a legislative body delivers and considers a matter, that matter has to go before that body in the form of a motion. That is how a legislative body deliberates—it is not in the back corridors or through a process of osmosis. If this amendment were carried, that amendment would go before the House of Commons, it would be debated and either accepted or defeated.

I would think that Senator Murray should not be hasty in pre-judging the outcome of that vote, because the amendment is quite limited. It does not remove the function of the Parole Board. The function of the Parole Board is maintained, but it assigns a review function to the judiciary.

I can see that there is a difference of view between myself and the Leader of the Government in the Senate about the function of the Senate and what it ought to be in the twentieth century: the modern Senate. The modern Senate of Canada ought to mean more than quiet diplomacy and persuasion. In my opinion, if we are to gain the respect of the people of Canada in a greater way, from time to time we must stand up and say what the Senate would like to have considered by the House of Commons. If they decide against us, that is not to say that the will of the Commons will not prevail. It can prevail and it ought to prevail, but there is a long journey between saying that the will of the Commons should prevail and that the Senate should remain solely an advisory body. There is an immense spectrum in between that can give the Senate an effective function without contesting what I regard to be a fundamental of our democracy, namely, the supremacy of the elected members of the House of Commons. They must have their way.

However, is it not open to the Senate, with our constitutional functions, to put some ideas before the House of Commons in the form of an amendment?

Senator Lefebvre: Of course.

Senator MacEachen: Then the Commons can say yes or no. The Senate, if it is wise, will conclude that the Commons will have its way.

I am delighted that the amendment has been put, if only to have a discussion on the role of the Senate, because, when I said this morning that I had high expectations of the Leader of the Government in the Senate, I have not changed my view.

Senator Frith: Shaken a bit.

Senator MacEachen: I think he will, in the government, gradually be able to have ministers who seldom appreciate the Senate—and I know a lot about that—

Hon. Senators: Hear, hear.

Senator MacEachen: —come around to the view that there is a place in the legislative process for the Senate that need not entail confrontation and hostility; but that there can be a co-operative and constructive relationship between the two bodies.

That does not mean that the Senate should abdicate and give away its legislative functions. One of the legislative functions is to amend. Let us move gently into this slight evolutionary process so that it will be possible for a member of the Senate to move an amendment, test his colleagues and, if carried, see it go to the House of Commons. Then we will see what they think. That is what is happening today.

Hon. Senators: Hear, hear!

• (1620)

Senator Hicks: Mr. Chairman and honourable senators, it is not necessary for me to speak at length about this matter, but I do want to point out to the government leader in the Senate—and I join with all of the good things that have been said about him today; what I am going to say now will in no way detract from that—something having to do with the remarks he made about the Senate's amending bills.

The Senate has amended bills and sent them back to the House of Commons much more recently than in the period of the late John George Diefenbaker. I recall distinctly that in 1972 the Senate amended a bill amending the Criminal Code having to do with wiretapping and sent it back to the House of Commons. In that case the bill was resubmitted to the House of Commons. However, it did not follow the example under the Diefenbaker administration to which Senator Murray referred, because the House of Commons did not accept the amendments which the Senate had made and returned the bill to the

Senate. After serious consideration by the Senate, the conclusion of the senators at that time was to the effect that if they wanted to be wrong and did not accept our good amendments, let them have it. We passed the bill without the Commons having accepted the amendments the Senate had made. We had the satisfaction the next year of seeing all of our suggested amendments incorporated in another piece of legislation. Senator Murray might be interested in having a look at the political footwork which probably had something to do with the behaviour in the House of Commons at that time.

In any event, I remember that one very clearly. There have not been formal amendments by the Senate since that time and, indeed, for some years before that, to the extent there used to be in years gone by. One of the reasons is that this body began a decade or more ago to undertake the pre-study of bills before its committees. By the kind of negotiation to which the government leader in the Senate properly referred, arrangements have been made, sometimes when the bills were before the committees in the House of Commons, sometimes when the bill was reported back from the committees to the House of Commons, and the changes which have been suggested by the Senate have actually and technically been made in the House of Commons. Perhaps this did something to destroy the visible role that the Senate played, but it was not a withdrawal of the function of the Senate in amending legislation. I certainly do not agree we should ever consent to such a withdrawal.

Perhaps while I am speaking I should say something about the nature of this amendment and why I am going to support it. I agree that there is the possibility of a real debate, which would have caused me some difficulty had I had to choose between the appropriateness of the Parole Board or the court ruling on this question of the withholding of mandatory supervision. I agree that it would have been difficult to decide. Generally speaking, I think that these things should be left to the court. I agree, however, that a burden might be imposed upon them. Listening to the discussion that has gone on here today, one has some doubt as to how great that burden might be, but I agree that there is some indication that that might have imposed a substantial burden upon the court which it would have been unfortunate to ask them to assume.

Honourable senators, it seems to me that this amendment gives us the best of two worlds. It leaves the decision making, in the first instance, with the Parole Board, but it does not deny to the person who thinks he is aggrieved by a decision of that board an opportunity to get his case before the courts. If it can be brought before a superior court and it is still wrong, he can appeal it and have recourse to the whole body of law and jurisprudence of which we are all very proud in this country and, indeed, in most of the civilized countries of the western world. Therefore, it seems to me that the arguments which the Leader of the Opposition in the Senate has made are eminently sensible, that we are not causing any great hardship to anyone if we test this amendment and that, if the House of Commons does not want to accept the amendment—and remember, they cannot make this bill into law without reconvening the House of Commons either for Royal Assent or for the acceptance of our amendment, followed by Royal Assent, so they must come back in any event—we are not introducing any significant delay. It seems to me that this is a reasonable thing for us to do. For that reason I am going to support the amendment, because I think it improves the legislation in this rather narrow but, to me, important aspect.

Senator Molgat: Honourable senators, before the vote is taken, I simply want to clarify something which I do not really understand. My question is addressed to Senator Nurgitz. On May 14 when the twenty-first report of the committee was submitted, my understanding was that this report was submitted on behalf of Senator Nurgitz. That is the way it is signed. It is signed by P. Derek Lewis for Nathan Nurgitz, deputy chairman.

The report is very clear. True, it does refer to a previous decision of the Senate regarding Bill S-32, but the purpose of this reference was to do a pre-study of Bill C-67. The report states in its first section:

> It is the opinion of the Committee that the legislation should reflect the principle approved by the Senate when it adopted Bill S-32—namely, that the courts, rather than the National Parole Board, should make decisions respecting the continued incarceration of inmates who would otherwise be eligible for release on mandatory supervision.

It then goes on to say:

> We have heard the comments of the Solicitor General with respect to the appropriateness of the Board taking on this responsibility, but with respect we must disagree.

That is stated in Senator Nurgitz's report, which was tabled on May 14 of this year.

On June 12 the twenty-second report of the Legal and Constitutional Affairs Committee was tabled. That one was simply signed by the chairman, Senator Lewis. Senator Nurgitz, however, was still a member of the committee at that time and, I believe, was deputy chairman. The twenty-second report, in referring to the previous report, states:

> This report is intended to supplement the Committee's interim report of May 14—

This does not contradict the first report, it merely adds to it.

Senator Nurgitz back in May supported the principle that the court rather than the National Parole Board should make such decisions and the Senate approved that. To my knowledge, no honourable senator on one side or the other got up to contradict or to oppose the recommendation of our own committee some two months ago. The proposal that has been made by Senator Hastings does not even go that far. The amendment merely provides for the right of appeal. If two months ago the view was that such decisions should be made by the court, not the Parole Board, and if the amendment put forward today simply provides for a right of appeal, I just do not understand why Senator Nurgitz is opposed to it.

Senator Nurgitz: Honourable senators, by way of a brief reply, on May 13 or 14 I was the chairman of the committee and in the hands of the committee. I did not speak in favour of or against the recommendation. I was in the Chair. I am not aware of who was there and cannot even recall at the moment whether any senator on the government side attended. The purpose in bringing in the report at that time was because the committee was holding endless meetings to hear witnesses who had very similar positions to those of the witnesses of the previous week, albeit that they were against the government position, and we were being urged because we were, in fact, attempting to negotiate with the Solicitor General for some amendments. Frankly, there were people on both sides who were anxious to get that going.

• (1630)

The purpose in bringing in that report in May was in the hope of gaining some portion of what the Senate committee wanted. I believe there are four items in that report, of which two were negotiated as amendments that ultimately ended up in the bill. That is the purpose of what we did in May.

The precedent for doing that was the divorce bills which the Senate had some months earlier. In a pre-study we came in with five recommendations that we urged the Minister of Justice to accept. I believe three and a half of them gained acceptance. That was precisely the principle.

I was out of the country for the June meeting. I considered the June meeting to be rather unfair and wrong because the idea of the main meeting was to stake out our position. But, as I say, I was out of the country. Someone thought that it was perhaps time to move for another committee report, and that was done. I was not there.

The Chairman: Honourable senators, it is moved by Senator Hastings, seconded by Senator Petten, that clause 5 of the bill be amended by adding immediately after line five on page 10, the following:

> (8) An inmate who is in custody pursuant to an order made under subsection (4) may appeal against that order to a superior court of criminal jurisdiction on any ground of law or fact or mixed law and fact.

Is it your pleasure, honourable senators, to adopt the motion?

Some Hon. Senators: Yes.

Some Hon. Senators: No.

The Chairman: Will those honourable senators in favour of the amendment please rise?

Will those honourable senators opposed to the amendment please rise?

The motion is carried 22 to 18.

The motion was resolved in the affirmative.

The Chairman: Honourable senators, shall clause 5, as amended, carry?

Hon. Senators: Carried.

The Chairman: Shall the title carry?

Hon. Senators: Carried.

[Senator Molgat.]

The Chairman: Shall the bill be reported as amended?

Hon. Senators: Agreed.

PAROLE ACT AND RELATED STATUTES

BILL TO AMEND CONSIDERED IN COMMITTEE OF THE WHOLE

The Chairman: Honourable senators, we will now proceed with Bill C-68.

The Senate is now in Committee of the Whole to take into consideration Bill C-68, intituled, An Act to amend the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and the Criminal Code.

Shall the title be postponed?

Senator Frith: Honourable senators, I move that all clauses carry in Bill C-68.

The Chairman: Is it agreed, honourable senators?

Hon. Senators: Agreed.

The Chairman: Shall the title carry?

Hon. Senators: Carried.

The Chairman: Shall I report the bill without amendment?

Hon. Senators: Agreed.

The Hon. the Speaker *pro tempore:* Honourable senators, the sitting is resumed.

PAROLE ACT
PENITENTIARY ACT

BILL TO AMEND—REPORT OF COMMITTEE OF THE WHOLE ADOPTED

Hon. Rhéal Bélisle: Mr. Speaker, the Committee of the Whole, to which was referred Bill C-67, to amend the Parole Act and the Penitentiaries Act, has considered the said bill and has the honour to report the bill with an amendment.

The Hon. the Speaker *pro tempore:* Honourable senators, when shall the report on Bill C-67 be adopted?

Hon. C. William Doody (Deputy Leader of the Government): Now.

Hon. Nathan Nurgitz: Honourable senators, on a point of order, I raise a question in connection with the amendment which has been proposed and carried. The amendment says:

> (8) An inmate who is in custody pursuant to an order made under subsection (4) may appeal against that order to a superior court of criminal jurisdiction on any ground of law or fact or mixed law and fact.

Since we are into the question of legislation, when do they appeal? It does not say when. How do they appeal? Is it by way of notice of appeal?

Hon. P. Derek Lewis: By regulation.

Senator Nurgitz: It has been deemed, as a result of a recommendation by the Senate committee, that the regulations would not be contained in independent regulations but that they would appear within the statute. It does not say whether we go to an appeal court of superior jurisdiction or to a trial court of superior jurisdiction, and so on. In connection with an appeal, I am wondering where, how and why? Do we not need grounds? Is it a hearing *de novo*, or is it not a hearing *de novo*?

Hon. Allan J. MacEachen (Leader of the Opposition): That should have been dealt with in the Committee of the Whole. You were handling the bill for the government?

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, I believe that what the Leader of the Opposition has said is sound. The question of the regularity or wording of an amendment should be raised in committee, where the amendment carries. For that reason, I believe that the point of order is not well founded. My second thought on the subject is that most provinces have rules providing for what happens if a statute says "a court". They also have rules if the statute makes a reference to a judge or to a judge of a superior court; and if they do not have the necessary rules, they soon make them once Parliament passes a statute that says so. For those two reasons, principally the first one, I do not believe that the point of order is regular.

Hon. Arthur Tremblay: Did you say "most provinces" or "all provinces"?

Senator Frith: All provinces have rules of procedure dealing with the question. There may not be a rule in every province that deals with this precise statement, but certainly in all provinces there are rules of procedure to say what happens when a statute refers to a judge, a court, et cetera.

● (1640)

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators, it is obvious to me that our colleague, Senator Nurgitz, has pointed to some very serious deficiencies in the amendment that was passed by the committee.

Senator Frith: That is where they should have been raised then.

Senator Murray: Objection has been taken to the fact that he raised them as a point of order. I do not argue with that objection, but it is obvious to me that the deficiencies pointed out by Senator Nurgitz will have to be considered by the Senate when it deals with third reading of this bill.

Senator MacEachen: Honourable senators, there is no way that the clause which has been adopted can be dealt with at third reading, because any deficiencies in the amendment should have been corrected in Committee of the Whole. To raise them at third reading leaves us powerless because we cannot change that clause, even if we find it necessary, without going back to the Committee of the Whole. Therefore, I do not think it will help us to go to third reading, because we cannot do anything at third reading.

Senator Doody: Can you not amend a bill at third reading?

Senator MacEachen: You cannot amend a bill at third reading without sending it to committee or instructing a committee to amend it in that particular, because the clauses are not before the house for amendment at third reading.

Senator Murray: Honourable senators, I am not sure of the validity of the point the Leader of the Opposition has just made about amendments at third reading. However, he has pointed out, I think correctly, that the Senate could indeed at the third reading stage send the bill to a committee, in this instance Committee of the Whole, with instructions. I for one will want to hear further discussion on the deficiencies that have been pointed out by Senator Nurgitz. It is one thing for my friends to amend the bill.

Senator Frith: Why did he not point them out in committee?

Senator Murray: We can have that discussion at third reading.

An Hon. Senator: No.

Senator Murray: Why not? The committee has reported and the Senate is dealing with the bill at third reading.

Senator MacEachen: You cannot raise a point of order on an item that is in Committee of the Whole. Senator Nurgitz was handling the bill for the government, and it was his responsibility at that point to advise us if he found there were deficiencies.

Senator Murray: I am not proposing that we discuss the matter on a point of order. The Senate is seized with the report from the Committee of the Whole. In due course we will have third reading. At that time surely it is legitimate and proper for honourable senators to draw attention to deficiencies in the bill as amended by the committee. What is third reading for if not for that purpose? Surely, if the deficiencies pointed out by my honourable friend, Senator Nurgitz, are real, substantive and of concern to senators, then, as I understand it, senators have the option of sending the bill back to a Committee of the Whole with instructions regarding the deficiencies. Again, I recognize that it is irregular to discuss these matters on a point of order. Perhaps I should defer this discussion until we get to third reading, but I want to flag for my friends the fact that in view of the deficiencies that have been pointed out by Senator Nurgitz, I think it would be quite improper for the Senate to rush ahead with third reading right away.

Senator Frith: Don't you want the bill?

Senator Murray: I want the bill, but I can wait until tomorrow for it.

Senator Guay: Have you changed your mind?

Senator Murray: Speaking to the reputation of the Senate, it is one thing for the Senate to take the rare step of amending a government bill that has come from the House of Commons. It is another thing for the Senate, which has so many people with legislative experience here—much more than I—to send back a bill to the House of Commons with an amendment that

is as deficient as Senator Nurgitz suggests it is. That is a hell of a thing to do for the reputation of the Senate, and I want no part of it.

Senator MacEachen: I must say, honourable senators, that it is difficult to listen to that lecture with equanimity. The amendment was proposed in the Committee of the Whole. The bill was entrusted to a representative of the government in the person of Senator Nurgitz. Sitting next to him was the Leader of the Government in the Senate. It was possible at that time to have these deficiencies elaborated upon and drawn to our attention. However, they were left untouched, left unexplained and the bill was passed in Committee of the Whole. Now we hear Senator Nurgitz, whose responsibility it was at Committee of the Whole stage to draw these deficiencies, if they exist, to the attention of the committee, objecting. To say that the Senate's reputation will suffer is nonsense. What is suffering is the reputation of the government due to its inability to handle a simple piece of legislation in Committee of the Whole. Now, the Leader of the Government is saying, after calling upon us to get through this bill so that public safety will not suffer, that we cannot have third reading, that we should wait until tomorrow.

Senator Murray: I would simply remind my honourable friends that we are talking about their amendment, drafted over the lunch hour while we agreed to a brief break, brought in here in only one language, finally put before us, and, after a fairly brief discussion, voted upon. I say again that it is the role of the Senate at third reading to deal with amendments that have been made in committee and to pass judgment upon them. I simply say that I want to hear further discussion on the deficiencies that have been identified by my friend, Senator Nurgitz. I want to hear that discussion at third reading and then we will decide what to do.

I am open to suggestions as to how soon we can proceed to third reading debate and how soon after that we can proceed to a vote at third reading. These are matters that are not usefully canvassed across the floor in this way. I do not believe in conducting negotiations quite in this way, and perhaps we should allow for some consultation on the matter. However, at the moment I am not prepared to give leave for third reading immediately without having had the opportunity to discuss the points that Senator Nurgitz has raised. Certainly, without having had that discussion, I am not prepared to give the assurance now that I would be willing to have a vote on the matter immediately.

Senator Frith: Honourable senators, parenthetically, the Leader of the Government does not seem to be as concerned about public safety all of a sudden as he was a few moments ago.

Senator Guay: Right on!

Senator Murray: That amendment gives me more concern for public safety.

Senator Frith: Let me make it clear for the record that we are prepared to give this bill third reading now.

[Senator Murray.]

On the question of whether the point of order is properly raised or not, it might be of some help to refer to rule 46(*o*), which clearly provides for reconsideration of a clause of a bill agreed to while in Committee of the Whole, and no notice is required to do so. Therefore, the time to raise this question was before we left Committee of the Whole, and that is what the rules contemplate.

• (1650)

The Hon. the Speaker *pro tempore:* Is it your pleasure, honourable senators, to adopt the report?

Some Hon. Senators: Yes.

Some Hon. Senators: No.

The Hon. the Speaker *pro tempore:* Will those honourable senators in favour of the adoption of the report please say "yea"?

Some Hon. Senators: Yea.

The Hon. the Speaker *pro tempore:* Will those honourable senators who are against the adoption of the report please say "nay"?

Some Hon. Senators: Nay.

The Hon. the Speaker *pro tempore:* In my opinion, the "yeas" have it.

Motion agreed to and report adopted, on division.

The Hon. the Speaker *pro tempore:* When shall this bill be read the third time?

Senator Murray: Honourable senators, unless some arrangements can be made through the usual channels, I would have to decline leave to proceed with third reading today. If arrangements could be made for a debate, in which we would canvass the deficiencies identified in the amendment by Senator Nurgitz, I would be prepared to proceed with debate on third reading, but I would not be prepared to give an assurance that we could dispose of the matter this afternoon.

Senator Frith: Do you want to have a recess in order that we can have some discussion?

Senator Murray: I think that would be appropriate.

PAROLE ACT AND RELATED STATUTES

BILL TO AMEND—REPORT OF COMMITTEE OF THE WHOLE

The Hon. the Speaker *pro tempore:* Honourable senators, the Committee of the Whole, to which was referred the Bill C-68, to amend the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and the Criminal Code, has examined the said bill and reports the same without amendment.

Honourable senators, when shall this bill be read the third time?

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, with leave of the Senate and

notwithstanding rule 45(1)(*b*), I move that the bill be read the third time now.

The Hon. the Speaker *pro tempore:* Is leave granted, honourable senators?

Some Hon. Senators: Agreed.

Hon. Earl A. Hastings: Honourable senators, leave is not granted. I think that these bills should be treated in the same way.

Senator Doody: Honourable senators, I think if we recess for five minutes, we can have a discussion about this matter.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, if we are to attempt to consider—

Senator Doody: We will be back tomorrow, in any event.

Senator Frith: Perhaps not; that is why I am raising this point as to whether Senator Hastings and others would agree that we just do not ask for leave for third reading of this bill either, for the moment—at least until we have recessed. In other words, I am of the opinion that we should keep these two bills together, because if we come to some agreement on Bill C-67, then Bill C-68 would be the only reason for coming back tomorrow, and I think that would be undesirable.

It seems to me, then, that the solution is to say that we have not moved third reading on either of these bills yet. Is that satisfactory?

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Yes.

Senator Frith: In other words, we can consider that the motion for third reading has not yet been put to us and will be put after the recess and dealt with then in whatever way we have agreed to do so—or failed to agree.

The Hon. the Speaker *pro tempore:* Is it agreed, honourable senators?

Hon. Joseph-Philippe Guay: Honourable senators, I wonder whether the leaders on both sides of the house, while giving consideration to urgent matters arising from the urgency of these two bills, would also give consideration to the possibility of sitting this evening. All honourable senators are here. I do not see why we cannot sit this evening.

Senator Murray: Honourable senators, I appreciate the suggestion of Senator Guay, but it was precisely to avoid negotiating across the floor that I have asked that the usual channels be employed for the purpose of discussing how we will proceed from here.

The Hon. the Speaker *pro tempore:* Honourable senators, it has been suggested that we do not move on third reading of Bill C-67 and Bill C-68, but that we suspend our deliberatioans until 5 p.m. Is it agreed, honourable senators?

Hon. Senators: Agreed.

The Senate adjourned until 5 p.m.

At 5 p.m. the sitting of the Senate was resumed.

• (1700)

BUSINESS OF THE SENATE

DISPOSITION OF BILLS C-67 AND C-68

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, we have had some discussions during the recess, if that is the right word. I cannot say that we have come to a definite agreement about some of the dimensions of the procedural problem we are facing. Without wanting to be too arcane, I think the questions that we have to consider are the following: The position we are in right now is a position that is a normal one in the House of Commons; that is, between report of the Committee of the Whole and third reading, the other place has a report stage which takes place before third reading is moved. That is not a stage that I have experienced in the Senate. But whatever stage we are at, before arriving at it we adopted the report of the Committee of the Whole. We know that Senator Nurgitz will speak to the question of whether or not the clause that was added during Committee of the Whole study should stand because of uncertainty, to put it as simply as it can be put; that is, whether there will be difficulties in interpretation, or that the clause is not clear as to what court is to be involved.

The trouble with that is that what we will be doing is, in any event, saying that we have adopted the committee's report, which includes an amendment to the bill, and now we are going to turn around and move third reading and say that the committee report we have adopted is not to stand adopted because we are going to change part of it. We will have voted in a period of approximately 15 or 20 minutes, I guess, two ways on the same question.

While I think it is true that it is customary in the Senate, and not in the House of Commons, to have amendments proposed at third reading, perhaps partly because we do not have the report stage interval, I am sure that cannot mean that any amendment is receivable. It seems to me it is quite open right now as to whether or not any amendment that is proposed at third reading that has the effect of reversing a decision that the Senate made to adopt the committee's report might not—and in fact I think would not—be receivable.

I think it is fair to tell honourable senators what the result of the consultations was, and that those questions still remain. Again, what remains is, would any amendment having the effect of reversing the decision the Senate made on a committee report be receivable? Then there is the other point concerning the regularity of the amendment made during Committee of the Whole. I understand that an amendment of that nature was held to be receivable in the other place and, therefore, to that extent is in order.

So, there are a few questions to be settled, among them whether or not the right move for the Senate to make now is to proceed to give leave to go to third reading and then debate these questions I have just raised, or whether it is better to

have some interval—either between now and this evening or now and tomorrow—before the Senate deals with third reading.

I leave those questions for honourable senators to speak to because I did find it a little difficult to settle on a sound procedure that would not give rise to the questions I have just raised.

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators, much of the discussion at this point is hypothetical. Certainly, it is hypothetical whether an amendment would be moved at third reading, what the amendment would be and whether the amendment would be in order. I suggest, therefore, that for the moment the Senate give leave for third reading, that Senator Nurgitz, at that stage, have the opportunity to elaborate on the deficiencies which he has already identified in the amendment passed by the Committee of the Whole, and then we will see whether a remedy is necessary and what the remedy should be.

It is possible, I think, as the Leader of the Opposition pointed out earlier, to move a motion to refer the bill back to the Committee of the Whole. Senator Frith has correctly pointed out that it is possible to propose an amendment to the bill at third reading, but we shall see after we have considered and debated and discussed the deficiencies that Senator Nurgitz has found in the amendment. We will then decide what remedy to propose and how to proceed.

So, I suggest that His Honour put the question of when to proceed with third reading of the bill, and that we at least begin the debate on third reading now.

PAROLE ACT
PENITENTIARY ACT

BILL TO AMEND—THIRD READING

The Hon. the Speaker *pro tempore:* Is leave granted, honourable senators, to proceed with third reading of Bill C-67, to amend the Parole Act and the Penitentiary Act, now?

Hon. Senators: Agreed.

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, I am ready to hear Senator Nurgitz on what he perceives to be the deficiencies in the amendment. Indeed, if he can make proposals to improve or to remove any of those deficiencies, then that is another matter that we will consider, but if the intent is to find a procedural way of upsetting the decision taken by the Committee of the Whole, or to negative the clear report of the Committee of the Whole, then I think we are going to be in difficulty. I have no hesitation in proceeding with third reading, but I think that if the intention is to defeat the amendment made by the Committee of the Whole rather than to improve it or refine it or remove its deficiencies, then I think that is another matter and we will have a very serious problem.

Hon. Nathan Nurgitz: Honourable senators, with leave, I move the third reading of Bill C-67.

[Senator Frith.]

The Hon. the Speaker *pro tempore:* Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*b*), it is moved by the Honourable Senator Nurgitz, seconded by the Honourable Senator Doody, that this bill be read the third time now.

Is it your pleasure, honourable senators, to adopt the motion?

Senator Nurgitz: Honourable senators, I do not want to take issue with the comments of the Leader of the Opposition. Indeed, I will not be attempting to lay out for him, or for anybody else, any method by which to sabotage the amendment made during Committee of the Whole. Let me be clear; I think enough has already been said regarding Bill C-67. I really wish to point out to honourable senators what I perceive, frankly off the top of my head, to be serious deficiencies in the drafting of the amendment.

Let me be clear; I will not make any suggestions. I trust the leadership on both sides will then determine what to do with the problem I will lay out, and the problem as I see it is that this is a sort of new form of legislative drafting. I have not seen a statute which provides for an appeal not stating what kind of appeal it will be. I do not know now, honourable senators, whether this is intended to be a rehearing appeal, as is often the case. In legal terminology, that is called a *de novo* hearing—or, whether it was meant to be an "appeal" appeal, that is, that a judge would consider the evidence that had already been given—not new evidence, but what was already on the record.

• (1710)

I do not know in these proceedings, honourable senators, if one is to appeal, or when one is to appeal. Can one be refused and then two years later wake up one morning and say, "I will appeal"? Can one do that? Because all statutes dealing with appeals state that you must appeal within a certain time. Surely there must be some order in the organization of the affairs of any institution. Some appeals must be made within 15 days; some, 30 days, and some, 60 days. It is one thing for the Deputy Leader of the Opposition to say, "Well, there will be rules." Can he say which ones? Is it a 15-day rule? Is it a 30-day or 60-day rule? I don't know.

Then, surely, if one is to appeal, one must appeal against someone. Who is it you are appealing against? Whom does the inmate have to serve?

Senator Frith: Oh, that is easy.

Senator Nurgitz: That is easy? Surely to goodness it is a little unusual here. Surely there is a question of the person in whose custody he is. Does that person have to be served with a notice?

Hon. Royce Frith (Deputy Leader of the Opposition): You do not find that in the statutes. The matter of who gets served is in the rules. Show me a statute that states who gets served and how many days' notice they get. That is all in the rules.

Senator Nurgitz: Well, I would think that most of the statutes, including the Criminal Code, would indicate that you

would have to appeal within a certain number of days; that you would have to give notice to the provincial Attorney General or to his deputy.

Senator Frith: Yes.

Senator Nurgitz: Whom do you serve? Do you serve the provincial Attorney General. There are no rules to cover this. Senator Frith will be the first one to stand up and say that there are no rules to cover the question of an appeal from a dismissal of a Parole Board hearing. There are none. So what rules will we look at?

Senator Frith: It is not for Parliament to provide for that.

Senator Nurgitz: I see.

Senator Frith: It is not. Look at any statute.

Senator Nurgitz: May I ask Senator Frith if it is for Parliament to provide them or not to provide them.

Senator Frith: It is not. For example, under Ontario law there are many cases where there is a right of appeal. The statutes do not give me that right to find out whom I serve, or what the rules are; I go to the Rules of Court and the Judicature Act of Ontario to find that out. In many cases they have had to come up with a rule because the statute gave some authority to the court, but the court decided, "All right, we have the authority to deal with this; now we are going to have to deal with it by the rules," and that is the way it is usually dealt with.

Senator Nurgitz: Whose rules? The court's rules?

Senator Frith: Yes.

Senator Nurgitz: So, now this is a good appeal.

Senator Frith: Not "now"; it has always been like that.

Senator Nurgitz: So, we will need the ten provinces and two territories to enact rules for this.

Senator Frith: Exactly. There is nothing new about that; we do it all the time. Who is "we," incidentally?

Senator Nurgitz: What will an inmate do until those rules are promulgated?

Senator Frith: File a notice of appeal.

Senator Nurgitz: With whom?

Senator Frith: Put a notice to the court, and they will have to decide whether it is regular or not.

Senator Nurgitz: Which court? The trial court or the appeal court?

Senator Frith: A superior court. If you look at the rules you will find, when there is a reference to a court or a judge, just what that means in each province. In every province there is a provision in the Judicature Act, or in the Rules of Court, that says reference to a court in a statute shall mean—

Senator Nurgitz: What does that mean, honourable senators? I am not satisfied that I even know what it means when it says, "This is an appeal." Does that mean it goes to the appeal court?

Senator Frith: No, not necessarily.

Senator Nurgitz: I see. So we don't even know which court it goes to.

Senator Frith: No. There are many cases, for example, of appeals from an administrative tribunal to a court, and the court provides the rules for how that is carried out. But this is not the place to debate that.

Senator Nurgitz: Well, I don't want to debate it. I want to point out that when Bill S-32 was passed, it was done with great precision. Page after page of the procedure for a judicial review was set out. That is my point. I spent the break attempting to find that, but I was not able to. In any case, as I indicated earlier, I only proposed to tell you of the problem; I do not have a solution.

Honourable senators, those are the only comments I have with respect to Bill C-67.

Senator Frith: Well, honourable senators, briefly, I really do believe that it is not a question for the legislature. If they have a solution for how it can be improved, of course they can improve it; but I do not think the question of whether an amendment is in order or not is influenced by difficulties of interpretation, because I admit there will be difficulties of interpretation here; but there are difficulties of interpretation with many provisions. That is what the courts are for.

In any event, as Senator Nurgitz said, I do not think we should debate these avocasseries any longer here. I recognize the problems he has raised. He has raised some important questions, but I do not think the solution lies here. It might have rested in the committee itself, but, the committee having made its report, it seems to me that what we are facing now at third reading, having accepted the report, is either adopting it at third reading as amended or moving acceptable amendments.

Senator Nurgitz: I only wish to point out, honourable senators, that further to the comments of the Deputy Leader of the Opposition, much has been made of the status and stature of the Senate. Frankly, I think we should all be embarrassed by what is, to say the least, sloppy and probably, to be more accurate, inadequate in terms of an amendment.

Senator Frith: Well, that should have been raised earlier.

[*Translation*]

Hon. Arthur Tremblay: Honourable senators, we did not have the French version when we were considering—

Senator Frith: The French version of which document?

Senator Tremblay: Of the amendment, when we were considering the amendment in Committee of the Whole.

I glanced through this version after the committee tabled its report, and it seems to me it could be improved. I don't think this would involve any substantial changes, but it would involve a change in part of the wording. I wonder if I could

simply move that this be done, since according to the Constitution Act of 1982, both versions have equal authority.

I will ask one of the pages to distribute copies so that you can follow the text.

Senator Frith: Is this an amendment?

Senator Tremblay: We shall see exactly what this change involves. It does indeed change the French version that we had, but I don't think it changes the substance, just the wording.

In the English version, we have the expression: "on any grounds of law or fact or mixed law and fact".

Personally, I don't think the French equivalent exists. It seems to me that in French it should read as follows—you have the text in the copy that is being passed around right now—"pour des motifs soit de droit, soit de fait, ou pour des motifs à la fois de droit et de fait".

I consulted several people, and I think they all agree that this French version would be preferable to the one we were given earlier and had not been considered in Committee of the Whole since it was not available at the time.

So how should we proceed? Should I move that the French version be amended in the way I indicated, or should we simply note that the text has been revised, as the note at the top of the page indicates? It might not be an amendment as such. In any case, I am open to suggestions on the appropriate way to proceed.

Senator Frith: Honourable senators, we certainly can have no objection to improving the concordance of the two versions. Our problem is with a technical or a substantial amendment that would affect our decision with respect to the committee's report.

The problem is in fact dealt with in rule 47(1), which provides the following:

> A motion shall not be made which is the same in substance

The English "in substance" renders the French "essentiellement".

> as any question which, during the same session, has been resolved in the affirmative or negative, unless the order, resolution, or other decision on such question has been rescinded as hereinafter provided.

The "hereinafter" provides as follows:

> An order, resolution, or other decision of the Senate may be rescinded on five days' notice if at least two-thirds of the senators present vote in favour of its rescission.

This means that in the present situation, at the third reading stage in the Senate, amendments may certainly be moved. It is not a problem. They cannot do this in the other place, but we can here, because there is nothing in our rules that prohibits it.

Furthermore, I think Bourinot mentions somewhere that in the Senate, amendments may be proposed at the third reading stage. We can therefore move amendments, but these amendments must conform to the rules. We cannot say that any amendment is admissible on third reading. The principle is that amendments may be moved, but not just any amendment.

It seems to me that an amendment whose purpose would be to alter the decision we made hardly an hour ago is not in order, if the result would be essentially to change or abrogate a decision already made. That would be a pity, because if there were a chance of improving the concordance of both versions, we certainly could not object. On the other hand, I think we must object to any change that would essentially modify a decision already made.

In this case, I think Senator Tremblay's suggestion does not essentially change the decision we made, and for that reason, we could probably accept it.

[*English*]

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators, I hesitate to intervene in a discussion of the rules for the first time in my career in this place, but I do want to say that I believe my honourable friend, the Deputy Leader of the Opposition, is wrong. The rule to which he refers says that the motion may not be the same in substance as any question which has been resolved in the affirmative or negative during the present session. The bill before us will not have been resolved in the affirmative or the negative until it has passed, or otherwise, third reading.

What is the third reading stage for if it is not precisely to give honourable senators an opportunity to change that which has taken place at an earlier stage? I have been brought up to understand that that is why we have three stages for bills in these legislative assemblies.

Senator Frith: There is no problem making amendments.

Senator Murray: I say that on the point of order and I make that point again with regard to the argument made by the Leader of the Opposition a few moments ago that we may not, on third reading, negative something that has already been done. What is the point of third reading if we may not change what has been done at an earlier stage?

Senator Frith: What was done?

Senator Murray: We are confronted with quite substantive arguments on deficiencies identified by Senator Nurgitz. The Deputy Leader of the Opposition has since argued to the contrary, but there is no doubt about it from listening to the argument that there are serious problems.

Senator Frith: So, vote against third reading.

Senator Murray: There are serious problems with the amendment that has passed through the Committee of the Whole.

[*Translation*]

Senator Tremblay just mentioned certain problems with respect to the French version of the amendment adopted by the Committee of the Whole.

[*English*]

The question before us now is: What is our remedy for the deficiencies pointed out by Senators Nurgitz and Tremblay?

Senator Frith: Vote against third reading.

Senator Murray: My honourable friend suggests that we vote against third reading.

Senator Frith: That is what is before us. As yet, we do not have an amendment.

Senator Murray: I am suggesting that we have remedies. One such remedy was identified earlier by the Leader of the Opposition. We can move that the bill be not now read the third time but that it be returned to the Committee of the Whole with instructions; return it to the Committee of the Whole for reconsideration; or return it to the Committee of the Whole to delete.

Another remedy which the Leader of the Opposition indicates he would have some difficulty with procedurally as well as in substance would be to amend the bill on third reading to provide for the deletion of the amendment that has come to us from the Committee of the Whole.

In any case, I put that to honourable senators and I think the only way to test the waters is to have one of those remedies proposed. Then, perhaps, we shall have a point of order on it and, perhaps, a discussion on the substance of it.

• (1730)

Senator Frith: Honourable senators, I think that the Leader of the Government, in his first sortie into the rules, wants to read one of them right out of the book, and I am referring to rule 47. What is before us now is a motion for third reading of this bill. There is no amendment before us. Senator Nurgitz, I take it, was speaking to that motion for third reading. He said that he did not like this bill as we now have it because it has a problem in one of its clauses. His remedy would then be to amend that, had we not already adopted the committee's report. Having adopted the committee's report, we cannot receive amendments that go against that report.

Senator Murray: I disagree.

Senator Frith: The amendment is a motion and it is the same in substance as any question which, during the same session, has been resolved. The question that has been resolved is the motion to adopt the report. If it were to be sent back to committee, that is when it would be sent. An amendment would then be made to say that the report shall not now be adopted and the bill shall be sent back to committee. What stands before us now is an adopted report. That is the key difference.

Senator Murray: But we have a bill before us and we can make motions.

Senator Frith: Yes, you can certainly make motions and you can move amendments, but you cannot move amendments that negative a decision that has already been made.

Senator Murray: Why not?

Senator Frith: Because the rules say so, unless five days' notice is given.

Senator Murray: No, no, no, the purpose of third reading surely is to— **Senator Frith:** The motion for third reading of a bill in the Senate can include a motion to amend. But that motion to amend or any motion cannot have the effect of negativing an earlier decision.

So far, all we have done is give the bill first reading, accept it in principle and give it second reading. We have referred it to committee. The committee has reported and we have adopted the committee's report. We cannot have in the same session a motion that is, in effect, negativing a decision previously made, namely, to adopt the report. This is absurd. You cannot really mean that you would move that the committee's report be adopted, agree to it on division and then make another motion to refer the bill back to the committee.

Senator Murray: You can send the bill back.

Senator Frith: You cannot.

Senator Murray: Of course you can.

Senator Frith: This bill has been sent to the committee.

Senator Murray: But it may be sent back to the committee.

Senator Frith: Yes, but not after we have adopted the report of the committee.

Senator Murray: Why not?

Senator Frith: This means that there will be no end to it. This means that a committee could present a report which the Senate adopts and somebody could stand up later and say that he does not want it adopted. That is just too bad if we have adopted it. We cannot send the bill back unless in the first instance we say that "the committee's report be not now adopted but that the bill be sent back with certain instructions."

You are now making a motion. Your motion is to send the bill back to committee for consideration, yet you have just agreed to a motion adopting the report of the committee. If there were ever a case in which you are making irreconcilable decisions in the same session—within an hour, let alone in the same session—it is the present case. I cannot believe that anyone could suggest that this situation is not covered by the rules.

Senator Tremblay: If I may, I will ask a question of reading, so to speak. In this debate Senator Frith has been referring to rule 47; is that the case?

Senator Frith: I have.

Senator Tremblay: If I may, I will read it:

> A motion shall not be made which is the same in substance as any question which, during the same session, has been resolved in the affirmative or negative—

Senator Frith: Exactly. We have made a decision that the report be adopted. Then you turn around and make a motion that it shall not be adopted but that it shall be sent back to committee.

Senator Tremblay: It is my understanding that the motion should not be the same to be admissible. If it is the same in substance, then this section does apply. Do I read it correctly?

Senator Frith: Yes, you do. What do you consider more different in substance than the following: The report is adopted by motion. Then you want to say that it shall not be adopted, but that the bill shall be sent back to committee, yet you have just passed a motion that it was adopted. You cannot send it back to the committee without saying that it shall not be adopted and you have already decided that it was adopted. I do not know how it could be any clearer.

Senator Murray: Honourable senators, I think that we should test the waters as to the remedies that can be brought to these problems at third reading stage.

[*Translation*]

MOTION IN AMENDMENT

Hon. Michel Cogger: Honourable senators, in the light of the important questions raised by my colleague, Senator Nurgitz, I move, seconded by Senator Sherwood, that Bill C-67 be not now read the third time but that it be amended by striking out subclause 8 of clause 5 on page 10.

The Hon. the Speaker *pro tempore:* It is moved by the Honourable Senator Cogger, seconded by the Honourable Senator Sherwood, that Bill C-67 be not now read the third time but that it be amended by striking out subclause 8 of clause 5 on page 10.

[*English*]

Is it your pleasure, honourable senators, to adopt the motion?

POINT OF ORDER

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, this amendment is not in order. The motion made in committee was that subclause 8 be added to the bill. The motion was put in committee and carried. The committee reported. It was moved that the committee's report be adopted and that motion was carried. That means that the Senate decided that subclause 8 shall be added to Bill C-67. I repeat this in the most simple terms: Subclause 8 shall be added to Bill C-67. It was so moved in the committee, so reported by the committee, so moved in the Senate and so accepted by the Senate. We now have a motion which says that subclause 8 shall be taken out of Bill C-67. This is clearly in contravention of rule 47. It absolutely negatives the decision that we made an hour or so ago.

Then what happens? How long will we keep doing this? How long will these motions be in order—forever? No, because they are not in order now and they will not be in order later. How many kicks at the cat do we take? There has to be some order in the way in which we deal with our business.

Hon. C. William Doody (Deputy Leader of the Government): I call the attention of honourable senators to rule 58, which is very clear and which states:

> At any time before a bill is passed a senator may move for the reconsideration of any clause thereof already carried.

[Senator Tremblay.]

That is exactly what the Honourable Senator Cogger is trying to do. He is trying to move for reconsideration of a clause that has already been carried.

Senator Frith: How is that to be read with rule 47?

Senator Doody: I think that Senator Tremblay has already made that point.

• (1740)

Senator Frith: Read it with rule 47. Rule 58 says:

> At any time before a bill is passed a senator may move for the reconsideration of any clause thereof already carried.

But he cannot make a motion to negative a report that has been adopted by motion, because the two motions are absolutely inconsistent.

Senator Doody: There is a basic and fundamental difference of opinion, and someone will have to rule on it.

The Hon. the Speaker *pro tempore:* The only thing I have to do is put the motion to a vote. I have no other alternative. I have a motion before the Senate, and if no one wishes to speak on it then I have to put the motion before the Senate for a vote.

Senator Frith: With respect, Your Honour, you do not have to put the motion to the Senate because a point of order has been raised that the motion is not in order; and Your Honour would not put a motion to the Senate that is not in order.

This motion is not in order, in my respectful submission, and therefore it should not be put until the question has been settled as to whether or not it is in order. I have raised a point of order that this motion is out of order for the reasons I have explained.

The Hon. the Speaker *pro tempore:* You have raised a point of order, but you have not asked the Speaker to rule on it.

Senator Frith: We did.

The Hon. the Speaker *pro tempore:* You did?

Senator Frith: Yes.

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, it seems to me that rule 47 does provide a real difficulty with respect to the amendment proposed by Senator Cogger. If the amendment were accepted, it would be a precise re-enactment of the vote which took place a short time ago. When the amendment moved by Senator Hastings was put, those of us who wanted to support it supported the amendment, and those who wanted the amendment defeated voted against it. The effect is to get, illegitimately in my view, a second crack at that vote by voting precisely on the same substance as we did a short time ago.

I thought for a moment that perhaps it was different because we now have a Speaker in the Chair whereas we were then in Committee of the Whole. But the rule is explicit. It does not specify the location. It is the same in substance as any question which during the same session has been dealt with. In my view, that is very difficult, because the same group of

persons will be dealing with precisely the same question within a matter of a couple of hours—the same in substance. It simply gives all of us a second chance to vote on the same matter, on precisely the same form.

Part of the logic behind our parliamentary system is that Parliament should not contradict itself in the course of a session. It is a basic law of Parliament that Parliament should not reverse itself on the same question in the same session. The effect of this motion, if put, is to give the Senate an opportunity to reverse itself within a matter of a couple of hours on the substance of the same question, and in my view that really is going pretty far. I do not believe that Parliament was ever intended to operate in that way.

The Hon. the Speaker *pro tempore:* Honourable senators, since Senator Frith has asked the Chair to settle this point of order, if no honourable senator wishes to take the floor in connection with Senator Cogger's motion, may I suggest that we adjourn to give me an opportunity to consult precedents? I will be ready to give my decision in half an hour. Is it agreed, honourable senators?

Hon. Senators: Agreed.

The Senate adjourned during pleasure.

• (1830)

At 6.30 p.m. the sitting of the Senate was resumed.

SPEAKER'S RULING

The Hon. the Speaker *pro tempore:* Honourable senators, the Honourable Senator Frith has raised a point of order and has asked the Chair to rule on his point of order. First, I shall review the facts. The Honourable Senator Nurgitz moved:

> That Bill C-67, as amended, be now read the third time.

The Honourable Senator Cogger moved:

> That the Bill be not now read the third time but that it be amended by striking out the new subclause (8) of clause 5.

Honourable senators, it is my opinion that this motion in amendment is in order. Rule 58 is quite clear:

> At any time before a bill is passed a senator may move for the reconsideration of any clause thereof already carried.

I do not believe that this contradicts rule 47 in any way, as suggested by Senator Frith. The Senate has not yet made a decision with regard to Bill C-67. It is true that the bill was given second reading and that it received agreement in principle. It was then referred to Committee of the Whole so that the Senate could consider making certain amendments.

The bill has now been returned to this house with an amendment, and the Senate is now considering whether to give the bill as amended, third reading. In my opinion, it is in order for a senator to disagree with this motion by proposing an amendment, as Senator Cogger has done, so that senators can vote against the bill.

[*Translation*]

I should like to refer honourable senators to *Beauchesne*, Fifth Edition, citation 802.(1) on page 239, and I quote:

> When an Order of the Day for the third reading of a bill is called, the same type of amendments which are permissible at the second reading stage are permissible at the third reading stage with the restriction that they cannot deal with any matter which is not contained in the bill.

Honourable senators, I may also refer you to citation 804 on page 239 and page 240:

> There are limitations on the type of amendments that can be moved on third reading. They must be relevant to the bill which they seek to amend. They should not seek to give a mandatory Instruction to a committee. They should not contradict the principle of the bill as adopted on second reading.

Senator Frith mentioned this problem as one that was covered by rule 47. However, I think rule 47 means that if in a session there is a vote on a bill and the bill is adopted by Parliament, we cannot, in the same session, introduce another bill that would contradict the substance of the bill previously adopted.

That is how I interpret rule 47, and I think that in the present case, rule 58 takes precedence. It is clear that Senator Cogger had the right to present his amendment and that is why I declare the motion in amendment in order.

[*English*]

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, in deference to His Honour, I do not like to disagree with a ruling or to appeal a ruling. However, it seems to me that His Honour has overlooked the fact that rule 47 speaks not of bills but of motions. The conflict that I was raising was not a conflict arising out of a decision on the bill but was a conflict on two motions. Rule 47 makes no distinction among motions for bills, or the reading of bills, or other motions. However, the motion has been adopted. It seems to me that the motion is contrary, but we have put all that on the record. For those reasons, I hope some day that I will be able to persuade His Honour, or someone else, to reverse that ruling. In the meantime I do not think that we will appeal the ruling. I want it understood that we do not agree with it. In case I have to argue my position again, I do not want to be taken as having accepted the ruling as sound.

So that we can carry on, I suggest that His Honour put the amendment and that we deal with it in due course.

The Hon. the Speaker *pro tempore:* It is moved by the Honourable Senator Cogger, seconded by the Honourable Senator Sherwood:

That the Bill be not now read the third time but that it be amended by striking out the new subclause (8) of clause 5.

Will those honourable senators in favour of the motion in amendment please say "yea"?

Some Hon. Senators: Yea.

The Hon. the Speaker *pro tempore:* Will those honourable senators who are against the motion in amendment please say "nay"?

Some Hon. Senators: Nay.

The Hon. the Speaker *pro tempore:* In my opinion, the "nays" have it.

And two honourable senators having risen.

The Hon. the Speaker *pro tempore:* Please call in the senators.

Motion in amendment negatived on the following division:

YEAS

THE HONOURABLE SENATORS

Balfour	Marshall
Bielish	Muir
Cogger	Murray
David	Nurgitz
Doody	Phillips
Kelly	Robertson
MacDonald (*Halifax*)	Sherwood
	Simard
Macdonald (*Cape Breton*)	Tremblay—17.

NAYS

THE HONOURABLE SENATORS

Adams	LeBlanc (*Beauséjour*)
Anderson	
Barrow	Lewis
Bosa	MacEachen
Corbin	McGrand
De Bané	Molgat
Frith	Petten
Guay	Pitfield
Haidasz	Robichaud
Hastings	Rousseau
Hicks	Stewart (*Antigonish-Guysborough*)—23.
Kenny	
Lapointe	

ABSTENTIONS

THE HONOURABLE SENATORS

Nil

[The Hon. the Speaker.]

THIRD READING

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

Hon. Nathan Nurgitz: Honourable senators, with leave of the Senate and notwithstanding rule 45(1)(*b*), I move that the bill, as amended, be read the third time now.

The Hon. the Speaker *pro tempore:* Is leave granted, honourable senators?

Hon. Senators: Agreed.

[*Translation*]

Hon. Arthur Tremblay: Honourable senators, earlier I moved a new version of the amendment adopted in Committee of the Whole.

It does not involve any changes in the decisions made in Committee of the Whole, since at that stage we did not have the French version. We received it later on.

I am merely proposing a change in wording, not in substance.

I am just suggesting, and I don't know whether it is through a motion on the record or in the bill, that we adopt this version rather than the other one, it being agreed that no change in substance is involved.

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, if this merely means obtaining leave of the Senate to improve the French version and provide for a better concordance between the two versions, I don't think it is necessary to present a motion. We merely require the unanimous consent of the Senate.

The Hon. the Speaker *pro tempore:* Is it agreed, honourable senators?

Hon. Senators: Agreed.

[*English*]

Motion agreed to and bill, as amended, read third time and passed, on division.

PAROLE ACT AND RELATED STATUTES

BILL TO AMEND—THIRD READING

Hon. Nathan Nurgitz, with leave of the Senate and notwithstanding rule 45(1)(*b*), moved third reading of Bill C-68, to amend the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and the Criminal Code.

Motion agreed to and bill read third time and passed.

THE SENATE

TRIBUTES TO DEPARTING PAGES

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, just before we adjourn, as I assume Senator

Doody will be proposing we do, may I say that last week, thanks to the hospitality of the Speaker, we had an opportunity, informally, to mention that we will be losing quite a few pages between now and next fall.

At the time we passed Bill C-45, a number of supportive comments about the employees we work with were made, particularly by Senator Muir. Those here in the chamber with whom we work most closely are the pages. Perhaps you will permit me just to put on the record our thanks to the following:

Andrew Johnson, the chief page, who has been with us for four years. He graduated in honours Economics and is now consulting with an international firm before undertaking MBA studies in the fall of 1987;

Caroline Coderre, who has been with us for three years. She will be writing her bar exams in the fall;

Christian Whalen—whose sister, Sybille, you will remember, was a page—has been with us for two years. He will be taking law at UNB in the fall;

Colette Labrecque, who has been with us two years, will be completing an undergraduate degree in the fall;

Nuiok Joyal has been with us for one year and will be completing an undergraduate degree in the fall; and

Bruno Beaulieu, who has been with us one year, will be continuing his studies in the fall.

Still with us in the fall will be:

Brian Rolfes, who has been with us for one year and who will be next year's chief page; and

Monique Ménard, who has been with us for one year.

In the fall, when we return, we shall be greeting six new pages. We express our thanks to those pages who have served us so cheerfully, loyally and effectively in the past.

[*Translation*]

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators, I want to thank Senator Frith for drawing our attention to the fact that our young friends are leaving us, and I want to thank them for the excellent work they have done for all of us over the years.

[*English*]

I join with Senator Frith in extending our appreciation, thanks and warmest good wishes to these pages in their future careers.

BUSINESS OF THE SENATE

ADJOURNMENT

Leave having been given to revert to Notices of Motions:

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, when I put the motion for adjournment I intend to ask that the Senate accept the motion that we return on Tuesday, September 16, 1986, at 2 o'clock in the afternoon. Whether or not we will have any business from the other place at that time, obviously, remains to be seen.

However, I do know that we have at least five bills for pre-study before committees. These bills can be considered and, at that point, we can decide what the order of business should be. Therefore, I would recommend that those committee chairmen who are responsible for the pre-studies before their committees make arrangements during the interlude between now and September 16 to get in touch with the appropriate witnesses. I will never be able to use the word "appropriate" again without thinking of Senator MacEachen! In any event, I would ask the committee chairmen to look at the business before them and to try to line up the witnesses in order to be ready to deal with that business during the week of September 16.

Honourable senators, having said that, I move, with leave of the Senate and notwithstanding rule 45(1)(*g*):

> That when the Senate adjourns today it do stand adjourned until Tuesday, September 16, 1986, at 2 o'clock in the afternoon.

In passing this written motion to our chief page, Andrew Johnson, I thank him and the other pages. I also thank all of you for the co-operation we have received during the year. There were times, particularly towards the end of the year, when I would have been pleased if things had gone a little more smoothly. However, it is the function of senators to behave as senators, and I think we have done that as well as we ever could have.

Hon. Senators: Hear, hear.

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators, notwithstanding the motion before us, of course it is always possible that we will be called back here at an earlier date. We do not know precisely when we will be meeting again, but, in any case, I should like to express my warmest good wishes to all honourable senators for a pleasant summer holiday and express the wish that I may see you all in good health and in good form sooner or later.

Motion agreed to.

The Senate adjourned until Tuesday, September 16, 1986, at 2 p.m.

THE SENATE

Thursday, July 24, 1986

The Senate met at 4 p.m., the Honourable Martial Asselin, Speaker *pro tempore*, in the Chair.

Prayers.

THE LATE HONOURABLE PAUL YUZYK

TRIBUTES

Hon. Rhéal Bélisle: Honourable senators, may I be permitted to make some remarks, to recall some anecdotes and to comment on Senator Paul Yuzyk's role in the Senate. On February 4, 1963, four new and young senators were sworn in to take their seats in this honoured Senate chamber. They were Senator Paul Yuzyk, Senator David Walker, Senator Orville Phillips and your servant. Senator Paul Yuzyk became the longest-serving Ukrainian to be appointed to the Canadian Parliament's upper chamber. His maiden speech on March 3, 1963, entitled, "Canada: a Multicultural Nation", was warmly received by his colleagues. He voiced the concern of several ethnic groups that Canadians must accept the fact that they live in a multicultural nation, not a country of two solitudes comprised of the British and the French.

Multiculturalism was a subject of rancorous debate in the Canadian media when the idea was first brought up by Senator Yuzyk. Now, after more than two decades of acceptance, the concept unobtrusively manifests itself on Parliament Hill during Canada Day when ethnocultural performing groups delight crowds; in the precincts of Parliament, such as in this chamber when former Governor General Edward Schreyer delivered a segment of his installation speech in Ukrainian; and in the dozens of schools in western Canada where children take courses in English and in Ukrainian.

Senator Yuzyk's campaign for multiculturalism was capped in 1971 when the then Liberal Prime Minister, the Right Honourable Pierre Trudeau, told the nation that the government, after extensive deliberations, would introduce an official policy on multiculturalism. The policy, which committed the government to supporting ethnocultural endeavours, was endorsed by all parties.

During the past two decades, Senator Yuzyk served on a variety of national and international bodies. From 1972 on he was active in the North Atlantic Assembly, NATO, particularly in the Committee on Education, Cultural Affairs and Information. In 1977 he was elected the rapporteur of the Subcommittee on the Free Flow of Information and People.

Multiculturalism was just one of the many challenges that attracted the senator. At times his involvement in the fight for human rights at home and abroad consumed a great deal of his time and resources. He was a regular speaker at demonstrations against the abuse of human rights in the Soviet Union. Additionally, the senator served as Chairman of the Human Rights Commission of the World Congress of Free Ukrainians, and as Vice-Chairman of the Canadian Parliamentary Delegation at Helsinki. When he returned from Helsinki, he was convinced that the role of Russia was a political stunt and that they had no intention whatsoever of honouring their pledge.

When a Canadian delegation went to Russia in 1975, the leader of the group, the Honourable James Jerome, then Speaker of the House of Commons, selected a delegation of four senators and eight members of the House of Commons. The four senators selected were Senator Raymond Perrault, the then Leader of the Government, Senator Paul Yuzyk, Senator William Petten and myself. The U.S.S.R. ambassador in Ottawa refused to provide a visa to Senator Yuzyk because of his role on the International and Canadian Human Rights Commission. When Senator Yuzyk informed me that he had been refused permission to visit his father's homeland, he was very upset and I am sure that he never forgot that event. At that time I told him that he would be with us in spirit and that I would request permission from them to visit the only Catholic church that was open in Moscow. At a state dinner, I did request Mr. Brezhnev's assistant to take me to church, and the whole Canadian delegation of 12 attended Mass. I had also said to Paul that when we visited Kiev, the Ukrainian capital, I would ask to go to church. I did ask President Nikolai Podgorny, who was a Ukrainian, and they took me to the only Orthodox cathedral open in Kiev.

Senator Yuzyk was a member of the Canadian delegation to the Conference on Security and Co-operation in Europe, the Madrid Review Conference in 1980 and was a Canadian observer at the 1985 CSCE Human Rights Experts Meeting in Ottawa.

A large number of Ukrainian Canadians revered Senator Yuzyk for his efforts at stimulating the growth of the organized Ukrainian community. He is credited with helping to establish the Ukrainian National Youth Federation, the Ukrainian Catholic Brotherhood and the Ukrainian Canadian Committee. Senator Yuzyk was also a founder of the Ukrainian Student Union—SUSK—an organization which strongly supported his call for a federal multiculturalism policy.

A true scholar who believed that serious study is a prerequisite to career advancement, Senator Yuzyk seemed as at home in the classroom as he did making a speech on the floor of the Senate. He was appointed assistant professor of Slavic Studies and History at the University of Manitoba in 1951 and stepped up to associate professor in 1958. From 1966 to 1978 he was a full professor at the University of Ottawa where he taught part-time courses on Central and Eastern Europe, Russian and Soviet history, and Canadian-Soviet relations.

Among his academic achievements were a B.A. in mathematics and physics in 1945; an honours B.A. in history in 1947; an M.A. in history in 1948 and a doctor of philosophy degree in history from the University of Minnesota in 1958.

As you all know, Senator Yuzyk was a member of many committees. He and I both enjoyed working on Senator Croll's Poverty Committee, and on the Science Policy Committee headed by the late Senator Lamontagne. He enjoyed working on the Foreign Affairs Committee, on NATO, on Defence, and, last but not least, Senator Yuzyk was deputy chairman of Senator Hébert's Committee on Youth.

Senator Yuzyk wrote more than half a dozen books and contributed several opinion pieces to Ukrainian and mainstream newspapers. His work: "Ukrainian Canadians: Their Place and Role in Canadian Life" was considered one of the best works on Ukrainians in Canada. His other published works include: "The Ukrainians in Manitoba: A Social History", which was written with a fellowship from the Manitoba Historical Society; "For a Better Canada", and "The Ukrainian Greek Orthodox Church in Canada", an edited version of his doctoral thesis.

In 1980 the University of Ottawa Press published a widely discussed work: "A Statistical Compendium on the Ukrainians in Canada—1896-1976", which Senator Yuzyk co-edited with William Darcovich.

It was a rare day that Senator Yuzyk, who lived with his wife in an Ottawa suburb, would not spend at least part of his waking hours engaged in one community cause or another. Perhaps his most notable community role was holding the UNA's top executive office in Canada. He was first elected to that position in 1970, when the title was Vice-President. Later, the title was revised to Supreme Director for Canada to better reflect the UNA's role in Canada. Senator Yuzyk was re-elected to that position for the fourth time at the 31st UNA Convention, held in Dearborn, Michigan, in May of this year.

Senator Yuzyk's last official trip was in May 1986 when he travelled to Europe for a meeting of the North Atlantic Assembly.

Because of his enormous work and contribution to all spheres of our Senate duties, I hope and pray that, when the federal government plans an important project or building regarding multiculturalism in Canada, his name will be favoured and considered most seriously. I am convinced that, when historians write about the Senate, Senator Paul Yuzyk will have his name selected for his multiculturalism contribution.

Some three years ago, when the senator was informed that they had found positive signs of cancer, he said: "Rhéal, don't worry; by a severe diet and by being extremely careful, I will beat it." I said: "Why don't you take life easy and relax? You are not eternal; you will be replaced like every one of us." He said: "Yes, I will be replaced; I do not worry. If I live, I will continue to fight for my people; I will continue to serve Him. If I die, I will see Him and live with Him forever."

Well, as you know, on July 9, at the age of 73, after a brief battle with cancer, he passed away.

His funeral was held at the Cathedral-Basilica of Notre-Dame on Sussex Drive in Ottawa, and people came from across Canada and the U.S.A. The celebrants were Metropolitan Maxim Hermaniuk of Winnipeg, Bishop Isidore Borecky of Toronto, Reverend Vladimir Shewchuk, his parish priest, and, with other priests, they celebrated one of the nicest and longest religious ceremonies that I have ever attended, while the Ukrainian Choir of Ottawa prayed and sang for two and a half hours. The six honorary pallbearers were the Honourable Don Mazankowski, Deputy Prime Minister, representing The Right Honourable Brian Mulroney, myself representing the Senate, the Honourable David Crombie, Minister of Multiculturalism, and three of his close friends, Dr. L. Kawula, General J. Romanow and Colonel B. Yarymovich. I was pleased to see such a large turn out, so many senators and members of the House of Commons and, most of all, so many ethnic organizations.

His son, Theodore, asked me at the funeral home if it would be possible to have the funeral procession pass in front of the Senate, and I said: "Why not?" I contacted our Chief of Security, Mr. R. Gladstone, and, with the co-operation of the RCMP, two Mounted Policemen in red tunics were posted on each side of the Senate door. Chief Gladstone and the Leader of the Government, the Honourable Lowell Murray, took the salute. The Honourable Don Mazankowski, the Honourable Royce Frith, Deputy Leader of the Opposition, the two whips, Senator Phillips and Senator Petten, and a group of nine other senators stood at attention while Senator Yuzyk was slowly driven by the Senate door for the last time.

[*Translation*]

Honourable senators, in concluding I would like to tell Mrs. Mary Yuzyk, who is now in the Senate gallery, how much my wife and I appreciated their good companionship and friendship, and how much I enjoyed working with Paul.

Not only were we sworn in together, but before Paul moved his family from Winnipeg to Ottawa and I did the same with mine we shared the same apartment and here, for three years, the same office.

Paul's unfailing faith towards his creator, his wife and his children was convincing and enriching. His devotion to Ukrainians and all ethnic groups in this country made him a highly respected champion. His contribution to the progress of our Canadian mosaic made him the cultural witness who helped enormously to promote our multiculturalism. Thus Canadians are the envy and enjoy the respect of all nations.

• (1610)

[*English*]

Hon. Royce Frith (Deputy Leader of the Opposition): Honourable senators, Senator Bélisle has been so thorough in his research and so accurate in his recollection of his long association with Senator Yuzyk that, speaking for my colleagues on this side, I think I can best start by supporting everything he has said and thank him for his thoroughness and scholarship, particularly appropriate when dealing with our scholarly colleague who left us earlier this month.

I remember Senator Yuzyk when I was a member of the Laurendeau-Dunton Commission, the B and B Commission as it was called, B and B meaning bilingualism and biculturalism. Senator Yuzyk, quite early in the life of that commission, appeared before it and was an active proponent of what he called the "third force." He and I disagreed on that description because I did not think that the force he was referring to could be said to be a "third force" in the sense that it did not have the linguistic homogeneity that the other two major language groups in the country have. However, that was just a technicality because Senator Yuzyk was more concerned with the force that he was speaking of than whether it was the third force or not. He lived to see his ideals and his work reach important fruition because, as Senator Bélisle has said, although that commission was concerned with bilingualism and biculturalism, it saw most of its recommendations given effect in legislation concerning bilingualism rather than biculturalism, but Senator Yuzyk lived to see multiculturalism recognized as the partner to bilingualism.

As Senator Bélisle has said, the funeral ceremonies that took place earlier this month paid very moving testimony to the impact that Senator Yuzyk had on Canadian life. And I must also reinforce what Senator Bélisle has said about what a conscientious and hard-working and effective senator Senator Yuzyk was.

So while I may not have agreed with him on this question of "third force," I have no doubt at all about how strong a force Senator Yuzyk was in Canadian life and how he will be missed as the ideals he worked for are vindicated in the continuing multicultural evolution of Canadian society.

Hon. Senators: Hear, hear.

Hon. Duff Roblin: Honourable senators, having been born and bred in Manitoba myself, I have a special reason for associating myself with the eloquent testimony Senator Bélisle has rendered to the memory and the achievement of our colleague, Senator Paul Yuzyk.

I recall well his first appearance on the stage, if I may put it that way, in my native province where he emerged as a man who was establishing for himself an intellectual reputation, an academic reputation and a cultural reputation which served to underline his views of the contribution which the various ethnic groups could make to the development and growth of our nation. In Manitoba we are sensitive, indeed, to the contribution which so many different people from so many different places have made to the growth and development of our province, to say nothing of the Canadian nation itself.

The appointment of Paul Yuzyk to the Senate was one of the most important appointments, I think, that the Right Honourable John Diefenbaker made during his tenure as Prime Minister of Canada. We certainly regarded it as a great compliment to Manitoba. It was more than that because it gave Paul Yuzyk a platform from which he could speak to the people of the various ethnic groups in the nation and from which he could speak to all Canadians about the values he held so dear and which were so important to life and to growth.

[Senator Frith.]

It was not multiculturalism as such, although that was so important to him, but what lay behind it, namely, human rights, the rights of individuals in this somewhat difficult world. It was the devotion he had to democratic, representative and responsible institutions of government that prompted him to lift his eyes from the Canadian scene, where he was indeed a leader, to take part in the international proceedings of the North Atlantic Treaty Organization and other forums where he had an opportunity to express to the world the ideals for which he stood and to speak for those people in other countries who could not speak for themselves and to whom he felt a special obligation.

We will always remember his contribution to the development of democratic, responsible institutions, his fearlessness in calling attention, wherever he was, to what he felt was wrong and unjust in the area of human rights and his dedication to the principle that the various ethnic groups of this country make a special contribution and that it should be recognized for what it is, part of the very web and woof of our nation.

Paul Yuzyk was given a great opportunity and he made the most of it and we, now, have reason to be grateful for his effort and his contribution.

In making these few remarks about our distinguished colleague whose departure we mourn, I should merely conclude by saying that I know I speak for all in this chamber when I offer a word of sympathy to those whom he leaves behind and hope that they will take comfort in the many happy memories they have of our departed colleague.

Hon. Senators: Hear, hear.

[*Translation*]

Hon. Philippe Deane Gigantès: Honourable senators, I would like to say a few words in tribute to Senator Yuzyk. Perhaps I may speak on behalf of the Committee on Youth of which he was a member and where he gave expression to his enthusiasm, his tolerant attitude, his kindness and his love for young people. His contribution to the committee's work was absolutely invaluable. Wherever the committee met, as soon as he spoke, he immediately made witnesses feel welcome and at ease. With him, we all felt we were in the presence of a holy man.

I also knew him as a teacher. He taught me a number of things. Some of us are wise when we enter the Senate. Some lack that wisdom and are sometimes inclined to talk too much. Senator Yuzyk took me aside and explained, very kindly, how this august chamber worked and how to go about getting the best possible results. He was the first one to try. I don't know whether he succeeded. But I am deeply grateful to this gentleman who was not a member of my party and who wanted to help me change for the better.

As an immigrant, I also want to say a few words about Senator Yuzyk. When people wonder about the contribution made by immigrants to Canada, they should look at Senator Yuzyk's contribution in the area of multiculturalism and the contribution made by the various ethnic groups in this country. Those of us who belong to groups other than the two founding

nations cannot but be very proud. He projected an image of these groups that was so grand and beyond the human scale of things that if we have a good name in this country, we can say we owe it to him. He set standards for us to achieve, and few of us will be able to live up to those standards. Honourable senators, thank you very much.

• (1620)

[*English*]

Hon. Stanley Haidasz: Honourable senators, I would like to join with our colleagues who have just spoken in paying tribute to our friend and colleague, the late Honourable Paul Yuzyk, who served both our country and this institution with dignity and distinction. I shall never forget him. He was a man descended from Ukrainian immigrants, a man who never forgot his roots and who practised and developed further the values of the rich Ukrainian culture and the values of his deep Christian faith.

Having earned a Ph.D. degree in history through hard work and through his talents, he rose in the academic world, not only teaching history as a full professor but, in particular, letting his students know what Canada really is—a country made up of people from various parts of the world who are learning to live in harmony and to share the richness of their cultures with their fellow Canadians.

When I first came to know Senator Yuzyk in the early 1960s, at a time when I served in the other place, I grew to admire and respect him more and more as we took part in the work of many parliamentary committees and associations, especially the North Atlantic Assembly and bodies such as the Canadian Association of Slavists, where he was one of the first to use the word "multiculturalism" to explain what it is and means to Canada.

He was also a great fighter for human rights, always abhorring prejudice and fanaticism. He was able to unite many people to work in harmony toward achieving those aspirations which we as Canadians have before us at all times as a society that lives in harmony and values its roots.

I appreciated in particular Senator Yuzyk's support and advice when as a minister I had the responsibility of implementing the federal government's policy on multiculturalism, which was announced in the other place by the Right Honourable Pierre Elliott Trudeau on October 8, 1971. Senator Yuzyk was always a voice of reason, moderation and mutual understanding.

In paying tribute to Senator Yuzyk, I wish also to express my appreciation for the work he did in the Parliamentary Sponsoring Committee of the Baltic Nights on Parliament Hill, which not only is a popular event but is one entrenched as a tradition; an event appreciated not only by members of this house and the other place, but also by the other ethnocultural communities which sponsor this event.

As was said, we shall miss Paul very much, and we promise to take up the challenge which he has left us, a challenge to make Canada an even better place in which to live.

On this occasion I should like to express to his wife Mary and her family our deepest sympathy in their great personal loss and sorrow.

Hon. Senators: Hear, hear.

[*Translation*]

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators, as several of our colleagues have already indicated and as all those who served with our late colleague on various parliamentary committees, on Senate committees and in parliamentary associations can attest, he was an exceptionally devoted senator.

[*English*]

He was, as Senator Roblin has pointed out, zealously devoted to human rights. He represented this Parliament in monitoring the Helsinki Accords, and no parliamentarian was better informed or took a closer interest in that subject.

Senator Yuzyk was a scholar and an historian specializing in Slavic studies and history, and most particularly in the history, culture and language of the Ukrainian people.

Senator Bélisle has mentioned the eminent prelates of the Ukrainian Catholic Church and the Ukrainian Orthodox Church, the Roman Catholic Church, and representatives of the Canadian Council of Christians and Jews, all of whom took part in the religious service at his funeral on July 14 at Notre Dame Basilica. Even more touching, I thought, was the presence of youngsters in the uniforms of the youth groups which Paul Yuzyk had formed, encouraged and led all his life; of members of the Royal Canadian Legion—for he had served with the Canadian Army in the 1940s—and of the host of friends and admirers, many of them of Ukrainian ancestry, who saw in Paul Yuzyk the personification of the multicultural ideal in this country.

• (1630)

Our late colleague knew not only the history and culture of Ukraine, but the incredible saga of the Ukrainian people in Canada, especially western Canada. In his own time—and he made reference to this in the last published interview he gave a few days before his death—he had known racial prejudice and discrimination. He had seen the gap between the ideal and the reality in our country, and he laboured all his life to close that gap. To all who came under his influence, his message and his example was one of equality and tolerance, of pride in one's culture and confidence in Canada.

On behalf of the members of the government, I extend our condolences to his wife and family on their personal loss and to the Ukranian Canadian community on the loss of a distinguished son and leader who will have a special place in their memories and in their history.

[*Translation*]

The Hon. the Speaker *pro tempore:* Honourable senators, I should also like to tell Mrs. Yuzyk that the Speaker of the Senate joins with all senators in saying that the absence of Senator Yuzyk will be deeply felt in this institution. We will always have the fondest memories of him.

[*English*]

To Madame Yuzyk and her family I offer my most sincere sympathy.

PRIVACY COMMISSIONER

REPORT TABLED

The Hon. the Speaker *pro tempore:* Honourable senators, I have the honour to table the report of the Privacy Commissioner for the period ended March 31, 1986, pursuant to section 40(1) of the Privacy Act, Chapter III, Statutes of Canada, 1980-81-82-83.

INFORMATION COMMISSIONER

REPORT TABLED

The Hon. the Speaker *pro tempore:* Honourable senators, I have the honour to table the report of the Information Commissioner for the period ended March 31, 1986, pursuant to section 40(1) of the Access to Information Act, Chapter 111, Statutes of Canada, 1980-81-82-83.

QUESTION PERIOD

[*English*]

PAROLE

RELEASE OF DANGEROUS INMATES

Hon. Earl A. Hastings: Honourable senators, I wonder if I might direct a question to the Leader of the Government in the Senate. It is a rather unusual question, but this is an unusual session. Would the Leader of the Government in the Senate undertake to provide me with the names of the 54—or 56, 75, or whatever the number is—dangerous inmates who, allegedly, will be released from institutions in the next two months?

Hon. Lowell Murray (Leader of the Government and Minister of State for Federal-Provincial Relations): Honourable senators, I shall inquire of my colleague the Solicitor General to see what information, if any, can properly be divulged on that matter at this time.

Senator Hastings: Honourable senators, I have a supplementary question. In view of the fact that the information has already been supplied to Mr. Greg Weston of the Ottawa *Citizen*—not only the list of the names of the 54 inmates but their offences, their mandatory supervision release dates and their warrant expiry dates—is it unreasonable of me to ask that the government leader make a phone call to the Deputy Prime Minister or to the Solicitor General and make available to me that list before we commence discussion of Bill C-67 this afternoon?

Senator Murray: Honourable senators, my friend is now asking me to confirm the authenticity of a report which was apparently carried in the Ottawa *Citizen*—a report which I have not seen. However, I shall make the inquires that I undertook to make in answer to his opening question.

BUSINESS OF THE SENATE

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I move that the Senate adjourn during pleasure to reassemble at the call of the bell.

The Hon. the Speaker *pro tempore:* Honourable senators, is it your pleasure that the Senate do now adjourn during pleasure to reassemble at the call of the bell?

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, with respect to being recalled, I have no objection to the motion that we be available. However, to avoid uncertainty, could we set a firm time to meet, say, at 8 o'clock? In that event, if the House of Commons has completed its deliberations before then, we will have time to complete our work after 8 o'clock or perhaps even after 7 o'clock. That would give all of us some certainty as to how to plan the next few hours at least.

Senator Doody: My reason for wishing to adjourn during pleasure to reassemble at the call of the bell is that I have been given to understand that there is a reasonable expectation that the bill will get through the House of Commons by 4 o'clock or 5 o'clock this afternoon. It is close to 5 o'clock now and the bill has not yet arrived. However, if there is a possibility that the bill will reach us within the next few minutes, then I think it might be appropriate for us to return quickly.

Perhaps honourable senators can tell me whether they would prefer to have the house adjourn to reassemble at the call of the bell or adjourn until 8 o'clock?

Senator MacEachen: Eight o'clock.

Senator Hastings: Perhaps 7 o'clock.

Senator Doody: It may be a bit difficult for us to reach consensus on this within an hour.

Senator MacEachen: Why don't we say that we will adjourn to reassemble at the call of the bell, but not before 7 o'clock?

Senator Flynn: Perhaps we could say that if the bill does not reach us before 5.30, we will come back at 7 o'clock.

Senator Doody: The latest suggestion I tender, then, is that if the bill has not reached us by 5.30 we will return at 7 o'clock. Would that be acceptable?

Senator MacEachen: That is splendid.

Senator Doody: If that is acceptable, then perhaps we should leave it at that.

The Hon. the Speaker *pro tempore:* Is it agreed, honourable senators, that we will adjourn until 5.30 or, alternatively, 7 p.m.?

Hon. Senators: Agreed.

Motion agreed to.

The Senate adjourned during pleasure.

• (1900)

At 7.09 p.m. the sitting of the Senate was resumed.

PAROLE ACT
PENITENTIARY ACT

BILL TO AMEND—COMMONS DISAGREEMENT WITH SENATE AMENDMENT

The Hon. the Speaker *pro tempore:* Honourable senators, I have the honour to inform the Senate that a message has been received from the House of Commons, which reads as follows:

> That a Message be sent to the Senate to acquaint Their Honours that this House disagrees with the amendment made by the Senate to Bill C-67, An Act to amend the Parole Act and the Penitentiary Act, because this House believes that the National Parole Board is better structured and experienced to deal with all matters of fact relating to the prediction of violent behaviour and that public safety is properly preserved through decision-making being kept with the Board.

When shall this message be taken into consideration?

Hon. Allan J. MacEachen (Leader of the Opposition): I should like to ask a question, if I may, with respect to the message. I presume that the paper we have on our desks is a copy of the message. I should like to know to whom in the Senate the message is addressed. Is it addressed to the Speaker, to the Clerk, or is it addressed—

Hon. C. William Doody (Deputy Leader of the Government): To the Senate.

Senator MacEachen: —to individual senators? What is the mode of transmission of the message from the House of Commons to the Senate? His Honour has stated that a message has been received. I should like to know who has received the message.

Senator Doody: Honourable senators, the message states:

> That a Message be sent to the Senate to acquaint Their Honours that this House disagrees with the amendment—

It is quite clear that the message is sent to "Their Honours". The Senate is the recipient of the message from the House of Commons, and that is stated quite clearly in the message.

Senator MacEachen: So, the mode of transmission is directly to each individual senator and not to the Speaker or to the Clerk, because there is no person identified in this communication from Mr. Koester. I should like to know what the procedure is.

Senator Doody: It is the usual procedure.

Senator MacEachen: It is not addressed to the Speaker, it is not addressed to the Clerk, it is addressed individually to each of the senators.

Senator Doody: The message states "that this House disagrees with the amendment", and so on. The message is sent to the Senate to acquaint honourable senators.

Senator MacEachen: But who received the message on behalf of the Senate?

Senator Doody: We, collectively.

Senator MacEachen: That is an impossibility. As the honourable senator realizes, it is not possible for us to receive the message collectively unless we gather together.

All I want is clarity. When a communication comes from the House of Commons to the Senate, the Deputy Leader of the Government has said it comes to the senators collectively; that states quite clearly that it comes directly to the senators, not to the Clerk and not to the Speaker. That is what I should like to have established.

Senator Doody: Honourable senators, I stand to be corrected on this, but it seems to me that the standard procedure is the form in which this message has been sent. We have been, almost on a daily basis, the recipients of messages from the House of Commons informing the Senate of changes in committee membership and of various other actions which the House of Commons wished to acquaint us of. This is the form that has always been used.

Senator MacEachen: It is a form which states that the Senate directly receives the message, not the Speaker or the Clerk, and that, therefore, the only way it can be received directly by the Senate is to have it sent individually to each senator, as was done in this case.

MOTION FOR NON-INSISTENCE UPON SENATE AMENDMENT

The Hon. the Speaker *pro tempore:* Honourable senators, when shall this message be taken into consideration?

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, I move:

> That the Senate do not insist upon its amendment to the Bill C-67, intituled: "An Act to amend the Parole Act and the Penitentiary Act", to which the House of Commons has disagreed.

Hon. Allan J. MacEachen (Leader of the Opposition): Honourable senators, on a point of order, do we add that additional phrase to the Clerk's Scroll which we have received but which does not contain the phrase "to which the House of Commons has disagreed"? Do we add that? Presumably we do.

Senator Doody: Honourable senators, I do not know what the status of the Clerk's Scroll is. I do not know what bearing it has on this particular set of circumstances. To date, until now, we have preserved and followed the standard procedures of this chamber. I suggest that it is probably in the best interests of all that we continue to do that.

Senator MacEachen: I do not know either what the status of the Clerk's Scroll is, but if it has any status it is imperfectly drawn, because it does not contain the motion as read by the Deputy Leader of the Government in the Senate.

Hon. Earl A. Hastings: Honourable senators, may I be permitted a question? Are you not going to ask for leave to present this motion?

Senator Doody: Leave is not necessary for a motion of this sort.

Senator Hastings: What authority are you citing for giving that opinion?

Senator Doody: I have taken the precaution of checking the precedents established in this chamber. I have found two, one in 1959 and one in 1974, in which amendments were not accepted by the House of Commons. Debate went forward immediately on their receipt, or later that day in one case, and I can cite the particulars.

Hon. Royce Frith (Deputy Leader of the Opposition): Without notice and without leave being asked?

Senator Doody: Without notice and without leave being asked. The first one I call honourable senators' attention to occurred on July 18, 1959. I can say that precedents are not easy to establish, because Senate amendments and rejections have not been very numerous. The composition of this particular chamber in the past has seen to that.

In any event, a message was sent to the Senate to acquaint Their Honours that the House disagreed with an amendment to Bill C-48 in July of 1959. The honourable Senator Aseltine moved, seconded by the honourable Senator Choquette, that the motion be taken into consideration later that day, and, the question being put, it was resolved in the affirmative and later that day, pursuant to the Order of the House, the Senate proceeded to the consideration of the message from the said House of Commons with respect to Bill C-48 entitled: "An Act to amend the Income Tax Act." That was then proceeded with.

On December 13, 1973, the Senate amended Bill C-176 and sent it back to the House of Commons. The Commons did not agree to the Senate amendment. On Friday, January 11, 1974, the House of Commons sent a message to the Senate, as follows:

• (1910)

> THE HON. THE SPEAKER: Honourable senators, a message has been received from the House of Commons to acquaint the Senate that that house does not concur in the amendment made by the Senate to Bill C-176, to amend the Criminal Code, the Crown Liability Act and the Official Secrets Act.

The Speaker asked when the message would be taken into consideration, and Senator Martin, the government leader of the day, said, "Later this day." Some honourable senators said, "Now."

Then a debate ensued over whether it should be considered right away or later in the day. The government leader carried the day, so the motion was debated later that day.

On both of those occasions no leave was requested and no leave was granted; nor was the question of leave even raised.

[Senator MacEachen.]

Senator Frith: Honourable senators, it is certainly worthwhile putting that on the record, because our rules would clearly indicate that one day's notice would be required under section 45.(1)(*h*), which states:

> 45.(1) One day's notice shall be given of any of the following motions:
>
> (*h*) for the making of a substantive motion;

I think that this is certainly a substantive motion. I imagine that leave would be given anyway, but it does seem to me that one day's notice is required under our rules.

Senator Doody: As Honourable Senator Frith suggests, I think it is important that it be placed on the record of the house. However, with reference to our own rules, perhaps notice should be taken of section 46(*i*) also, which states:

> 46. No notice is required of the following motions:
>
> (*i*) for the consideration forthwith or on a future day of Commons amendments to a public bill;

This could very well be considered, I would think, as a Commons amendment to a public bill.

Senator Frith: That would be a bit of a stretch, I think, but so would the other one.

Senator Doody: That is right. In any event, this has been the habit or custom of this chamber.

Senator MacEachen: Honourable senators, on that point, from a procedural point of view it seems to me that it is perfectly clear that when there is a rule stating that notice is required to deal with a substantive motion, that rule dominates the situation and cannot be set aside by a precedent in which it is not clear whether there was tacit acquiescence to the waiving of the notice requirement. In other words, in the face of the clear rule which Senator Frith has quoted, I do not regard that the precedents govern the situation, because it could very well be that there was a tacit agreement; but even if there was not a tacit agreement the rules can still be invoked and made to operate.

I want to make it absolutely clear that we are operating on the assumption that leave has been granted to waive the requirement for notice, because this is clearly a substantive motion.

The Hon. the Speaker *pro tempore:* Is leave granted, honourable senators?

Senator Hastings: Honourable senators, speaking to the point of order, I would draw the attention of the Deputy Leader of the Government to rules 44(1) and (2). Rule 44(1) states:

> Two day's notice shall be given of any of the following motions:

Rule 44(2) states:

> A like notice is required of any inquiry not relating to a bill or other matter appearing among the Orders of the Day or on the Order Paper.

With the greatest respect, I think the motion you have made falls within the category of other matters appearing among the Orders of the Day.

Senator Doody: The situation we have before us is one that was undoubtedly brought about by the composition of the chamber. During the previous discussions the numbers were somewhat different, and it would seem that it was more difficult to proceed along the lines I suggested earlier. Obviously, we are in the hands of the Senate, and the Senate can do what it wishes. I am simply pointing out what the Senate did in the past, when there was a majority in that party and it was on this side of the house, and I am saying that I think that is the way we should proceed this evening.

Senator Frith: Honourable senators, I think it is clear that we are ready to proceed, but I do think it is important that the point made by Senator MacEachen be noted so that this evening does not take its place as an occasion where precedents, which we do not think apply, are reinforced.

In any event, we can proceed if it is clear that we will not have this cited to us on another occasion as if we acquiesced in the application of those precedents.

The Hon. the Speaker *pro tempore:* In any event, I understand that leave has been granted that we should proceed. Is that agreed, honourable senators?

Hon. Senators: Agreed.

Hon. Nathan Nurgitz: Honourable senators, with respect to the motion before us, my understanding of parliamentary rules is that I am not permitted to discuss the principles of the bill, the policy of the government in proposing this bill or its policy generally with respect to penitentiary and parole matters; rather, the debate is to be confined to amendments. I trust, then, that you will allow me a few minutes to cover a few matters.

I do not want to get into the question of urgency. That debate, as those of us know who have been watching either in person or on the parliamentary channel, has taken place in the other place. We are not even here to discuss the principle of the bill, because, indeed, both houses passed the bill. The amendment that we agreed to here did not affect the principle that persons who are dangerous offenders ought not to be released by some method—whether it be a parole board or by the courts—but should remain incarcerated until the warrant expiry date. For instance, if a person has received a nine year sentence, he is to be released on the three hundred and sixty-fifth day of the ninth year. He is not, as our current law under mandatory supervision allows, to be released—assuming parole has been refused—after two thirds, or the sixth year point in the case of my example.

I wish to reiterate so that we are all clear that that is all we are discussing, because that principle has been decided, notwithstanding the comments of my good friend Senator Hastings, who attempted to make the case before us when we sat on July 2 that this was foolhardy and we were postponing the inevitable and that these people, because of illness—and I accept what he says—will not be able to help themselves, whether we release them at the six-year point or the nine-year point, and we are having a problem with them. I remind Senator Hastings, as I reminded him then, that to carry that to its logical conclusion means that we might as well never send anyone to a penal institution because ultimately they will be out and ultimately they will commit another offence.

Certainly those people—I do not mean to be unkind to them, and I think Senator Hastings referred to them as being sick—are sick; I accept that. We have an innocent society out there which it is our responsibility to protect.

● (1920)

Regrettable as it may be, there clearly must be within the penitentiary system a method of detaining such people as long as we possibly can, because that will reduce the number of offences.

Honourable senators, we agreed on July 2 that the Parole Board, being a board constantly sitting, determining and assessing risks, should continue to do so. That board makes the assessment that a certain prisoner is a bad risk and that he should be detained until warrant expiry. The only question before us today relates to Senator Hastings' amendment, which states that after a decision has been made, for example, refusing mandatory supervision in a case which the Parole Board would consider to be a high risk case, that person should have the right of appeal to a superior court of criminal jurisdiction in the province in which he or she is confined.

Honourable senators, I would repeat that section 18 of the Federal Court Act allows appeals—albeit on law, albeit on procedure, albeit on jurisdiction; but it allows appeals. Senator Hastings made the case that we are dealing with the right of liberty of the subject, and I respect that. I believe that when it comes to such matters we have to be especially careful. He talked about the hearing that takes place at the back of a prison. Senator Hastings has forgotten to remind us about the fact that what was formerly put in regulations will now be spelled out in the act with the passage of Bill C-67. Bill C-67 sets out all of the various procedural matters which have to be followed. A breach of those, I would suggest to all honourable senators, would leave open to the Correctional Service under section 18 of the Federal Court Act an appeal to the Federal Court. I suggest to honourable senators who may have practised some law in this field that that would violate those rules and would clearly leave open a question of appeal, and probably a successful appeal.

In any event, honourable senators, we are clear in our determination, as was the House of Commons, that some method must be made available to protect the public by having some persons, because of illness or otherwise, remain in custody until the expiry of their warrant.

I should also like to mention that having watched a good deal of the proceedings in the House of Commons, the principles of the bill—and I appreciate that I am not entitled to speak to them so I will not enunciate those principles—were, indeed, approved by the Honourable Bob Kaplan, the justice critic for the Liberal party in the House of Commons. He

supported those principles. Other speakers, whether impliedly or explicitly, did similarly.

What is the situation now? The House of Commons has dealt with the bill. There was some suggestion by honourable senators that the various reports of the Standing Senate Committee on Legal and Constitutional Affairs were not considered. I will say to honourable senators that that may or may not have been the case, but they have now been considered and, in a rather decisive vote in the late afternoon today, the amendment as proposed on July 2—whether in the view of some it was well-framed or not does not matter—was defeated in the House of Commons. The House of Commons, after consideration of the Senate amendment, has rejected the notion of an appeal on fact, because, in essence, there was already—and I am sure that Senator Hastings would agree—an appeal in law. Senator Hastings' argument has been rejected, as can be seen from the message from the House of Commons.

Honourable senators, on July 2, as recorded at page 2798 of the *Debates of the Senate*, Senator Hastings stated:

> I have done all I can in loyalty to my conscience to convince honourable senators and to convince the government of my conviction that this legislation is inadequate. As an appointed official, I cannot block the will of an elected government.

Without getting into much deeper discussion regarding legislative roles, I would suggest, honourable senators, that many argued strenuously that our point of view was not taken into account by the House of Commons. It has now been taken into account. That amendment has been defeated and we are now back to considering Bill C-67 and what we will do with respect to the Hastings amendment. I would suggest, honourable senators, the House of Commons having spoken, we ought to pass the motion as before us, remove the amendment and proceed with the final passage of Bill C-67.

Some Hon. Senators: Hear, hear.

Senator Hastings: Honourable senators, like my distinguished colleague I shall try to confine myself to the message we have received from the House of Commons and to the motion by the Honourable Senator Doody in response to that message, but I think in fairness I should comment on a few happenings and sayings which have taken place since the Senate adopted that amendment on July 2.

I believe that some very irresponsible statements have been made by members of this government. I don't know whether they have any knowledge whatever of administrating penitentiaries, but when they engaged in this numbers game from 30 to 54, to 74 or 75, I wonder if they knew what pressure they were putting on CS officers in the penitentiaries tonight. They have built a straw man out of public protection and that is why we are here today. As was demonstrated by witness after witness who appeared before us, there is not one iota of public protection contained in this bill. This we heard from witnesses who deal with prisoners every day and have some knowledge of the problems.

[Senator Nurgitz.]

It is time to stop this rhetoric, because you will place the officers of the Correctional Service in an unprecedented, impossible position over the next few weeks. At the outset we were told by the minister that that involved only a handful; we were told by the Commissioner of the Correctional Service that it involved about one hundred; and we were told by Mr. Outerbridge that he really did not know, and that is probably the most logical answer with respect to the numbers involved. These statements are dangerous.

• (1930)

I plead with the Leader of the Government in the Senate. At least he acted responsibly—he said that there may be an element of public safety. But his colleagues, including the Prime Minister and the Deputy Prime Minister, are inflaming the public. They are inflaming the public about a situation that simply does not exist. Not only are they inflaming the public, they are inflaming men in custody.

The fact is that the Evaluation and Projects Division of the Canadian Correctional Service recently completed a project. One of the conclusions was that "there is no statistical information available on the exact number of offenders who are both mentally ill and dangerous." That is the correct situation—there is no information available. But this numbers game is completely misleading. If we were to say that this involved 75 in two months, that would mean 450 a year, and that would involve an institution that we do not have. But still it goes on. Having inflamed the public and the inmates, those men who faithfully discharge their duties to us are placed in an impossible position.

I will not comment upon any other portion of the bill, such as that having to do with the one-shot remission or the sunset clause that we amended in 1983. I will not make the comment that the distinguished Solicitor General has not seen fit to include the Senate in any review of this bill that is made in three years. That is history now. But I do intend to comment upon the statements that have been made about this institution, our conduct and our proceedings here.

I should like to inform the editor of the Toronto *Globe and Mail* that if I, as an appointed Canadian senator, am not at liberty to use my best efforts to recommend to the government better legislation in the light of what little knowledge I have, then why am I here? Why did the people of Canada pay my expenses to visit the institutions in the prairie region and Kingston to gain a little more information so as to deal with the bill? All honourable senators can ask that question. Why the hell are we here, if it is the will and the wish of the public of Canada that, when the House of Commons passes a bill, we rubber stamp it? I believe that my responsibility is to do the best I can to make my best effort to examine legislation and, if possible, to improve upon it. I believe, with respect to any issue, that I have a responsibility to bring that issue up for public discussion.

It is interesting to see the change in the trend of this discussion that has gone on over the past four weeks. There is more balanced reporting now, and the public is coming to the conclusion that there is no public protection whatsoever in this

bill. It is unfortunate that we have been called here on this occasion. The recall of Parliament is an occasion reserved for declarations of war, the settlement of national strikes or any national emergency. We have been called here to deal with this bill and the actions of this government, which are political in nature and have nothing whatsoever to do with public protection.

Senator Walker: Nuts!

Senator Hastings: So you say, sir.

Senator Walker: Yes, I do.

Senator Hastings: With the vast knowledge of Senator Walker on penitentiaries, I am sure that he knows what it is all about. He was not here for any discussion; he was not here for any committee meetings, yet he can say "nuts" tonight.

Senator Walker: I have listened to your hot air for years.

Senator Hastings: You are going to listen to a little more tonight and it may be late in the morning before we finish, so just relax.

Senator Walker: You are crazy enough to do it.

Senator Hastings: You are crazy enough to listen.

Senator Walker: Don't be silly.

Senator Hastings: I wish to comment, then—

Senator Walker: Comment.

Senator Hastings: I shall continue, sir.

Senator Olson: Don't let him bother you.

Senator Hastings: He doesn't bother me. I just consider where it is coming from.

Senator Walker: Those are old clichés. We want to get down to business here.

Senator Hastings: Is Senator Walker raising a point of order? Would he like to make a speech? I will sit down.

Senator Walker: You have no order, so go ahead, get it over with.

Senator Hastings: As I was saying, there is not one iota of public protection in this bill. I will not quote Mr. Outerbridge when he said that it will have no effect whatsoever on violence in society. I will not quote the article by Victims of Violence in Society, who said that the people will be satisfied or placated for the moment, but they will take revenge on the government when they see exactly what this bill is all about. I will not comment upon the overwhelming evidence given by the people who work in the voluntary agencies throughout Canada—those people who dedicate their time to assisting the inmates—who have told us that there is nothing to this bill. I will not comment with respect to the people who work in our penitentiaries, who deliver a service daily—and it is a discredit to this government that it did not take the time to go and talk to those people who walk the ranges of our penitentiaries every night—who know what the score is. What did they tell us? They told us that there is not one iota of public protection in this bill.

As to remission—and I say this for the benefit of the editor of the Toronto *Globe and Mail*—there is no law in Canada that provides for the automatic release of an inmate at the serving of two-thirds of his sentence. There is no such law. Section 12 of the Canadian Penitentiary Act says that an inmate in an institution, with the exception of those serving indeterminate sentences or life sentences, can earn remission. Every inmate can earn remission so as to be released at the serving of two-thirds of his sentence if he follows the rules of the institution. If an inmate applies himself to the programs of the institution, he can earn remission. When an inmate enters an institution there is a contract entered into.

There is lots of time, senator, don't worry.

Senator Walker: I am worried about you. I think you might take a stroke.

Senator Hastings: A stroke? I have my nitroglycerin right here to keep me going.

A social contract is entered into between the government, the people of Canada and the inmate. He is told every month that he has earned so much remission. We have made an agreement to release him for that period of earned remission that he can serve on the street under mandatory supervision. No matter what anybody may think, no matter what anyone has agreed to, the men we are dealing with regard this as a contract. When all else fails—when parole or other release plans fail—the inmate has his earned remission, which he has obtained on his own merits, and he is looking forward to his release.

Now, however, through this bill, we grant authority to the parole board to summarily break that agreement and tell an inmate that he has to remain in custody. Honourable senators, when we call a man a violent man, he may just react as a violent man. We may have to pay the price of labelling people this way. I still maintain that it would be far better to release him on mandatory supervision and to have him supervised during that period of his remission in society.

Let me bring to the attention of honourable senators the case of an inmate recently released from a penitentiary. This inmate was totally incompetent, totally dysfunctional. He talked to the devil half of the time and to God the other half of the time. He was very dangerous when alcohol was involved. In May came the day of release and the Correctional Service of Canada, to its credit, took him under escort to his own province. It had him examined by the local regional psychiatric centre, which declared him psychoschizophrenic but would not commit him. To the credit of the Correctional Service of Canada and the parole officer, it released him. He did not take his pills, but sold them. The parole officer cancelled his mandatory supervision and put him back in custody. Honourable senators should make their decision as to which was the better way to release that man: under mandatory supervision, under the supervision of a parole officer, who watched him carefully, and the minute he broke parole he was brought back into custody; or, as is proposed by this bill, hold him until

warrant expiry and let him go without any supervision whatever. But that is what we are going to do.

• (1940)

Now may I deal with the question of "Why the board?"

Senator Walker: Come back to the issue.

Senator Hastings: I am back to the issue.

Senator Walker: You have been way off it all evening. Go ahead.

Senator Hastings: I hope that Senator Walker will take part in the debate and stop his blubbering over there. He should get up and take part, and play his role as a senator.

Why the board over a judicial review? Why the board over a judicial appeal? It is appropriate, says the minister. I guess it is appropriate. It is the easiest way. It is the simplest way. As I said, the meeting is held in a penitentiary—a "hearing" it is called. The inmate is aware of what is taking place only by way of a statement which is given to him by the Parole Board. The accuser decides what the accused shall hear. The accuser decides what information, what documentation, shall be made available to the accused, the inmate. Counsel is available, but all that counsel can do is make a statement at the end of the hearing. Counsel cannot cross-examine. Counsel can just make a character reference after whatever evidence is unfolded. He has no opportunity to cross-examine.

It seems to me—and I am not learned in law—that "beyond doubt" is thrown away and "reasonable doubt" will now be substituted.

I guess it is "appropriate". I guess it is much easier that way. Senator Nurgitz indicated—and he is learned in law—what a wonderful hearing it will be. I hope that when he closes the debate he will explain to me—as one who is not learned in law—what fundamental principles of justice will prevail at that hearing.

We are told by the former Solicitor General that the judiciary does not want the job. I do not doubt it. I do not doubt it because I think that the judiciary is well aware of the failures with respect to prediction and the inability to accurately predict. The judiciary is well aware of placing men in custody who do not have to be there. But we persist in this dream world, honourable senators, notwithstanding all of the evidence that is available that we cannot predict, and we legislate laws based on predictability.

The Solicitor General has stated—and I believe that Senator Nurgitz also stated this—that thousands of decisions are made by this almighty board, about which the former Chief Justice of Canada had occasion to comment.

What is the record? First, let me deal with the eleven men that were gated in 1982. When the Solicitor General appeared before us he said that five stayed out and six were returned for an offence. He was careful not to say "violent offence"; he said "offence". What does that tell us? Out of eleven men they were wrong 45 per cent of the time; but had they had their way all eleven would have stayed and completed their sentence until warrant expiry. That is a 45 per cent failure.

[Senator Hastings.]

With the best evidence that I had available, I am suggesting to honourable senators that out of those eleven, instead of six coming back we would have had nine or ten. That is why I am saying there is an element in this law of creating violence, because of the men who were prepared to go out and do their best, 45 per cent—I want honourable senators to remember that figure—did not have to stay there. But keep them there; and if we keep them there, in those warehouses of violence, we will probably find that we have a violent man on our hands who was deceived with respect to his remission, who was held in custody. We have broken our agreement with him.

Briefly let me deal with the statistics with respect to this great decision-making authority of the National Parole Board. I want to tell honourable senators that in the ten-year period ending December 31, 1984, out of 15,000 released on parole—on parole after a complete examination by the Parole Board, with all of its vast knowledge—there were 37 homicides. That is one every three months. There were 238 crimes against the person and 259 robberies.

Moving over to mandatory supervision, under mandatory supervision there were 95 murders and 734 crimes against the person. Honourable senators may think those figures are large, and they are. I would agree that there are 95 murders too many. But the fact is that those released under mandatory supervision represent 3.02 per cent of 27,000. On the parole side it is 1.79 per cent out of 15,000. So there is not much difference: 1.79 per cent to 3.02 per cent—three to two; and that is after the Parole Board deals with the best inmates available, the first offenders—those under three years. Their record should be much better than the man whom we keep and let out at two-thirds. So it is three to two. That is their great decision-making ability.

We had figures presented to us in committee which indicated—I want to be accurate—that during that same period, from 1975 to 1984, of the number of people released on parole—that is, 15,000—the number that successfully reached warrant expiry was 8,315 or 54 per cent. The number of men released on mandatory supervision who successfully reached warrant expiry was 14,123, or 52 per cent.

• (1950)

Where is the great decision-making ability of this board with ratings like these: 45 per cent of inmates who are gated successfully complete mandatory supervision, 54 per cent of inmates successfully complete parole and 52 per cent successfully complete mandatory supervision? The fact is that it is very hard to prejudge a person's ability or his conduct. When it comes to making a decision with respect to what an individual will do under a given set of circumstances, it is a most error-filled process. We do not know. I could never undertake to indicate what anyone in this chamber would do in a certain set of circumstances, and that is what it is all about.

We are told that an appeal system would reflect on the integrity of the board. Surely a board that is wrong 50 per cent of the time could withstand the scrutiny of a superior court. All court decisions are appealable to the Supreme Court of Canada. Why cannot this great board of political appoint-

ments withstand such scrutiny or examination in the interests of justice—an examination that would be carried out by a court of competent jurisdiction? Such a system is much more appropriate.

I hate to repeat it, but we in this chamber have maintained the same position since 1974, as indicated in our work on parole, our work on Bill S-32 and our work on this bill. Always we have thought that it would be better to vest the decision-making process in a court of competent jurisdiction. Senator Nurgitz was present in 1983 when the former Solicitor General accepted our suggestions for a judicial review. He said at that time, "I am more than satisfied with the amendment." He was part of the committee that asked for the amendment. Senator Nurgitz held that view until June 13, when he prepared the report of the Legal and Constitutional Affairs Committee. Somewhere between June 13 and July 2 he changed his mind. I am wondering if he is now dissatisfied. Is he dissatisfied that we have no amendment in this bill? Is he dissatisfied that the government will not accept our suggestion? I hope that when he closes the debate he will respond to these questions. I hope that Senator Flynn will take part in this debate, because he was present at the meeting in which we reaffirmed our belief that such decisions should be made by the courts.

Senator Flynn: I don't have enough time to explain the situation.

Senator Hastings: He is a former Minister of Justice and a former Leader of the Government in the Senate, and he was a member of the committee of 1983 that insisted that a Liberal Solicitor General give us the amendment. I hope that Senator Flynn will take part tonight and tell us that he still insists on an appeal to a judicial body.

Senator Flynn: Stop repeating the same thing!

Senator Hastings: Senator Barootes—and I hope that he will take part in the debate—was present at the meeting of the committee that drafted the first recommendation which said that we reaffirm our belief in the judicial decision-making process. I hope that he will tell us what has happened since June 15. I ask the senators opposite to share this information with me. I may join them.

Senator Walker: You are nothing but a windbag. This is the fourth time I have heard you give this same speech.

Senator Hastings: Hang around, sir.

Senator Walker: You ought to be ashamed of yourself.

Senator Hastings: I do not know how long I have listened to the honourable senator blubber away in this chamber, but I have never interrupted him. Any time he has had something to say, I have listened with rapture and interest.

Senator Walker: If I were like you, I would resign.

Senator Hastings: I hope the honourable senator will offer me the same consideration. He is sitting over there with his pal on the right blubbering and bellyaching.

The Hon. the Speaker *pro tempore:* Order!

Senator Hastings: Senator Doyle was present at that meeting of the committee.

Senator Flynn: Come on!

Senator Hastings: All I am asking is that he tell me what happened between May 13 and July 2, because I would like to change my mind to support this motion.

Senator Flynn: You are really pushing it.

Senator Hastings: I am sure that if it impressed these honourable senators it would impress me.

Senator Flynn: You can never change your mind on an obsession.

Senator Hastings: The motion is that we do not insist upon our amendment. It is a great ray of light. We are not going to insist on a decision we made. We are not going to insist on the decison we made in 1974. We are not going to insist on the decision we made in 1983, and we are not going to insist on the decision we made in May 1986. I think that we should insist. At least we should give it the consideration it deserves. This is the first time in a number of years that we have had a message from the House telling us that they do not agree with us. I do not think that we should simply say, "That's it." We were right the other times. If we were not right, then we were wrong. Perhaps the motion should be to refer the message to the Legal and Constitutional Affairs Committee to give the bill further consideration with respect to clause 5. If we were right then, I say we are right tonight. I say that we should be prepared to give further consideration to this bill.

Honourable senators, it is very easy to lead those apostles of retribution and vengeance that are so prevalent in society today. It is very easy to take up the cry, "Lock 'em up," which is second only to, "Hang 'em," and purport to get out in front and lead with such a bill. With the greatest respect, that is precisely what the government has done. I repeat, the government is not protecting society one iota. It has sown the wind, and I suggest that it will reap the wild wind with this legislation.

Senator Walker: Why don't you sit down now.

Senator Hastings: I am just about ready. Don't worry. Are you still awake? Hang in there.

Senator Walker: I am trying my best.

Senator Hastings: Are you listening?

Senator Walker: I have heard this four times before.

Senator Hastings: I hope, sir, that you live to hear it again, because I have no intention of giving up what I think—though you may not agree—are the important rights of individuals. It is the right of an inmate to release. Honourable Senator Nurgitz said in his speech that if we accept his advice we will never put anybody in jail. That is not true. I am not arguing about putting people in custody. I am arguing that they must be released when they are entitled to be released.

Senator Nurgitz: When did I say that?

Senator Walker: That is a total fabrication.

Senator Hastings: That is something you have no regard for. You have no regard for the commitment that was made to an inmate on the date of his arrival in the penitentiary; you have no regard whatsoever for that remission which he builds up and no regard whatsoever for that one thing that these men can depend on.

Honourable senators, I think this bill is worth much more consideration. This is a problem that must be dealt with devoid of all this political rhetoric that is taking place. That is quite possible, and I assure honourable senators that if and when the discussions cease in this institution, it will move to another forum, and I thank God for the Supreme Court of Canada which has a different conception—

Senator Flynn: And it will be there.

Senator Hastings: I can never be there.

Senator Flynn: No, I say the court will be there.

Senator Hastings: It will be before the court. I can assure you that the first detention order that the board makes will be before the court.

Senator Flynn: You have not invented it.

Senator Hastings: I can assure you it will be before the courts, and I thank God again for the Supreme Court of Canada which has a much different conception of the rights of Canadians. The Federal Court of Canada has already ruled in the case of *Howard vs. Stoney Mountain Penitentiary* that remission is the right to liberty and freedom. The Federal Court has also ruled—

Senator Flynn: That is not the issue.

Senator Hastings: The court has also ruled that in any hearing with respect to that remission the fundamental rules of justice must apply. They have ruled that counsel must be present and, in effect, when counsel is present, counsel must have the right to cross-examine.

Senator Flynn: They can still do that. This bill is not changing anything.

Senator Hastings: I know that Senator Flynn has never been to a Parole Board hearing or he would not make that statement.

Senator Flynn: I do understand what the discipline of the court is.

Senator Frith: Let him finish.

Senator Hastings: In any event, honourable senators, if it has to move from here—although I think there is still work to be done—I say thank God for the courts of this land that have a different conception from that of the former Solicitor General and the present government as to what constitutes the rights of Her Majesty's subjects, whether they are in or out of prison.

Hon. Joyce Fairbairn: Honourable senators, there have been a few changes in this chamber since I was here last. I should like to begin tonight by offering my congratulations and best wishes to Senator Murray, the new Leader of the Government in the Senate. He has already had a wealth of experience in his political career, and he now has a marvelous opportunity to serve both in this house and in cabinet and to make a special contribution to Parliament and to our country. I wish him well.

I wish to thank the former Leader of the Government in the Senate, Senator Roblin, for his support, his courtesy and his good humour with me, personally, as I began my work in this house.

An Hon. Senator: As with everyone.

Senator Fairbairn: He and I will be bonded together for eternity for our efforts and ultimate success on the sugar-beet future in western Canada.

Senator Frith: The sugar-beet kids.

Senator Fairbairn: He is fondly remembered there and I hope he will now be free to attack other western problems with even greater vigour and persistence.

Honourable senators, I have spent some considerable time reviewing the file on Bill C-67, particularly the recent events since I was unable to be here on July 2 when the Senate last met. It is not my intention to prolong this debate by rehashing all the old arguments. I fully support the splendid speech given by Senator Hastings on this bill on July 2, and also the speech by the Leader of the Opposition on the responsibilities of today's modern Senate.

As a member of the Standing Senate Committee on Legal and Constitutional Affairs, and most particularly of the subcommittee which held lengthy discussions at eight penal institutions across the country, in the west and in Kingston, I remain firmly convinced that inmates should have recourse to the courts if this Parliament decides to pass a law which can change the nature of their sentence on the basis of prejudgment of future acts of violence.

If I had any doubt about the necessity of a recourse to the court appeal process, those doubts would have been blown away by the actions of the government in the last three weeks. The government has insisted, as it is certainly its responsibility to do, that the Parole Board is the most appropriate agency to decide on who the high-risk inmates will be and to be sure that in the future they are not released on mandatory supervision at two-thirds of their sentence but, rather, that they remain safely in jail until the end of their sentence.

That is a wrenching responsibility for any person or group of persons, and one which demands great care, study and independence of decision. For, unless our system of justice changes, those prisoners within our penitentiary system who are not there on life sentence or indeterminate sentence do have rights to earn remission by good behaviour towards release on mandatory supervision at two-thirds of their sentence. When this bill becomes law, the Parole Board must make judgment on evidence presented to it that interferes with and overrules that process, that system; a procedure that breaks that legal contract.

The Senate amendment which was moved and adopted in this place on July 2 provided for a court appeal of a Parole Board decision. That amendment has been rejected by the

government and, through its majority, by the House of Commons.

The government, which has sat on this legislation for months, all of a sudden senses an urgency which demands immediate passage of this bill. Minister after minister, as indicated by my colleague, has stated that public safety demands it, otherwise violent criminals will be roaming the streets. In an excess of zeal to justify this newly discovered urgency, the government has used what some people have described as scare tactics. The former Solicitor General, early in July, warned that perhaps some 30 of Canada's most dangerous offenders would be released this summer and that the Senate was jeopardizing public safety. The Prime Minister told us that failure to pass the bill as it was would put on the streets of Canada during the summer some people who, according to the House of Commons—not the Parole Board, but the House of Commons—ought not to be there.

In recent days we have had the Solicitor General's department estimating that there were some 50 of these dangerous inmates in question; the Deputy Prime Minister has increased that number to 56, and only last week the Solicitor General said that there were between 54 and 75 potentially violent inmates to be released between now and the end of October. In fact, today he told the House of Commons that there were between 100 and 150 of these inmates, 40 of whom are eligible for release within the next three months.

Honourable senators, there is one question I would like to ask tonight: What is left for the Parole Board to decide? The government has declared that anywhere from 30 to 75 persons, upon becoming eligible for release on mandatory supervision, are to be affected by this bill within the next three months. An expectation has been raised—again in terms of public anxiety or public fear—that those inmates will all be kept in jail. Where does that leave the board? How can the board now begin a careful and fair assessment of whether or not someone might do violence when released, when the government has already told Canadians to expect 75 candidates for release under mandatory supervision to be kept in prison? Can any of us now be fully confident that the board will be able to make these decisions free from pressure?

● (2010)

There is no question in my mind that the statements of recent days have already lowered the credibility of the National Parole Board to act in this matter, and the only winners in this game will be the lawyers as they take aim at the courts under the Charter of Rights.

That is not what the National Parole Board was set up to do, and it certainly did not ask for that job. There are a great many people inside and outside the prison system who strongly believe that this type of decision is a decision for the courts. I noted only yesterday in an article appearing in the Ottawa *Citizen* a comment by Justin Ciale, who was described as the architect of mandatory supervision when it was brought in in 1970, and who is a former member of the National Parole Board. He said "there is absolutely no way of anyone—certainly not the Parole Board—predicting violent behaviour."

Honourable senators, another aspect of this debate that bothered me—and the new Solicitor General touched on it in his appearance before the Committee of the Whole of the Senate on July 2—related to his justifying the reasons for the choice of the Parole Board rather than the court or others. He made the point, repeatedly, that the members of the House of Commons had studied the bill for many months and it was their judgment that the Parole Board could best handle this, based on evidence which they had heard. He said that they made a reasoned and rational decision after hearing all of the evidence.

I have looked over the list of witnesses who appeared before that committee and can say that they came from various places, many from within the government, but they did not come from within the prison system. The Commons committee did not go out to talk to people within the prison system. Over and over we were told during the Senate committee deliberations on this bill that there was no problem within the prison system regarding the provisions of the bill. It seems that this assurance may have gone back to October of 1985 when the Commissioner of the Correctional Service of Canada told the House of Commons committee that he had travelled to institutions in the summer of 1985 and found no problem at all with the provisions of the bill from within those institutions, in terms of such issues as morale or tensions within the prisons.

Honourable senators, that certainly is not the story that members of the Senate committee heard when they visited penitentiaries over the last few months. Unlike the House of Commons committee, the members of the Senate committee talked directly with authorities at all levels—administration, psychiatric, vocational training, educational training, representatives of the prison guards, inmates' committees and John Howard and Elizabeth Fry workers from both inside and outside the institutions. In several cases, there was a very incomplete knowledge of the legislation and its application, even though it had been a matter of public knowledge for many months. I think it is fair to say that there was a majority preference that the value judgment on these dangerous inmates should come via the courts rather than the National Parole Board. Everywhere there was apprehension about the effect of the cancellation of releases under mandatory supervision for inmates currently serving their sentences, not after the bill might become law, but those who were already sentenced and serving those sentences. Everywhere there was apprehension about the effect the bill would have on the emotional equilibrium of the conditions within the penitentiaries.

Everywhere, also, there was concern about the inability to predict the nature of future behaviour of individuals. This was particularly bothersome to some very sensitive prison personnel who admitted to us having been completely wrong on occasions when they were certain they were completely right in their private predictions of the potential for violence or, indeed, potential for integration of inmates into the community after their release. With their day-to-day observations and their knowledge of the prison behaviour and prison network, they were dead wrong in their assessments.

We in the Senate committee from both sides of the house spent a great deal of time trying to grapple with this dilemma, and for that reason the committee issued two interim reports during its pre-study of the bill, as well as reports on the committee's visits to penitentiaries in the west and in the Kingston area. We did that so the Solicitor General and the government would be fully aware of the depth of the committee's concern and of the direction of its thinking well in advance of the passage of the bill by the House of Commons.

Against that background, it was regrettable to hear the former Solicitor General, Mr. Beatty, accuse senators of using "bad faith" because the Senate did not rush out a final pre-study report.

This morning, the current Solicitor General made similar criticisms of the Legal and Constitutional Affairs Committee of the Senate for dragging its heels on the pre-study of Bill C-67. He suggested that it had been granted the right to conduct the pre-study last December and that it had not proceeded to that until late February. He also suggested that the government had deliberately delayed action on this bill because it was waiting for the final report on the pre-study conducted by the Senate committee.

Honourable senators, the chronology of events as stated by the minister does not tell the story of the committee, and if this is to be entered into in debate, let us take a look at what the committee was doing during the time referred to by the Solicitor General. The committee had before it the pre-study of the divorce legislation, a high priority of the government; the committee dealt with the prostitution bill, a high priority of the government; the committee was given the lotteries bill—perhaps the most sloppy piece of legislation the house has seen for years, and which had a built-in deadline of December 31. The committee met that deadline. That was of high priority to the government. The committee was given the electoral boundaries bill in December and got to it in January, an extremely high priority of the government. At the end of January the committee began its pre-study of Bill C-67, not late February, as indicated by the minister.

While the committee grappled with other issues of high priority, such as the employment equity bill and the RCMP amendments bill, the committee worked very hard both inside the committee and around the country in the penitentiaries during those weeks leading up to June. That is the record, honourable senators. The facts clearly indicate that the government was fully aware of the Senate's specific concerns relating to this bill in the middle of May.

It is somewhat contrived, even for this government, to seriously suggest, as the Solicitor General did this morning, that the government was delaying and waiting for the Senate to speak before bringing forward the legislation which is now seen as so urgent that we are sitting here this evening in emergency session. If any honourable senator believes that line of reasoning, Senator Frith tells me that there is a pile of swamp land down in Florida at bargain-basement prices that we should take a look at.

[Senator Fairbairn.]

• (2020)

Let us be quite clear on what has happened here in the Senate. We did not defeat a bill. We did not gut the bill. We did not dispute—and let us be clear on that—on either side of this house, the claim that there are dangerous criminals who will resort to violent means on their release, whether on mandatory supervision or at the end of their full term. Not even the inmates' committees would argue that point. Finally, we did not even oppose the designation of the Parole Board as the instrument to prejudge potential violence. What we did was suggest another element of protection, namely the availability of an appeal to the courts for inmates who have earned their remission but are deemed by the Parole Board to be ineligible for release on mandatory supervision. We added that amendment quickly, and then we passed the bill immediately in one day.

In my view, honourable senators, given the truly agonizing nature of this problem, and given the immense effort which had been made to seek the best solution for a segment of our population—which is all too easy to totally ignore and abandon—we in this house would have abrogated any shred of responsibility we have, collectively or as individual senators, had we not made a final effort to try to change the government's decision. This is not just an isolated piece of legislation without any context; it is part of our whole judicial system that governs the rights of all individuals in our society as well as the protection of those individuals.

It has been said by critics of the bill, as well as by witnesses from within the government, that this is a band-aid solution and that we are tinkering with the system. Let us be frank, honourable senators: we are tinkering with the system. We are taking a short-term approach in response to genuine fears that criminals who have already been violent and destructive once will be violent and destructive again. Our conclusion is to let the Parole Board decide the potential for violence and rescind what amounts to time off for good behaviour to these inmates and to slam the gate on them. The inmates are locked up; it is a perfect solution. The inmates are locked up, the government is off the hook, Parliament has acted, the public is relieved, and our tinkering has kept us away from one more crisis: another headline for now. But then we again run smack into our judicial system, because we have to let these inmates out finally and, when they have completed their sentences, we have to let them out angrier, potentially even more destructive and totally without supervision of any kind. By playing with the system we all end up losers; there are no winners here.

As we consider the bill surrounded by all the controversy, all the doubts, and all the legitimate fears, we in this chamber should resolve right now that the larger issue of reform must not be dropped but must be accelerated.

There is a sentencing commission report which is due in September; there is the Correctional and Criminal Law Review which should produce suggested amendments to the government by spring; there is the whole question of how to deal with dangerous offenders who should be kept in mental institutions rather than adding turmoil and tension to our

penitentiaries. We need more facilities for these people and not less. There is the question, very germane to this discussion, of why the courts are avoiding the Dangerous Offenders Act, which enables a judge to hand out indeterminate sentences, if so judged. As of July 9 of this year there are, I am told, only 58 inmates sentenced under the Dangerous Offenders Act in Canada. This act has been used sparingly, to say the least, and when it is used it is only in the provinces of Ontario, Alberta, and British Columbia.

There is also the pressure now to seek alternative punishment in the community for a number of crimes rather than using incarceration as the only solution. There is the pressure to deal with overcrowding in our penal institutions all across this country. The single biggest fear in terms of violence and destruction in our prisons is double bunking, jamming people together—the disturbed, the depressed, the violent, the young and the old—two to a cell, a practice described by everyone we talked to in the prisons as akin to throwing a match into a drum of gasoline. This is a practice that is increasing, as we learned, as the prison population grows and the expansion of facilities is cut back.

Honourable senators, I can only conclude that if nothing else has been accomplished by this debate on Bill C-67 over these months, over these past days and weeks, it has at least focused a spotlight on the dark side of our society which, in the interests of either a concerned public or of those who still have a life to lead in prison and eventually back in the community, cannot be ignored. And, honourable senators, finally, it has also put a spotlight on the Senate and the work we do here. We do work, and we work well together in this legislative chamber and in its committees. When I look around at my colleagues on both sides of the house, I feel invigorated by the experience, the knowledge, the wisdom and the skill that is concentrated here. I am proud to be a part of it, and I have learned an enormous amount since my appointment two years ago.

I read the comments of the government leader, Senator Murray, on July 22 on what, in his view, was expected of the "modern" Senate, when he asked us to: "Stay on the path of moderation, conciliation, quiet diplomacy, persuasion, and common sense," in our relations with the other house. I would like to think that I am a thoroughly modern senator; so is Senator Murray. I agree with everything that Senator Murray said. He is absolutely right.

Hon. Senators: Hear, hear!

Senator Fairbairn: I have watched all of those techniques being used successfully in the past two years in one way or another. But, honourable senators, in our capacity as legislators—to rethink and suggest and persuade—there is nothing sinister and nothing wrong in extending that persuasion to the occasional amendment when quiet diplomacy falls on deaf ears. We are not affronting our elected colleagues in the House of Commons—not at all. We are not thwarting our elected colleagues in the House of Commons. What we are saying is: We are partners in this legislative institution called Parliament and we want to urge you one more time to have a look at an alternative, because we have an honest disagreement. That is not a wrong thing to do, honourable senators; it is a right thing to do in a modern, working Senate.

The House of Commons has looked at our alternative; it has rejected it; and we are now dealing with that decision at the earliest opportunity. When it is resolved, however it is resolved, then we will get on with other issues. Until at some point the Senate undergoes a constitutional change, and perhaps gains greater direct powers through election here, in my view we must get on with our work as active parliamentarians in a constructive and thoughtful way. That is certainly why I am here.

Some Hon. Senators: Hear, hear.

Senator Frith: Honourable senators, the motion before us is that the Senate do not insist upon this amendment to Bill C-67. I can think of scores of reasons why we should insist on our amendment, and one reason why we should not.

Many of the reasons we should insist on it have been outlined by Senators Hastings and Fairbairn. We have always been against this bill. We were against it when it was a Liberal bill and we are against it when it is a Conservative bill. That is the first reason we should insist on the amendment—that is, for the sake of consistency.

We should insist on it because it is a good amendment, taking into account the fact that the bill purports to do something that it is not going to be able to achieve. It purports to reduce violence in our society. It purports to do that by telling people who have been put in prison and told to behave themselves that they will get a reduction of their term, remission, for good behaviour. Honourable senators, that is a very important tool in our penitentiary system, because it encourages good behaviour and makes the administration of penitentiaries that much easier. Passage of this bill will mean that any remission a prisoner may have accrued will be wiped out or can be wiped out by the Parole Board, which has a totally different job within the system, and can be wiped out without any appeal. The public are told that they should be worried if it is not passed, because it will solve that problem. That is another reason why we should insist on the amendment. We should really insist on defeating the bill because it is flying false colours.

Given that the bill is going to pass, or has been passed, there is the potential for abuse with no judicial input—except, as Senator Flynn says, there is the provision of section 18 of the Federal Court Act. In terms of the psychological dimension, if prisoners are gated by the Parole Board, they will understand what it means if the Senate has given them the right to appeal. It is a good amendment; it is good for the administration of the penitentiaries; good for the prisoners; and good for the people of Canada. Those are reasons we should insist on it.

Another reason we should insist on this amendment is that it was treated irresponsibly by the government. In its first reactions the government did not say that it was an interesting thought and perhaps there was some merit to this amendment. No. After the House of Commons had passed the bill and dumped it here and the members had run off to their cottages,

they had the guile and gall to say that the Senate was endangering public safety because it had amended the bill. The truth is, even if the bill had been passed without the proposed amendment, the same situation would have existed. The responsibility was with the House of Commons for not waiting around; it was not with the Senate. That was a decision taken by the former Solicitor General. I have looked through the clippings and so far as I can see the present Solicitor General did not take that position. If he did not, I compliment him on that. He never made the deceptive, exploitive statement made by the former Solicitor General. I must say, having known that gentlemen for some time, I was genuinely disappointed in his remark. He has only two ways of explaining his remark. Either it was a callous, cynical exploitation, for political purposes, of a misstatement of a situation or he did not understand what he was saying; and I know he is too bright for it to have been the second alternative. I hope the new Leader of the Government—

Senator Murray: Who voted against the amendment.

Senator Frith: —who voted against the bill, as it turned out, with his colleagues—

Senator Murray: —as amended. That is why we are back here.

Senator Frith: As the leader knows, that would have made no difference. I hope the new Leader of the Government in the Senate, who is, admittedly, here to do the government's work in the Senate but is still the only representative the Senate has in cabinet, will mention the matter to his colleague Mr. Beatty and say to him, "Perrin, that was an unfair bum rap you laid on the Senate." Knowing Senator Murray, I know he will do that. That is another reason we should insist on it.

Some Hon. Senators: Hear, hear.

Senator Flynn: That is the only good reason.

Senator Frith: Another reason the government should have accepted this amendment is that it is a good amendment, and that is why we should insist on it.

The government will have some real problems with retroactivity. I would ask Senator Nurgitz to consider the fact that several provisions of the Penitentary Act will be repealed in order to implement this system. Section 35 of the Interpretation Act states:

> Where an enactment is repealed in whole or in part, the repeal does not
>
> (*c*) affect any right, privilege, obligation or liability acquired, accrued, accruing or incurred under the enactment so repealed;

That is another reason why we should insist on the amendment.

Another reason is that the House of Commons does not seem to understand what this bill is all about. They sent a message to us today which states:

> —this House disagrees with the amendment made by the Senate to Bill C-67, An Act to amend the Parole Act and the Penitentiary Act, because this House believes that the National Parole Board is better structured and experienced to deal with all matters of fact relating to the prediction of violent behaviour and that public safety is properly preserved through decision-making being kept with the Board.

The board does not have that jurisdiction now, so what do they mean by, "... kept with the Board?" Have they heard about the Supreme Court of Canada, which said that the Parole Board did not have the right to do that? Even in the official message they sent to us they have shown that they do not really understand what the bill is all about.

Now we are told that the House of Commons has considered our position and, therefore, we should not insist on our amendment. I do not believe that they have considered it at all. I do not believe that it ever entered their minds to accept this amendment. Therefore, their statement that they have considered the amendment and the position that we took carries no weight and washes not at all with me.

Those are some of the many reasons why we should insist upon our amendment. In this case we are right and they are wrong and that is why we should insist on our amendment.

• (2040)

Now I will come to the one reason why we should not insist upon it. Notwithstanding that we are right and they are wrong, notwithstanding all of these reasons to insist, the fact is that we are not an elected body. It is our job—and I believe that we classically fulfilled our job in this case—to expose the weaknesses of this bill. We proposed an amendment. We drew to the attention of the people of the country and to the media the weaknesses of this bill. We passed a good amendment, an amendment that we can be proud of. If the majority of the elected representatives still give us the back of their hand, then I suppose they should get away with it. Among the many reasons why we should insist there is that one reason why we should not.

Senator MacEachen: Honourable senators, I plan to make some comments upon this particular motion—comments largely based upon those made today by the Solicitor General in his address to the House of Commons. That is one reason why I wish to make some observations. There is another reason, which is that this is quite an important debate for "the modern Senate", because, for the first time in quite a number of years, the Senate has broken out of a pattern. It has broken the pattern of refusing to participate more fully in its legislative role. For these two reasons I want to make a number of observations.

I was surprised at the comments made in the House of Commons today by the Solicitor General. He said:

> Let me also say that I very much regret the necessity to call the house back. We are here today because Canada's appointed Senate acted at the last moment—indeed, after this house had risen for the summer—to impede a vital piece of legislation, Bill C-67, an act to amend the Parole Act and the Penitentiary Act.

The first point to be made is that the Senate acted at the last moment because it received the legislation at the last moment. The two companion bills, one of which is Bill C-67, arrived in the Senate on the last day of the session. As I recollect, those were the last two bills sent to the Senate from the House of Commons.

The Senate acted at the last moment because it could not act earlier—the bills did not come any earlier from the House of Commons. I believe that that comment of the Solicitor General was, to say the least, misleading and incomplete.

Honourable senators, Bill C-67 was introduced in the House of Commons on June 27, 1985, and it reached the Senate precisely one year later. The Commons had the bill for a full year while the alleged time bomb was ticking, threatening the safety of the Canadian people. When the bill arrived in the Senate that Friday, surely no one who knew the history of the bill could have expected that all necessary waivers would be granted to have the bill passed in all its stages on a Friday afternoon in order to have it enacted into law through Royal Assent that evening. What respect would any of us have for Senator Hastings—

Senator Walker: None.

Senator MacEachen: —if, in the light of his advocacy of the principles that he has espoused tonight, he gave up his right, a right which is conferred upon every senator by the rules, to consider a bill as it moves through certain stages, first reading one day, second reading the next and so on? He simply asked that the rules be obeyed, and the government called the Senate back—quite properly, we had no objection—on July 2. That was the date chosen by the government. In the meantime, the government knew full well that the house had departed, that Royal Assent could not be given to this bill until the house returned and that the time bomb would go on ticking until Royal Assent was granted.

It was interesting that, despite the time bomb Mr. Perrin Beatty said was ticking and threatening the safety of Canada, neither the Leader of the Government in the Senate nor the Solicitor General would give any assurance that Royal Assent would be given to Bill C-67. Nevertheless, the Solicitor General said that the reason we are back is that the Senate acted to impede.

On July 2 the Senate put the bill through all of its stages. The Senate gave the bill to the government after one full day of debate.

Senator Flynn: As amended.

Senator MacEachen: As amended, and I will come to that.

The bill was before the House of Commons for a full year. It came to the Senate on June 27 and was dealt with on July 2. It seems to me that to accuse Canada's appointed Senate of impeding the bill is untrue and inaccurate.

I find it even more irritating to have the Solicitor General make that comment in view of what occurred at third reading. Senator Nurgitz rose in his place and moved the third reading of the bill as amended. Presumably, he wanted to advance the bill, to have the bill adopted. Otherwise, if he did not want the bill adopted, there was no necessity to move the third reading. I repeat that he did move the third reading of the bill as amended. Then his Conservative colleagues said, "On division." We all know that those words are used by a party when it wishes to oppose a bill without voting against it. If we on this side had taken the same attitude as that taken by the Conservatives, the bill would have at that moment died in the Senate of Canada and would have disappeared. It was the Liberal majority in the Senate that ensured not the impedance of the bill but the survival of the bill.

Senator Frith: Hear, hear!

• (2050)

Senator MacEachen: No wonder the people of Canada, in a poll today, asserted their disappointment at the performance of the government. This is just another example: to move that a bill be advanced and given third reading, and then to oppose it. That is what we saw. I would rather the Solicitor General did not refer to these matters, because it would spare me the embarrassment of recalling that painful moment when the Conservative Party in the Senate really did not know whether it wanted the bill or did not want it. But we know from the Solicitor General that he wanted the bill.

Having made those comments which might be regarded as marginally political, I ask honourable senators: What did the government have in mind when it sent this bill to the Senate on the last moment of the last day of the session? Surely it did not think very much about what it was doing, or it hoped that everyone in the Senate would be asleep at the switch. I must say that I regard the action of Senator Hastings on that Friday as responsible and worthy of respect.

Some Hon. Senators: Hear, hear.

Senator MacEachen: Certainly not worthy of contempt; and I believe that the Senate acted responsibly on July 2 in clearing the bill in one day even though we did make an amendment. Those are the facts.

Senator Flynn was not in the Senate when those painful events took place. He was not present, but I was, and I saw the disarray that existed over this bill. I say to honourable senators that if the Solicitor General wishes to make an impression he had better not use this kind of misleading statement in defence of his bill. He goes on to say:

> There is only one guarantee I can offer you, and that is that every further day of delay jeopardizes the safety of law-abiding Canadians.

He said, "every further day of delay jeopardizes—

Senator Frith: There is something for you to laugh at, Jacques.

Senator MacEachen: —the safety of law abiding Canadians." What about the delay from July 2 to July 24? The Prime Minister said, "We are not going to recall Parliament," and the former Solicitor General said, "We are not going to recall Parliament." Then the new Deputy Prime Minister said, "Yes, we want to recall Parliament," and finally the new Solicitor General said, "Yes, I think we ought to." What about the

confusion between July 2 and 24, and what about the jeopardy to the safety of law-abiding Canadians during the five months when this bill languished in the House of Commons? After the legislative committee made its report in the House of Commons, the bill sat there for almost five months before it was called by the government. There is only one guarantee that I can give honourable senators. It is that every day of that five months jeopardized the safety of law-abiding Canadians, and for that the government should be condemned for negligence, if not for a greater crime.

Some Hon. Senators: Hear, hear.

Senator MacEachen: So please do not attack the Senate. It is interesting, honourable senators, that in the course of the past two or three weeks the focus of attention in the press has gradually become directed at the government and its handling of the bill—and, more than that, there is a growing concern and anxiety about whether this bill will do precisely what its supporters say it will do. Yesterday there was a full page article in the Ottawa *Citizen* raising deep concerns about the claims made in support of the bill. In my opinion, if the Senate has done nothing else, it has done a big thing in elevating the consciousness of the Canadian people about this problem, and I believe it has laid a time bomb for the government, because as time goes on we will be able to observe the impact that this bill and its enactment will have—an impact along the lines that have been so carefully explained by Senator Hastings.

I read another passage from the remarks of the Solicitor General in which he said that the Senate amendment had already been considered and rejected by the House of Commons. I cannot find that that is a true statement. The Solicitor General said:

> All that the Senate amendment did was to revive the issue from a different angle; not a new angle, I should add, but an angle that had already been considered and rejected by the House.

He goes on to say that the honourable member for Burnaby had moved this precise amendment in the House of Commons—and so he did. It was ruled out of order by His Honour the Speaker in the House of Commons, and accordingly it was never considered and never approved or rejected by the House of Commons.

Senator Flynn: Why?

Senator MacEachen: Because it was ruled out of order by the Speaker.

Senator Flynn: For what reason?

Senator MacEachen: Because, the Speaker stated, it went beyond the scope of the bill.

Senator Flynn: That is very interesting.

Senator MacEachen: This chamber did not reach that conclusion, nor did anyone raise a point of order against the validity of the amendment. Today it was put to the House of Commons and no points of order were raised. Perhaps we are having a little impact over there. They took the trouble to debate the amendment in the House of Commons. Though it is true that the government majority defeated the amendment, I believe that the debate was won on its merits by the opposition in this case. That is my view.

Senator Flynn: It is irrelevant anyway.

Senator Frith: As irrelevant as some of the comments of some honourable senators here.

Senator MacEachen: Honourable senators, when the Solicitor General was in this chamber and we had an opportunity to discuss the bill with him quite frankly and openly, I asked him why in his view it was preferable for the Parole Board, rather than the courts, to make the final decision with respect to the gating of prisoners—because we had not decided at that point to move an amendment; we did not decide until after we had heard from the Solicitor General. All that the Solicitor General could say was that since the House of Commons had made a decision that the Parole Board should make the final decision, since the House of Commons had reached that conclusion, the Senate should therefore reach a similar conclusion. He may be right, but I wish he could have given us some reasons. Unfortunately, he did not give them to us. However, today in the House of Commons, in dealing with this question, he said:

> The reasoning is as follows: The length of a prisoner's sentence is clearly a decision for the courts. A detention decision, on the other hand, affects only the manner in which the sentence is served—whether all of it should be served in incarceration, or the last part back out in society but under supervision. It is a decision based on risk assessment. It is, in other words, like a parole decision, and the National Parole Board makes thousands of these risk-based decisions every year.

I admit that that was an effort by the Solicitor General to back up his assertion. I have reflected upon this point while following the debate in the House of Commons and while listening to the assertions of Senator Hastings and Senator Fairbairn as to the nature of the bargain that apparently has been entered into between an inmate and the system; namely, if an inmate shows good behaviour, at the end of a certain period that inmate is automatically released. That system has been in existence in Canada for quite a long time. It is understood by inmates, by attorneys and by correctional authorities. One receives a sentence, but if one behaves properly one will get out after serving two-thirds of that sentence. In a sense, it is a bargain that has been entered into.

● (2100)

I would like to read a few paragraphs from a paper which I had prepared in my office. It reads as follows: Gating, it must be remembered, is an extraordinarily unusual procedure. It, in effect, provides for the retroactive and unilateral breach of the contract which exists between the correctional system and the inmate. Not only is it a decision that applies retroactively, but it is one that is made on the basis of possible harm that may occur only in the future. I would add parenthetically that the decision to extend is not based upon bad behaviour, because in this process good behaviour has to take place before a right to mandatory supervision arises. The decision to gate is based

upon a future prospect and is a judgment reached by, in this case, the Parole Board. The next sentence is: Since an inmate now has an absolute right under law to be released on madatory supervision, gating amounts to the imposition of an additional period of incarceration for an offence that might be committed some time in the future. The Canadian Criminal Justice Association found the proposed retroactive alteration of sentence to be "repugnant to our basic legal principles" and found it difficult to reconcile with the Charter of Rights and Freedoms. This can be found in the hearings of the legislative committee of the House of Commons.

I find the Solicitor General's reasoning very suspect when gating, in effect, amounts to an additional sentence. It could amount to two years, three years or more. It is an additional sentence imposed by the Parole Board which, in my view, in the view of those on this side of the house and in the view of others in former days, should at least be reviewed by the courts. That is the nature of the amendment.

Honourable senators, determining the merits of the case has been for me a very interesting problem. They are not clear cut. It is far from clear cut that results will be achieved. Is it better to keep a person in prison for those additional two or three years or to put him under a supervised program in the community? What does the extension of the sentence do to the mental outlook of the inmate for the rest of his stay in prison and when he or she completes the sentence? As has been said by Senator Fairbairn, may you not be releasing a more angry and anti-social individual than is released under the present system? It seems to me that these are very deep questions. In my view, it is because they are deep and because the answers cannot be clear cut that it would be a mistake for the Senate—having made the point, having brought the matter out in the way it has done, having debated it and having had it referred to the House of Commons where a clear-cut decision was taken on the amendment—to insist on the amendment when despite the opinions that prevail, the merits are not in my judgment absolute. They cannot be regarded as absolutely certain one way or another.

Apart from that, as Senator Frith has pointed out, an elected body has dealt exclusively with this amendment in a special session and has found it unacceptable. I was in government long enough to understand one rule of cabinet—that there may be acceptance of a general conclusion, even though there is disagreement. In other words, acquiescence does not always carry with it internal intellectual assent or consent. That is the situation in which I find myself today. I can accept the conclusion of the House of Commons as a principle of law or an enactment or an operation, but it does not carry with it the convictions that would prompt me to abandon this amendment. Nor does the Solicitor General's argument in which he draws an artificial distinction between a decision on detention and a decision on sentence sway my view. It is a pretty artificial distinction.

Honourable senators, that is my point of view with respect to how the Senate has behaved. Tonight the decision on the amendment will be put to the Senate. Of course, we will not oppose. We will not make it impossible to have the motion that has been moved by the Deputy Leader of the Government accepted, for the very reasons Senator Frith and I have stated.

We have broken new ground. We have discovered that the House of Commons is prepared to consider an amendment from the Senate and that democracy is still functioning in Canada. The House of Commons met, and apart from statements by one or two members, no explosive blows were issued against the Senate. The merits of the amendment were discussed. I think that that is progress. It encourages me to believe that in the future the Senate can take on a responsible legislative function, and that it will not be deterred by the rejection of the amendment today, because the exercise has been wholly beneficial to the Senate, to democracy in Canada and to this particular issue. I know that Senator Roblin has his view on the role of the Senate. Senator Murray repeated that view on July 2. I have a different view. I think that we on this side of the house will responsibly take similar action in the future where circumstances warrant it.

It is worth remembering something that has been ignored by many, certainly by the Solicitor General in the House today, namely, that the principle of the amendment which was pushed in this case in the Senate by a Liberal majority on July 2 against a Conservative government was pushed in the past by Liberal and Conservative senators against a Liberal government. Mr. Kaplan, at the insistence of the Senate and the Standing Senate Committee on Legal and Constitutional Affairs, came to accept in 1983 the view of the Senate that a judicial process should be involved in gating. So we did not invent a new principle to embarrass a Conservative government.

Senator Flynn: It was a Senate bill.

Senator MacEachen: We know that it was a Senate bill, but it was still a public bill. Do you mean to say that the role of the Senate is different—

Senator Flynn: No, I do not—

Senator MacEachen: —with respect to a bill introduced in the Senate and one introduced in the House of Commons? That does not stand up at all. The fact is that the Senate, in this case, treated the Liberal government and the Conservative government in precisely the same way. It would seem to me that it would have been shameful conduct on the part of the Liberal majority to back away this time simply because it confronted a Conservative government. I think, deep down, honourable senators appreciate that.

This has been an interesting debate. I am sorry that only Senator Nurgitz has participated so far. Perhaps my comments will stimulate Senator Flynn to rise now and reply.

Hon. H.A. Olson: Honourable senators, I want to make a few remarks before Senator Nurgitz closes the debate on this motion. I believe that he would like me to remind him that he left a wrong impression of what this amendment does to Bill C-67—and I am sure it was not intended. I say that because my experience with the mover of this motion is that he is usually fair and objective. He uses a lot of common sense

under this present government just as he did in the Senate and in the committees under the previous government. I want to be very fair about that.

Yet today Senator Nurgitz tried to make the argument, I think, that this amendment has something to do with public safety; that it has something to do with who will make the recommendation as to whether or not there will be earned remission. In my opinion he should clarify that, because, although I accept some of his arguments, I do not accept the one that there is anything herein contained other than an appeal to a court of competent jurisdiction respecting whether or not mandatory supervision or remission is to be granted. In my opinion that is all that is involved in this amendment. The rest of this bill, which the Senate and the other place have passed, dealing with changes respecting what is done with the last third of the sentence, is not part of this amendment. This amendment gives the inmate the right to appeal to a court of competent jurisdiction against a decision that he thinks may be unfair, a decision that will be made by the National Parole Board, and that is all.

I was not here on July 2, but I read the proceedings very carefully.

Senator Flynn: You missed us.

Senator Olson: All I want is for Senator Nurgitz to be his usual fair and objective self and to describe what this amendment does in fact, and not try to attribute to it a great many things that should not be attributed by a fair and objective mover of the motion. It says:

> (8) an inmate who is in custody pursuant to an order made under subsection (4) . . .

I will not read it all, because I do not want to take the time of this chamber, but that refers to an order made by the Parole Board, not an order made by a court. It then goes on to say:

> . . . may appeal against that order to a superior court . . .

That is all we are talking about. Therefore, essentially the same process of seeking advice from people who are probably skilled in psychological and psychiatric matters will be pursued in the same way as before. All that happens is that they can appeal that order if they choose, and they will be heard in the proper way.

Senator Flynn: You know very well that that is defective.

Senator Olson: I do not know how defective it may or may not be. Senator Flynn has a bad habit of throwing in red herrings, but I can tell from Senator Nurgitz's expression that he agrees that the interpretation I am now giving is the right one and that it is not an amendment that has to do with public safety or determining all of those things, because that same process will be in place anyway.

Senator Flynn can laugh, but it is fairly important that the record be clear, because there are a few thousand people who read this record and they want to know what this amendment does in fact do.

Senator Flynn: In practice, yes.

[Senator Olson.]

Senator Olson: Yes, in practice, and in practice it allows the inmate an appeal against a decision that is made under section 4 by the National Parole Board, and that is all. It is important that that be understood, and I see that Senator Nurgitz, when he rises immediately following me, will acknowledge that he is ready to accept that that is what the amendment does and that it does not do a whole lot of other things that have been ascribed to it, not by him but by other people who have tried to make a mountain out of a molehill as to what this amendment does, in fact, do.

Senator Nurgitz: Honourable senators—

The Hon. the Speaker *pro tempore:* Honourable senators, I wish to inform the Senate that, if the Honourable Senator Nurgitz speaks now, his speech will have the effect of closing the debate on the discussion of the amendment to Bill C-67.

Senator Frith: Honourable senators, technically that is not so, because the rule says that the mover of the motion has the last word. However, leave is granted.

Senator Nurgitz: I thank the Deputy Leader of the Opposition. I also would like to thank Senator Olson for bringing to my attention what may perhaps have been an impression left that I had said things about the amendment other than what, in fact, I had certainly intended to say. Let me be clear: The amendment deals with appeal only and I think Senator Olson is seeking that from me.

What I should point out to him is that perhaps in reading the proceedings of July 2, where the whole question was being debated, there may have been some confusion, because at that point both sides were arguing on broader grounds. That may have been the reason for that impression. In any event, I wish to be clearly understood, and the major part of what I would like to say now is with respect to the comments made by the Leader of the Opposition and by my friends on the committee, Senators Fairbairn and Hastings, who consistently talked about such things as angry people. Senator Fairbairn used an expression implying that the equilibrium or some delicate balance within the penal system would be destroyed. Honourable senators, as Senator MacEachen has told us, he saved the bill. When he saved the bill, he gave to the National Parole Board the right to create that angriness, and I do not understand Senator Fairbairn's argument on the merits of the case, when she talks about destroying the balance.

Senator Frith: A tenth of a loaf is better than none.

Senator Nurgitz: A tenth of a loaf is better than none, yes.

Senator Flynn: You are against the whole bill; you said that.

• (2120)

Senator Nurgitz: Let it be clear that the bill received third reading—

Senator Frith: On division.

Senator Nurgitz: —on division, and it was very clear that senators on the Conservative side wished the bill to pass without amendment. That is all that was created.

In any event, I do not propose to deal with the comments made by the Leader of the Opposition respecting who was or

was not responsible and what minister said something and what minister did not.

Senator Balfour: Who is the Leader of the Opposition?

Senator Nurgitz: I will deal with a couple of the substantive matters that have been raised. I regret the pain that he seems to have endured, and as for the Liberal Party saving the bill and the country, a Liberal member of the House of Commons, who had carriage of this matter, spoke for over three hours in filibustering this bill, with, I am told, the help of many others.

This bill was pre-studied. Much of the debate that is taking place in this chamber is about the Senate receiving the bill at the eleventh hour on June 27. The bill was referred to the Senate Committee on Legal and Constitutional Affairs on December 21, 1985.

Senator MacEachen: That was a document, not a bill. You know it was not a bill.

Senator Nurgitz: With respect to the comments made by the Leader of the Opposition respecting making sentences longer, in 1970, honourable senators, Parliament spoke as to how a sentence would be served. In 1986 Parliament is speaking again on how a sentence will be served. A sentence is still a sentence. In 1970 Parliament said that after one third of a sentence an inmate could apply for parole and, if he exhibited those sorts of qualities that made him a good risk, he would be out on the street serving the last two thirds of his sentence. Parliament further said in 1970 that if he had not made parole, as they say within the walls—that is, if he did not qualify, then after two thirds he was out under mandatory supervision. Parliament is speaking again in 1986. It is saying other things, too. It is saying that after one sixth of a sentence an inmate may apply for day parole. For the first time provision is made for day parole in legislation. In any event, we are not changing the sentences; we are talking about the administration of the sentences.

Senator Frith has stated that this will serve as a tool in the penitentiary service by saying, "if you are good, if you demonstrate good qualities, this is something to look forward to." Honourable senators, that incentive, that tool for the penitentiary service, is still there. We are talking about 12,000 inmates, and we are talking about, in some cases—

Senator Frith: Every one of whom knows he could be gated. Every one of the 12,000 inmates knows that.

Senator Balfour: Is that the Leader of the Opposition speaking?

Senator Nurgitz: The Deputy Leader of the Opposition has said each one knows that he or she can be gated. They know that long before then, because targeting takes place some six months before the sentence expires, so that during the six months leading up to the final two thirds of a sentence that inmate knows whether he will be out.

Senator Frith: With this legislation?

Senator Nurgitz: Yes. In Bill C-67 the process of the National Parole Board hearing starts within six months of the presumed release date under mandatory supervision. That is very clear.

Senator Frith: That is still four and a half years a person can be earning remission.

Senator Nurgitz: Honourable senators, we can get into all kinds of problems. If we are talking about a three-year sentence, we are not talking about a long period, but when we are talking about a 15-year sentence, we are talking about a long time.

The matter of retroactivity was raised. Senator Fairbairn, I believe, said—well, I am not sure, and I should not attribute something to her if I am not sure she said it. I believe Senator Fairbairn said that it is a bargain and that we are breaching faith. We have received the assurances from the minister that there is a legal opinion from the Department of Justice indicating, certifying, assuring—however these things go—the Solicitor General that this legislation does, indeed, not breach the Charter.

Senator Frith: Or the interpretation of it.

Senator Nurgitz: Or its interpretation. I want to say to Senator Frith and Senator Hastings, who applaud the Supreme Court, that we all applaud the Supreme Court. If the Supreme Court of Canada speaks and strikes down portions of this legislation, then so be it, but the Supreme Court of Canada has been striking down legislation for years and we have lived with that. That is one of the nice things about the system.

Senator MacEachen: Not the Senate.

Senator Nurgitz: Not the Senate.

Senator Frith commented on the perhaps inexact wording in the message from the House of Commons by use of the words "through decision-making being kept with the Board". It seems clear to most honourable senators that this decision-making process would be entirely within the board and not be subject to appeal, which is, I presume, what it means. Perhaps as the sponsor of the bill I, too, can now reflect and say that others might have chosen better wording.

Again, Senator Fairbairn was clear in saying, "We did not dispute the legislation; we did not defeat the legislation; we did not defeat the bill; we did not oppose; we just added another element." But then she went on to discuss the emotional equilibrium that will be upset. The Liberal majority in the Senate voted in favour of legislation that said that the National Parole Board would gate or would not permit release under mandatory supervision. That was voted on. Both houses of Parliament have passed that.

Honourable senators, it is the taking away that Senator Hastings says is breaking faith, because there is a bargain with an inmate: "Be good and you will be out."

Senator Frith: I could not have said it better myself.

Senator Nurgitz: Senator Hastings said today that when it comes to the rights of individuals he wants those rights to be preserved by the decisions of the courts of this land. I thought he said that. That is absolute, Senator Olson, is it not?

Senator Olson: The right of appeal to the courts, at least.

Senator Nurgitz: Exactly. Senator Hastings has been in Parliament for 20 years; for 17 of those years he has had friends in government. For 20 years we have never allowed an appeal from the National Parole Board that takes away two thirds of a sentence. An inmate with a nine-year sentence would have an opportunity to be out after three years, and the decision of the National Parole Board makes him stay a possible six more years. Never has there been any question raised here, and I am not aware of one being raised in the House of Commons, that there should be an appeal because it is the liberty of the subject, because we are doing something for which an inmate could be entitled, because of a raw decision—

Senator Hastings: That is not remission.

Senator Nurgitz: I am only saying that if a man feels aggrieved, he is stuck.

Senator Hastings: No inmate has the right to release on parole; they have the right to release under mandatory supervision.

Senator Nurgitz: One assumes that the right to mandatory supervision, without ever amending it, is entrenched in the Charter of Rights, but it is not; it is a piece of legislation and it is now being amended. That is all that I am saying. Parliament spoke in 1970 as to how that would happen; it is now speaking again.

With respect to the breach of faith, to the changing of the system, as I heard the Liberal critic in the House of Commons speak today, I thought he said that he approved the bill in principle. I am not speaking of the amendment. He approved in principle the process of having a person serve his sentence to the expiry date of his warrant, and that I heard clearly.

• (2130)

I am somewhat disappointed, honourable senators, that we have not heard a little more today about protection of the public, but that is another matter.

Senator Olson: You told us we should stick to the amendment.

Senator Nurgitz: Yes, I will attempt to stick to the amendment.

Senator Olson: But you are bringing out all of these other things.

Senator Nurgitz: Senator Hastings raised something in Bill C-67 that I, as a lawyer, found gave rights to an inmate. Well, there are many items of rights and, in fact, those rights are contained within this bill and are not done by regulation, or, if one likes, the regulations are contained in the bill, thanks to negotiations by the standing Senate committee.

There are many rights, including the right to a fair hearing and the right to notice. Those rights, for example, comply with a couple of decisions that came out of the Federal Court requiring the corrections system to give all available information to the inmate so that he knows the kind of case he has to meet. I am certain with respect to all other matters, such as opportunity for full answer and defence, that those matters, if not adhered to by the board, would certainly be matters in which the Federal Court would be interested under an appeal under section 18.

Hon. Senators: Hear, hear!

The Hon. the Speaker *pro tempore:* It is moved by the Honourable Senator Doody, seconded by the Honourable Senator Murray:

> That the Senate do not insist upon its amendment to the Bill C-67, intituled: "An Act to amend the Parole Act and the Penitentiary Act", to which the House of Commons has disagreed.

Is it your pleasure, honourable senators, to adopt the motion?

Some Hon. Senators: Agreed.

Some Hon. Senators: On division.

Motion agreed to, on division.

ROYAL ASSENT

NOTICE

The Hon. the Speaker *pro tempore* informed the Senate that the following communication had been received:

RIDEAU HALL
OTTAWA

24 July 1986

Sir,

I have the honour to inform you that the Honourable Antonio Lamer, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber to-day, the 24th day of July, 1986, at 9:50 p.m., for the purpose of giving Royal Assent to a number of Bills.

Yours sincerely,
A.P. Smyth
Deputy Secretary, Policy and Program

The Honourable
The Speaker of the Senate
Ottawa

ADJOURNMENT

Leave having been given to revert to Notices of Motions:

Hon. C. William Doody (Deputy Leader of the Government), with leave of the Senate and notwithstanding rule 45(1)(*g*), moved:

> That when the Senate adjourns today, it do stand adjourned until Tuesday, 16th September, 1986, at two o'clock in the afternoon.

Motion agreed to.

The Senate adjourned during pleasure.

• (2140)

At 10 p.m. the sitting of the Senate was resumed.

The Senate adjourned during pleasure.

ROYAL ASSENT

The Honourable Antonio Lamer, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, having come and being seated at the foot of the Throne, and the House of Commons having been summoned, and being come with their Deputy Speaker, the Honourable the Deputy Governor General was pleased to give the Royal Assent to the following bills:

An Act to amend the Parole Act and the Penitentiary Act, (*Bill C-67, Chapter 42, 1986*).

An Act to amend the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and the Criminal Code (*Bill C-68, Chapter 43, 1986*).

The House of Commons withdrew.

The Honourable the Deputy Governor General was pleased to retire.

The sitting of the Senate was resumed.

The Senate adjourned until Tuesday, September 16, 1986, at 2 p.m.

The Thirty-third Parliament was prorogued by Proclamation on Thursday, August 28, 1986.

ABBREVIATIONS

1r, 2r, 3r	=	first, second, third reading
amdts	=	amendments
com	=	committee
div	=	division
m	=	motion
neg	=	negatived
qu	=	question
ref	=	referred
rep	=	report
r.a.	=	Royal Assent

Acts passed during the Session

Public Acts

Chapter		*Bill No.*
41	Ontario and Manitoba Courts Act amendment	C-3
42	Farm Products Marketing Agencies Act amendment	C-4
43	Freshwater Fish Marketing Act amendment	C-5
44	Saltfish Act amendment	C-6
45	Income Tax Act amendment	C-7
46	Petroleum and Gas Revenue Tax Act amendment	C-8
47	Customs Act and Customs Tariff Act amendment	C-9
48	Income Tax Conventions Interpretation Act	C-10
49	Foreign Extraterritorial Measures Act	C-14
50	Appropriation Act No. 3, 1984-85	C-16
	Assented to February 26, 1985	
1	Public Works Act and Public Lands Grants Act amendment	C-13
2	Currency Act amendment	C-21
3	Excise Tax Act and Excise Act amendment	C-17
4	Pension Act amendment	C-28
	Assented to February 27, 1985	
5	Borrowing Authority Act, 1984-85 (No. 2)	C-11
6	International Centre for Ocean Development Act	C-22
7	Western Grain Stabilization Act amendment	C-29
	Assented to March 29, 1985	
8	Small Businesses Loans Act amendment	C-23
9	Canadian Commercial Bank Financial Assistance Act	C-37
10	Appropriation Act No. 4, 1984-85	C-34
11	Appropriation Act No. 1, 1985-86	C-35
	Assented to April 3, 1985	
12	Customs Tariff Act amendment	C-38
	Assented to May 16, 1985	
13	Crown Assets Disposal Corporation Dissolution Act	C-43
14	Customs Act and Special Import Measures Act amendment	C-40
15	Pioneer Trust Payment Continuation Act	C-50
16	Bretton Woods Agreements Act amendment	C-30
17	Meat Inspection Act	C-33

Acts passed during the Session—*Cont'd*

Public Acts—*Cont'd*

Chapter		*Bill No.*
	Assented to May 29, 1985	
18	Unemployment Insurance Act amendment	C-52
	Assented to June 20, 1985	
19	Criminal Law Act, 1985 amendment	C-18
20	Investment Canada Act	C-15
21	Prairie Farm Assistance Act	C-41
22	Sports Pool and Loto Canada Winding-up Act	C-2
23	Income Tax Conventions Act	S-3
24	Appropriation Act No. 2, 1985-86	C-54
	Assented to June 27, 1985	
25	Oil Substitution and Conservation and Canadian Home Insulation Program Act Amendment	C-24
26	Statute Law (Canadian Charter of Rights and Freedoms) Act amendment	C-25
27	Indian Act amendment	C-31
28	Aeronautics Act amendment	C-36
29	Supplementary Fiscal Equalization Payments Act, 1982-87	C-39
30	Old Age Security Act amendment	C-26
31	Fisheries Act amendment	C-32
32	Farm Improvement Loans Act amendment	C-56
33	Fisheries Improvement Loans Act amendment	C-57
34	Advance Payments for Crops Act amendment	C-58
35	Northern Transportation Company Limited Disposal Authorization Act	C-53
36	Agricultural Stabilization Act amendment	C-25
37	Borrowing Authority Act, 1985-86 (No. 2)	C-51
38	Judges Act amendment	C-61
39	House of Commons Act amendment	C-63
40	Western Grain Transportation Act amendment	C-44
	Assented to October 29, 1985	
41	Crown Corporations Dissolution Authorization Act	C-60
42	Customs Tariff Act amendment	C-71
43	Canadian Institute for International Peace and Security Act amendment	C-69
44	Criminal Code (pari-mutuel betting) Act amendment	C-77
45	Income Tax and Tax Court of Canada Act amendment	C-72
46	Condominium Ordinance Validation Act	C-73
	Assented to December 12, 1985	
47	Seeds Act and Canada Grains Act	C-64
48	Governor General's Act and Governor General's Retiring Annuity Act and Salaries Act and Judges Act amendment	C-78
	Assented to December 20, 1985	
49	Canada Development Corporation Reorganization Act	C-66
50	Criminal Code (prostitution) Act amendment	C-49
51	Financial Institutions Depositors Compensation Act	C-79
52	Criminal Code (lotteries) Act amendment	C-81
53	Tax Rebate Discounting Act	C-83
54	Appropriation Act No. 3, 1985-86	C-89
	Assented to February 13, 1986	
1	Customs Act	C-59
2	Petroleum and Gas Revenue Tax Act and Income Tax Act amendment	C-82
3	Divorce Act amendment	C-46
4	Divorce Act, 1985	C-47
5	Family Orders and Agreements Enforcement Assistance Act	C-48

Acts passed during the Session—*Cont'd*

Public Acts—*Cont'd*

Chapter		*Bill No.*
	Assented to February 13, 1986—Cont'd	
6	Income Tax Act and related statutes Act amendment	C-84
7	Income Tax Conventions Act	S-6
	Assented to March 4, 1986	
8	Representation Act, 1985	C-74
9	Excise Tax Act and Excise Act amendment	C-80
	Assented to March 26, 1986	
10	Toronto Harbour Commissioners Act	C-76
11	Royal Canadian Mounted Police Act and related Acts amendment	C-65
12	Family Allowances Act, 1973 amendment	C-70
13	Immigration Act, 1976 amendment	C-55
14	Petroleum Incentives Program Act amendment	C-85
15	Army Benevolent Fund Act and related Acts amendment	C-100
16	Public Pensions Reporting Act	C-255
17	Appropriation Act No. 4, 1985-86	C-101
18	Appropriation Act No. 1, 1986-87	C-102
	Assented to April 23, 1986	
19	Borrowing Authority, 1986-87	C-99
	Assented to May 1, 1986	
20	Canadian Arsenals Limited Divestiture Authorization Act	C-87
	Assented to June 17, 1986	
21	Foreign Arbitral Awards	C-107
22	Commercial Arbitration Act	C-108
23	Grassy Narrows and Islington Indian Bands Mercury Pollution Claims Settlement Act	C-110
24	Income Tax Act amendment	C-109
25	Canada Deposit Insurance Corporation Act amendment	C-86
26	Competition Tribunal and related Acts amendment	C-91
27	Sechelt Indian Band Self-Government Act	C-93
28	Appropriation Act No.2, 1986-87	C-115
	Assented to June 27, 1986	
29	Duties Relief Act	C-98
30	Currency Act amendment	C-118
31	Employment Equity Act	C-62
32	Young Offenders Act, Criminal Code, Penitentiary Act, Prisons and Reformatories Act amendment	C-106
33	Farm Debt Review Act	C-117
34	Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977 amendment	C-96
35	Judges and related Judicial Acts amendment	C-128
36	Marine Atlantic Inc. Acquisition Authorization Act	C-88
37	Customs Act and Customs Tariff Act amendment	C-111
38	Canada Pension Plan and Federal Court Act amendment	C-116
39	Energy Administration Act	C-112
40	Pension Benefits Standards Act, 1985	C-90
41	Parliamentary Employment and Staff Relations Act	C-45
	Assented to July 24, 1986	
42	Parole Act and Penitentiary Act amendment	C-67
43	Parole Act, Penitentiary Act, Prisons and Reformatories Act and Criminal Code amendment	C-68

Acts passed during the Session—*Cont'd*

Local and Private Acts

Chapter

Assented to December 12, 1985

55 Evangelical Lutheran Church in Canada Act S-5

Assented to June 17, 1986

63 Pine Hill Divinity Hall Act S-7

(For Status of Legislation at Prorogation see p. 119 of Index)

Aboriginal peoples
Goose Bay, Labrador
Barring of Inuit from meeting addressed by Minister of, Justice, 2546
Request for report and apology, 2547
Request for answer, 2581
Proposed NATO base, funding of interest groups, 2582
Queen Charlotte Islands, logging dispute, Haida Indian rights, 1517, 1560
Yukon economic development program, delay in implementation, government policy, 2095

Académie française
Three hundred and fiftieth anniversary of founding, 1705

Access to information
Government guidelines for public servants, 188, 195, 214, 427, 428
Tabling of documents, 75

Adams, Hon. Willie
Aboriginal peoples
Goose Bay, Labrador, barring of Inuit from meeting addressed by Minister of Justice, qu, 2546
Constitution
First Ministers' conference, aboriginal rights, Senate representation, qu, 761
Freshwater Fish Marketing bill C-5, 386
Indian bill C-31, 1140
Discrimination, 1140
Effect on children, 1141
National Research Council
Closing of research facilities, loss of jobs, qu, 407
Native peoples
Funding of programs, rumoured government cuts, qu, 867
Northern Transportation Company Limited Disposal Authorization bill C-53, 1182
Oil exploration and activity around the Beaufort Sea, 1182
Youth Committee
2nd report, "Youth: A Plan of Action", 2693

Adams, Right Honourable John, the late, Prime Minister of Barbados, 623
Representation at funeral, 647, 666

Address in reply to Speech from the Throne
Consideration of Speech from the Throne, 8; termination of debate, 13
Motion for Address in reply, Hon. Heath Macquarrie, 13; seconded Hon. Arthur Tremblay, 19; Address in reply adopted, 254
Speakers: Senators
Argue, Hazen, 62
Bielish, Martha P., 201
Cools, Anne C., 244
Cottreau, Ernest G., 248
Davey, Keith, 107
Doody, C. William, 51
Gigantès, Philippe Deane, 82
Graham, B. Alasdair, 198
Hicks, Henry D., 109
Kelly, William M., 87
MacEachen, Allan J., 29
Macquarrie, Heath, 14
Marsden, Lorna, 89
Murray, Lowell, 117
Nurgitz, Nathan, 67

Address in reply to Speech from the Throne—*Cont'd*
Speakers: Senators—*Cont'd*
Phillips, Orville H., 250
Roblin, Duff, 35
Rowe, Frederick W., 48
Tremblay, Arthur, 19
Yuzyk, Paul, 105

Advance payments for crops
Collecting defaults, 1178
Cost-price squeeze, 1179
Expanding flexibility of the program, 1178
Maximum advances, 1178
Speakers: Senators
Argue, Hazen, 1179
Barootes, Efstathios William, 1178

Advance Payments for Crops bill C-58. 1r, 1166; 2r, 1178; 3r, 1181; r.a., 1217

Advertising
Source of funds for material in magazine, 1111

Aeronautics
Airport security around the world, 1121
Civil aviation security, 1120
Dubin Commission, 1119
Medical reporting provision, 1120
Regulatory powers, 1120
Speakers: Senators
Frith, Royce, 1121
MacDonald, Finlay, 1119
Stollery, Peter A., 1120

Aeronautics bill C-36. 1r, 1102; 2r, 1119; 3r, 1143; r.a., 1217

Aging, justice for the elderly, 370, 976, 1442
Referenda and plebiscites, 1443
Senate reform, 977
Speakers: Senators
Croll, David A., 976
MacDonald, Finlay, 1442

Agricultural stabilization
Cattle producers, 1196
Hog production in P.E.I., 1196
Potato industry, 1197
Top-loading, 1195
Tripartite stabilization plans, 1195
United States tariffs, 1196
Speakers: Senators
Argue, Hazen, 1195
Corbin, Eymard, 1197
Phillips, Orville H., 1195

Agricultural Stabilization bill C-25. 1r, 1195; 2r, 1195; 3r, 1198; r.a., 1217

Agriculture, 202
Agricultural products processors, availability of financial assistance, 1943, 2680
Discussion paper "Tax Issues in Agriculture", 667
Government attitude, 608
Suggested referral to committee, 606

Agriculture—*Cont'd*
Farm credit crisis, request for meeting of ministers of agriculture, 985
Farm debt legislation, government policy, 2571
Farm debt review, 1267
Role of panels, 2096
Fertilizer supplement, possible legal action, 693, 973
Grain
Grasshopper threat in prairie provinces, request for assistance, 2547
Request for response, 2570
Plight of producers, deficiency payments and two-price system for wheat, government policy, 2285
Inspection fees, government policy, 695
Marketing of potatoes, qu, 80, 242, 510, 537, 638
National strategy, 1558
National sugar policy, 1654
Potato industry
Government assistance, 2037, 2095, 2130
Re-establishment of commission of inquiry, 1971
Stabilization assistance, 1974
Stabilization or diversion program, 1970, 2099
Stabilization policy, 2154, 2173
Prairie provinces, deteriorating situation, government action, 967
Sugar-beet industry
Crisis, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1881
Canadian industry, 1882
Jobs at risk, 1882
Motion withdrawn, 1887
National policy necessity, 1885
Uncertainty issue, 1881
Future prospects, 933, 1173
Government policy, 760, 770, 934, 1089, 1173, 1176, 1237, 1834, 1852, 1870, 1905, 1923, 1943, 1974, 2117, 2133
1983 stabilization payment, 1093, 1174, 1313, 1400, 1433, 1502, 1537, 1559, 1737
Government policy, 1311, 1987, 2003, 2023, 2036, 2048, 2067, 2152
1986 crop year, government policy, 2090
Request for answer, 1324, 1354
Producers and government representatives, meeting, 2094
United States and EEC subsidies, Canadian position at Tokyo, 2428
Western Canada
Drought and other conditions, government assistance, 1223, 1231, 1280, 1325, 1362, 1406, 1430, 1479, 1501, 1536, 1559, 1670, 1671, 1714, 1735, 1854, 2023, 2283
Availability of application forms, 1870
Government assistance programs, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1450
Motion withdrawn, 1466
Motion withdrawn, 1466
Government policy, 1834
Grain producers and beef producers, disparity in criteria for payments, 1946, 2101
Effect on harvest of adverse climatic conditions, government assistance, 1374, 1376, 1380
Western Grain Stabilization Act, suggested amendment, 2269
Wheat
Domestic price, 2667
Exports to Republic of China, 2173, 2679
Two-price system
Effect of price increase, 2382, 2387
Effect on baking industry, 2667
Possible influx of subsidized American bakery products, 2286
World grain prices, initial payment for wheat, 2161, 2171

Agriculture and Forestry, Standing Senate Committee (from May 14/86)
Farm debt review, authority to study subject matter of Bill C-117 prior to receipt of legislation, 2598
Order of reference, 2598

Agriculture, Fisheries and Forestry, Standing Senate Committee (until May 14/86)
Agricultural stabilization, authority to examine subject matter of Bill C-25 prior to receipt of legislation, 966, 999
Fish marketing in Canada, authority to study, 388, 476, 490
Fisheries, authority to examine subject matter of Bill C-32 prior to receipt of legislation, 646
Freshwater Fish Marketing Corporation, authority to examine annual report, 478, 490
International Cheese Council of Canada, authority to receive presentation, 1221
Notice of meeting, 918
Prairie farm assistance and crop insurance, authority to examine subject matter of Bill C-41 prior to receipt of legislation, 966
Proposed splitting of committee, progress of debate, 2446
Reports
1st, expenses incurred during 2nd Session, 32nd Parliament, 236
See Journals of the Senate
2nd, Meat Inspection bill C-33, rep without amdt, 922
3rd, agricultural stabilization, rep on subject matter of Bill C-25, 1134
4th, "Herbicide Pricing", rep on study of "Soil at Risk", 2018, 2091, 2139, 2772
Zero-Till Association, 2139
"Soil at Risk", authority to print additional copies, 290
"Soil at Risk - Canada's Eroding Future", authority to study impact, 280, 331, 340, 404, 717
Economy, 719
Farming industry, 718
Purchase of grazing leases, 720
Urban growth, 719
See appendix p. 345
"Tax Issues in Agriculture", authority to study discussion paper, 618
Western grain transportation, authority to examine subject matter of Bill C-44 prior to receipt of legislation, 966

Air Canada
Board of directors, replacement of members, 658, 660
Strike of ticket agents, 831, 856

Alberta, 202
Economy, government assistance, 2308

Amendments, observations or recommendations in or re committee reports
Borrowing Authority, 1984-85 (No. 2) bill C-11, 618
Canada Development Corporation Reorganization bill C-66, rep with recommendations, 1713
Competition Tribunal bill C-91, rep with observations, 2614
Criminal Code (lotteries) bill C-81, rep with recommendations, 1789
Criminal Code (pari-mutuel betting) bill C-77, rep with amdts, 1377
Criminal Code (prostitution) bill C-49, rep with recommendations, 1733
Customs bill C-59, rep with amdts, 1669

Amendments, observations or recommendations in or re committee reports—*Cont'd*
Divorce and corollary relief, rep on subject matter of bill C-47, with recommendations, 1549
Employment Equity bill C-62, rep with observations and recommendations, 2676
Excise Tax and Excise bill C-80, rep with observations and recommendation, 2065
Federal-Provincial Arrangements, Federal Post-Secondary Education, Health Contributions, 1977 bill C-96, rep without amdt but with comments, 2765
Financial institutions depositors compensation, rep on subject matter of Bill C-79, with observations, 1767
Income Tax and related Statutes bill C-84, rep with observations, 1938
Marriage (prohibited degrees) bill S-2, rep with amdts, 1496
Parliamentary Employment and Staff Relations bill C-45, rep without amdt but with comments, 2776
Representation, 1985 bill C-74, rep without amdt but with comments, 2018

Appendices
Agriculture Committee
"Soil at Risk - Canada's Eroding Future", 345
Appropriation No. 3, 1985-86 bill C-89
Highlights of supplementary estimates (B), 1985-86, 1731
Appropriation No. 4, 1985-86 bill C-101
Supply to date, 1985-86, 2239
Appropriation No. 1, 1986-87 bill C-102
Interim supply for April to June, 1986, 2241
Banking, Trade and Commerce Committee
Customs tariff, rep on subject matter of Bill C-111, 2695
Investment in Canada, rep on subject matter of Bill C-15, 848
Canada-Europe Parliamentary Association, meeting in Italy, report, 2486
Canada-United States Inter-Parliamentary Group, Twenty-fifth meeting, Puerto Rico, 132
Canada-United States Inter-Parliamentary Group, Twenty-sixth meeting, Niagara-on-the Lake, Ontario, 1332
Canada-United States Inter-Parliamentary Group, Twenty-seventh meeting at Tucson, Arizona, 2625
Canada's relations with countries of the Middle East and North Africa, 1159
Conclusions and Recommendations adopted unanimously by the Inter-Parliamentary Conference on Environment, 517
Criminal Law Amendment, 1985 backgrounder, 830
Family Allowances, 1973 bill C-70, income tax statistics, 1879, 1901, 1902
Family orders and agreements enforcement assistance, rep on subject matter of Bill C-48, 1551
Fisheries Committee report
1st, 2745
Hungarians in Canada, 2593
Japan
Address of His Excellency Yasuhiro Nakasone, Prime Minister, 1843
Legal and Constitutional Affairs Committee reports
8th, divorce and corollary relief, subject matter of Bill C-47, 1549
9th, family orders enforcement assistance, subject matter of Bill C-48, 1551
21st, parole and penitentiaries, interim report on subject matter of Bill C-67, 2484
22nd, parole and penitentaries, interim report on subject matter of Bill C-67, 2606
National Finance Committee reports
2nd, estimates year ending Mar. 31/85, supplementary (B), 293

Appendices—*Cont'd*
National Finance Committee reports—*Cont'd*
4th, estimates year ending Mar. 31/85, supplementary (C), 684
5th, estimates year ending Mar. 31/86, 960
6th, estimates year ending Mar. 31/86, supplementary (A), 980
9th, estimates year ending Mar. 31/86, supplementary (A), 1416
10th, estimates year ending Mar. 31/86, supplementary (B), 1646
14th, estimates year ending Mar. 31/86, supplementary (C), 2187
16th, estimates year ending Mar. 31/86, 2522
Official Languages Policy and Programs, 1163
Parliamentary Affairs Commission (A.I.P.L.F.), Summary of Symposium held in Brazil, April 20-25, 1986, 2595
Pension Process, 235
Poverty in Canada
Senate report on poverty, Poverty Line Update, 1984, 1513
Prime Minister
United Nations, fortieth anniversary, speech, 1445
Redistribution after Census of 1981, 1991 and 2001, 1764
Regulations and other Statutory Instruments Committee reports
3rd, Statutory Instruments No. 30, 1417
4th, Statutory Instruments No. 31, 1424
5th, Statutory Instruments No. 32, 2210
6th, Statutory Instruments No. 33, 2300
Social Affairs, Science and Technology Committee reports
9th, Consultation paper on training and document entitled "Employment Opportunities: Preparing Canadians For a Better Future", 2378
10th, Authority to adjourn from place to place to study report *They Served, We Care*, 2661
Standing Rules and Orders Committee reports
4th, Royal Assent ceremony changes, 1469
5th, Rules of the Senate, use of male and female genders, 1470
6th, government responses to committee reports, 1475
7th, guidelines for financial operation of committees, 2108
9th, rule 67 (1), suggested amendment, 2411
Transportation of Dangerous Goods Regulations, 1218
United Nations Organization
Address of His Excellency Javier Perez De Cuellar, Secretary-General, 640

Appropriation No. 3, 1984-85 bill C-16. 1r, 296; 2r, 312, 323; 3r, 340; r.a., 404

Appropriation No. 4, 1984-85 bill C-34. 1r, 703; 2r, 715; 3r, 728; r.a., 756

Appropriation No. 1, 1985-86 bill C-35. 1r, 703; 2r, 716; 3r, 728; r.a., 756

Appropriation No. 2, 1985-86 bill C-54. 1r, 1035; 2r, 1048, 1074; 3r, 1094; r.a., 1101

Appropriation No. 3, 1985-86 bill C-89. 1r, 1683; 2r, 1720, 1743; 3r, 1776; r.a., 1831
See appendix p. 1731

Appropriation No. 4, 1985-86 bill C-101. 1r, 2214; 2r, 2229; 3r, 2250; r.a., 2258
See appendix p. 2239

Appropriation No. 1, 1986-87 bill C-102. 1r, 2214; 2r, 2230, 2250; 3r, 2251; r.a., 2258
See appendix p. 2241

Appropriation No. 2, 1986-87 bill C-115. 1r, 2577; 2r, 2601, 2616; 3r, 2617; r.a., 2623

Appropriations
Bill C-54, urgency of passage, 1066, 1091
Bill C-115, request for information, 2770

Argentina
See Visitors

Argue, Hon. Hazen, P.C.
Adams, Rt. Hon. John, the late, 623
Address in reply to Speech from the Throne, 62
Advance Payments for Crops bill C-58, 1179
Maximum advances, 1179
Agricultural Stabilization bill C-25, 1195
Cattle producers, 1196
Hog production in P.E.I., 1196
Top-loading, 1196
United States tariffs, 1196
Agriculture
Agricultural products processors, availability of financial assistance, qu, 1943, 2680
Discussion paper "Tax Issues in Agriculture", government attitude, qu, 608
Farm debt legislation, government policy, qu, 2571
Farm debt review, qu, 1267
Role of panels, qu, 2096
Grain
Grasshopper threat in prairie provinces, request for assistance, qu, 2547
Request for response, qu, 2570
Prairie provinces, deterioriating situation, government action, qu, 968
Sugar-beet industry, stabilization payments, government policy, 2153
United States and EEC subsidies, Canadian position at Tokyo, qu, 2428
Western Canada
Drought and other conditions, government assistance, qu, 1223, 1231, 1280, 1326, 1362, 1406, 1430, 1501, 1536, 1735
Government assistance programs, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1450
Motion withdrawn, 1466
Grain producers and beef producers, disparity in criteria for payments, qu, 1942, 2101
Effect on harvest of adverse climatic conditions, government assistance, qu, 1381
Western Grain Stabilization Act, suggested amendment, qu, 2269
Wheat
Domestic price, qu, 2667
Two-price system
Effect of price increase, qu, 2382
World grain prices, initial payment for wheat, qu, 2161, 2171
Agriculture, Fisheries and Forestry Committee
Proposed splitting of committee, progress of debate, qu, 2446
Report
4th, "Herbicide Pricing", 2772
"Soil at Risk - Canada's Eroding Future", authority to study impact, 718
Appropriation No. 1, 1986-87 bill C-102, 2250
Medical and health services, availability and delivery, 2250
Banking

Argue, Hon. Hazen, P.C.—*Cont'd*
Banking—*Cont'd*
Canadian Commercial Bank and Northland Bank, status of proposed joint committee, qu, 1222
Northland Bank
Compensation of debenture holders, qu, 1311
Status, qu, 1235
Banking, Trade and Commerce Committee
Committee proceedings, televising, 1449
Board of Grain Commissioners
Termination of appointment of member, status of chief commissioner, qu, 1950
Budget
Farm Credit loan provisions, impact on farmers, qu, 2086
Impact on senior citizens, 995
Canada Post Corporation
Closing of post office in Forget, Saskatchewan, qu, 2584
Canada's Cultural Industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1616
Canadian film industry, 1618
The Western Producer, 1617
Canada-United States relations
Bilateral trade negotiations
Agricultural products, qu, 1309
Government policy, qu, 2267
Marketing boards, qu, 2207
Prime Minister and President of United States, meeting
U.S. agriculture policy as agenda item, qu, 2207, 2273, 2389
Request for answer, 2365
Canadian hog production, United States import duty, qu, 739, 971
Canadian Wheat Board, 64
Alleged absence of minister from advisory committee meetings, qu, 1172, 1238
Appointment of commissioner, qu, 2173
Criticism contained in study team report to task force on program review, qu, 2149
Dwarf wheat, marketing, qu, 741
Capital gains on farm land, 63
Co-operatives, 63
Douglas, Hon. T.C., P.C., the late, tribute, 2081
Drought assistance, 63
Economy
Canadian dollar, decline in value, 543
Pioneer Trust
Closing, qu, 506
Status, qu, 528
Energy
Gasoline prices reduction, qu, 2154, 2329
Oil pricing, 2219, 2329
Government action, qu, 2088, 2120, 2134
Farm Debt Review bill C-117, 2738, 2749, 2750
Canada Assistance Plan, 2739, 2755
Financial institutions, 2755
Moratorium on farm credit loans, 2739
Suicide rate, 2739
Farm Products Marketing Agencies bill C-4, 216
Canadian Wheat Board, 261
Canagrex, 261
Tobacco industry, 216
Federal-Provincial Fiscal Arrangements, Federal Post-Secondary Education, Health Contributions, 1977 bill C-96, 2715
Canadian Nurses Association proposals, 2715
Emphasis on deficit reduction, 2715
False saving, 2715

Argue, Hon. Hazen, P.C.—*Cont'd*
Federal-provincial relations, First Ministers' Conference, Regina, Feb. 14-15, 1985, failures and shortcomings, 535, 888
Financial Institutions Depositors Compensation bill C-79, 1812
Double standard, 1813
Government of Canada
Remuneration of senior officials and others, qu, 704
Grain
Conference of ministers of exporting countries, qu, 2448
International conference, government approach, qu, 2504
Freight rates, 64
Wheat pricing, terms of reference of House of Commons task force, qu, 2468
Health and Welfare
Social assistance programs, suggested review, qu, 706
Human rights
Saskatchewan, passage of Bill 144 imposing settlement on government employees, qu, 1972, 2103
Indian bill C-31, 1142
Industry
Canadian Porcelain Company, offer to purchase by employee co-operative, qu, 952
Government attitude, qu, 989
Co-op Implements, proposed relocation from Winnipeg to Regina, qu, 530
International trade
European Economic Community, proposed export of agricultural products to Canada, qu, 988
Metric conversion
Government policy, qu, 338
Patronage appointments, 66
Pioneer Trust Payment Continuation bill C-50, 858, 874
Prairie Farm Assistance bill C-41, 1072, 1096
Crop insurance, 1072
Press releases, 67
Senate
Adjournment, 2784
Business, 1194
Hébert, Senator Jacques, hunger strike, 2213
Security service, staff reductions, qu, 943
Social programs
Universality, government policy, 379
Social security system, 65
Sparrow, Hon. Herbert O.
Felicitations on United Nations award, 1011
Thanksgiving
Cross-Canada aid to distressed Saskatchewan farmers, 1383
Transport
Airport car rental service, qu, 261
Canadian airports, security, qu, 1113
Freight rates, western grain, qu, 194
Port of Churchill, Manitoba
Grain shipments to U.S.S.R. and availability of hopper cars, qu, 1324
Railways, shortfall in CN and CP expenditures on expansion, qu, 1973
Western Grain Stabilization Fund, government policy, qu, 260
Transport and Communications Committee
Car rental outlets at airports, authority to study policy, 316, 412
Motion withdrawn, 1330
U.S.S.R.
Chernenko, President Konstantin, the late, 622
Welfare
Adequacy of payments, qu, 191, 410, 412
Western Grain Stabilization bill C-29, 612
Agricultural Stabilization Act, 614

Argue, Hon. Hazen, P.C.—*Cont'd*
Western Grain Stabilization bill C-29—*Cont'd*
Canadian Wheat Board, 613
Department of Finance, 613
Dwarf wheat, 613
Early payment, 613
United States, 614
Western Grain Transportation bill C-44, 1212
Variable rates, 1212
Youth
Government policy, qu, 2216
Yukon
Brannigan, Dr. Don, Mayor of Whitehorse, visit, 2507

Army Benevolent Fund
Children of veterans assistance extension, 2252
Elimination of "100 per cent rule", 2252
Hees, Hon. George, 2253
Hong Kong and Dieppe prisoners of war, 2252
Spousal right of appeal, 2253
Veterans Land Act, 2253
Speakers: Senators
Marshall, Jack, 2251
Stanbury, Richard J., 2253

Army Benevolent Fund and related Acts bill C-100. 1r, 2246; 2r, 2251; 3r, 2254; r.a., 2258

Asselin, Hon. Martial, P.C.
Air Canada
Strike of ticket agents, qu, 856
Criminal Law 1985 bill C-18, 817
Air safety regulations, 820
Appeal procedures, 818
Blood samples, 822
Computer offences, 819
Drugs, 819
Impaired driving, 821
Impounding of a vehicle used to commit an offence, 821
Indictments, 818
Information concerning searches, 819
Offences punishable on summary conviction, 821
Powers of judges and justices in the administration of justice, 818
Pre-hearing conferences, 818
Professional secrecy, 819
Protection of individual rights, 818
Release on bail, 818
Restitution of seized goods, 819
Telewarrants, 820
See appendix p. 830
Information Commissioner, report tabled, 2838
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to report, 587
Parliamentary Affairs Commission of the International Association of French- Speaking Parliamentarians, meeting in Brazil, 2489, 2592
Pioneer Trust Payment Continuation bill C-50, 874
Prime Minister
United Nations, fortieth anniversary, speech, 1405
Privacy Commissioner, report tabled, 2838
Selection Committee
2nd report, committee members, 55
Simard, Hon. Jean-Maurice, 1129
Speaker *pro tempore*, 73, 96, 207, 279, 316, 332, 370, 396, 481, 504, 519, 528, 542, 604, 655, 769, 789, 865, 881, 892, 908, 929,

Asselin, Hon. Martial, P.C.—*Cont'd*
Speaker *pro tempore*—*Cont'd*
941, 1062, 1088, 1102, 1295, 1308, 1321, 1352, 1362, 1371, 1379, 1386, 1573, 1704, 1767, 1789, 1832, 2016, 2111, 2116, 2147, 2403, 2444, 2463, 2501, 2651, 2665, 2678, 2786, 2834
Dailly, Senator Etienne, Vice-President of Senate of Republic of France, visit, 1964
Family Allowances, 1973 bill C-70, 2029
Parole and Penitentiary bill C-67, 2830
Speaker's ruling, 2831
Response to address of His Excellency Yasuhiro Nakasone, Prime Minister of Japan, 1848
Smoking Prohibition bill S-8, Speaker's ruling, 2514
Yuzyk, Hon. Paul, the late, tribute, 2837

Atlantic fishery, 125

Auditor General
Cabinet documents, access to information, 320

Auditor General, report for fiscal year ending Mar. 31/85, 1480

Austin, Hon. Jack, P.C.
Aboriginal peoples
Queen Charlotte Islands, logging dispute, Haida Indian rights, qu, 1517
Agriculture
Wheat exports to Republic of China, qu, 2173, 2679
Canada Development Corporation
Sale of shares, qu, 945, 975
Canada-United States relations
Trade
Imposition of U.S. tariff on Canadian shakes and shingles, compensation for workers in industry, qu, 2547
Energy
International oil pricing, agenda item at economic summit, qu, 2022, 2156, 2222
Natural gas exports to U.S., representations by Alberta and British Columbia, qu, 1987
Natural gas, proposed pipeline to Vancouver Island, qu, 946
Energy, Mines and Resources
Director General of Communications, termination of employment, qu, 381, 433
Foreign affairs
Middle East, mission of Secretary of State for External Affairs, qu, 2163
Governor General
Visit to United Kingdom, qu, 1517
Libya
United States air strike, legality under international law, qu, 2281

Australia
Missen, Senator Alan, the late, tribute, 2326

Aviation disasters
Air-India aircraft loss
Tokyo Airport explosion, possible acts of terrorism, 1108, 1237
Treatment of insurance claims, 1113
Gander, Newfoundland, 1705

Balfour, Hon. R. James
Budget proposals, 2371
Canadian Rural Transition Program, 2372
Commodity-based loan program, 2372

Balfour, Hon. R. James—*Cont'd*
Budget proposals—*Cont'd*
Energy sector considerations, 2373
Farm sector priority, 2373
Canada-United States Inter-Parliamentary Group, Twenty-seventh meeting, at Tucson, Arizona, 2616, 2676
See appendix p. 2625
Customs bill C-59, 1506, 1577
Expedited release of goods, 1507
Post-release audit, 1507
Customs and Special Import Measures bill C-40, 815, 834
Anti-Dumping Act, 816
Delegation of authority, 816
Farm Improvement Loans bill C-56, 1153
Intermediate-term farm loans, 1153
Prairie Farm Assistance bill C-41, 1057, 1094
Prairie Farm Emergency Fund, 1058
Western Grains Research Foundation, 1058
Seeds and Canada Grain bill C-64, 1506, 1546
Protection against false advertising, 1506
Role of Canadian Seed Growers Association, 1506
Small Businesses Loans bill C-23, 713
Cost-sharing measures, 713
Loss-sharing arrangement, 714

Banking
Canadian Commercial Bank
Bad loans, 1373
Collapse, 1226
Alleged existence of document indicating difficulty, 1255
Correction of statement by Leader of the Government, 1265
Committee study, 1230, 1256
Request for answers, 1377
Offer of chartered banks to assist in examination of loan portfolio, 1252
Priority of creditors, 1256
Protection of pension funds, 1280
Role of independent auditors, 1254
Government assistance, 705
Judgment of Inspector General as to solvency, 1230
Memorandum of Intent, request for information, 1252, 1266, 1436
Request for answers, 1322, 1353
Salvage recommendation, 1285
Canadian Commercial Bank and Northland Bank
Availability of names of uninsured depositors, 1373
Compensation of depositors, referral of subject matter of bill to committee, 1295
Delay in instituting inquiry, 1376
Deposit insurance, government policy, 1266, 1276
Replies to questions, 1374
Senate study, 1234
Wording of resolution, 1235
Status of proposed joint committee, 1221
Confidence in system, 1372
Estey Commissiqn of Inquiry, 1295
Green paper on regulation of financial institutions
Status, 1310
Suggested withdrawal, 1312
International banking centres, promotion, 2089, 2471
Loans to aid-receiving countries, alleged restriction, 871, 953, 974
Mercantile Bank, possibility of merger, government involvement, 1379
Northland Bank, status, 1235, 1256
Compensation of debenture holders, 1311
Compensation of depositors, government policy, 1297

Banking—*Cont'd*
Payments to uninsured depositors, government policy, 1374
Regulation of banks, 1286

Banking, Trade and Commerce Committee
Aeronautics, subject matter of Bill C-36, authority to study prior to receipt of legislation, 967
Authority to engage services, 481
Authority to meet during Senate sitting, 388, 620, 680, 1251, 1274, 1281, 1573, 2411
Canadian Arsenals Limited divestiture, subject matter of Bill C-87, authority to study prior to receipt of legislation, 2149
Committee proceedings, televising, 1448, 1449, 1489
Speaker's ruling, 1467
Competition tribunal, subject matter of Bill C-91, authority to study prior to receipt of legislation, 2302
Customs tariff, subject matter of Bill C-111, authority to study prior to receipt of legislation, 2530
Finance, restructuring of financial institutions, authority to study discussion paper, 957, 1106
Financial institutions depositors compensation, subject matter of Bill C-79, authority to study prior to receipt of legislation, 1352
Financial institutions, subject matter of Bill C-103, authority to study prior to receipt of legislation, 2670
Income tax, subject matter of Bill C-84, authority to study prior to receipt of legislation, 1534
Investment in Canada, subject matter of Bill C-15, authority to study prior to receipt of legislation, 646
Notice of committee meetings, 715, 1398
Reports
1st, expenses incurred during 2nd Session, 32nd Parliament, 279
See Journals of the Senate
2nd, Customs and Customs Tariff bill C-9, rep without amdt, 332
3rd, Income Tax bill C-7, rep without amdt, 396
4th, Income Tax Conventions bill S-3, rep without amdt, 624
5th, Small Businesses Loans bill C-23, rep without amdt, 733
Negative resolution procedure, 735
Service fee, 733
6th, investment in Canada, subject matter of Bill C-15, 835
See appendix p. 848
7th, Canadian Patent No. 855, 255 bill S-4, rep without amdt, 964
8th, Income Tax and Tax Court of Canada bill C-72, rep without amdt, 1398
9th, Customs bill C-59, rep with amdts, 1669, 1705
10th, financial institutions, interim rep on restructuring, 1695
11th, tax rebate discounting, rep on subject matter of Bill C-83, 1704
12th, income tax and related acts, rep on subject matter of Bill C-84, 1713
13th, financial institutions depositors compensation, rep on subject matter of Bill C-79, 1767, 1783, 1804
Analysis of support package, 1773
Method of calculation, 1807
Background, 1768, 1771
Canadian banking system weakness, 1808
Confidentiality, 1774, 1807
Ministerial responsibility, 1773, 1806
Moral responsibility, 1770, 1774
14th, Income Tax and related Statutes bill C-84, rep without amdt, 1938
Availability of proceedings, 1952
15th, Canadian Arsenals Limited divestiture authorization, subject matter of Bill C-82, 2362
16th, Restructuring of financial institutions, 2403

Banking, Trade and Commerce Committee—*Cont'd*
Reports—*Cont'd*
17th, Competition Tribunal bill C-91, rep without amdt, but with observations, 2614
18th, customs tariff, subject matter of Bill C-111, 2678
See appendix p. 2695
Tax rebate discounting, subject matter of Bill C-83, authority to study prior to receipt of legislation, 1534

Barbados
Adams, Rt. Hon. John, the late, 623
Canadian representation at funeral, 647, 666
Miller, Hon. Billie, Minister of Education, visit, 1948

Barootes, Hon. Efstathios William (Introduced in the Senate Jan. 22/85), 416
Advance Payments for Crops bill C-58, 1178
Collecting defaults, 1178
Cost-price squeeze, 1179
Expanding flexibility of the program, 1178
Maximum advances, 1178
Canada's Cultural Industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1612
Saskatchewan culture, 1613
Currency bill C-118, 2653, 2671
Minting of $1 coin, 2654
Composition and cost, 2654
Weight, 2671
Douglas, Hon. T.C., P.C., the late, tribute, 2079
Energy Administration bill C-112, 2731, 2771
Negotiated prices, 2731
Transition to natural gas competitive market, 2731
Federal-Provincial Fiscal Arrangements, Federal Post-Secondary Education, Health Contributions, 1977 bill C-96, 2711
Fonyo, Steve
"Journey for Lives" across Canada, 941
Greece
National Day of Greece, 722
Greek Independence Day, 2208, 2215
Immigration, 1976 bill C-55, 2104, 2137, 2185
Case backlog, 2104
Immigration Appeal Board, 2105
Plaut, Rabbi Gunther, "Refugee Determination in Canada", 2104
Refugee appeal process, 2104
Investment Canada bill C-15, 1054
Foreign Investment Review Agency, 1054
Fossil fuel, 1055
Ministerial decisions, 1054
Unemployment, 1055
National Finance Committee
6th report, estimates year ending Mar. 31/86, supplementary (A), 1003
Old age security
De-indexation of pensions, presentation of petitions, 1131
Petroleum Incentives Program bill C-85, 2224, 2247
Exploration Tax Credit, 2225
Framework, 2224
Grandfathering, 2248
Ministerial discretion, 2248
PIP phase out, 2225
"Specified portion", 2248
Pioneer Trust Payment Continuation bill C-50, 857, 874
Canadian Deposit Insurance Corporation, 857
Government of Saskatchewan, 857
Income Averaging Annuity Certificates, 857, 876

Barootes, Hon. Efstathios William —*Cont'd*
Pioneer Trust Payment Continuation bill C-50—*Cont'd*
"The Regulation of Canadian Financial Institutions: Proposals for Discussion", 877
Social Affairs, Science and Technology committee
7th report, Immigration, 1976 bill C-55, rep without amdt, 2123
Western Grain Transportation bill C-44, 1208
Freight rate ceiling, 1209
Railway accountability, 1209
Senior Grain Transportation Committee, 1209
Stability and predictability, 1209

Barrow, Hon. A. Irvine
Customs bill C-59, 1576
Disparity in appeal period for department and taxpayer, 1577
Honour system for payment of duties, 1576
Increased scope for mail openings, 1576
Customs Tariff bill C-111, 2728
Semiconductor devices and computer parts, 2728
Income Tax and Tax Court of Canada bill C-72, 1366
Income Tax bill C-109, 2564
Scientific Research Tax Credits, 2564

Beaubien, Hon. Louis-Philippe (Deceased Mar. 28/85), 731

Beetz, Hon. Jean, Puisne Judge of the Supreme Court of Canada
Deputy Governor General, appointment, 2

Bélisle, Hon. Rhéal
Acting Speaker, 463, 534, 592, 811, 921, 951, 1430, 1476, 1950, 2065, 2130
Benidickson, Hon. William M., P.C., the late, 418
Budget speech, accommodation for senators in Senate gallery of House of Commons, 2065
Divorce bill C-46, Divorce and Corollary Relief bill C-47, and Family Orders and Agreements Enforcement Assistance bill C-48, 1945
Artificial insemination, embryo implantation, *in vitro* fertilization, 1946
Inadequate reconciliation provisions, 1946
Farm Debt Review bill C-117 (Chairman, Committee of the Whole), 2750
Report, 2765
Lithuania
Sixty-eighth anniversary of proclamation of independence, 2032
Parole and Penitentiary bill C-67 (Chairman, Committee of the Whole), 2802
Report, 2822
Parole and related Statutes bill C-68 (Chairman, Committee of the Whole), 2822
Senate
Committees, authority to invite provincial representations, 823
Minutes of Proceedings, recording of choosing of Acting Speaker, 1966
Prayer at commencement of sittings, qu, 13
Telephone service, 539
Yuzyk, Hon. Paul, the late, tribute, 2834

Bell, Hon. Ann Elizabeth
Canada Development Corporation Reorganization bill C-66, 1743
Croll, Hon. David A., tribute, 1740
Meat Inspection bill C-33, 904
National Finance Committee

Bell, Hon. Ann Elizabeth—*Cont'd*
National Finance Committee—*Cont'd*
5th report, estimates year ending Mar. 31/85, 999
Parliament
Report of commission to review salaries of members of Parliament and senators, definition of "members of Parliament" and "salaries", 922
Queen Elizabeth II, Her Majesty
Thirty-third anniversary of accession to Throne, felicitations, 492

Benidickson, Hon. William Moore, P.C. (Deceased Jan. 4/85), 416

Berntson, Hon. Eric, Deputy Premier of Saskatchewan, visit, 416

Bielish, Hon. Martha P.
Address in reply to Speech from the Throne, 201
Agricultural industry, 202
Alberta, 202
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1630
Involvement of children and schools in cultural development, 1631
Farm Products Marketing Agencies bill C-4, 215
Tobacco production, 215
Freshwater Fish Marketing bill C-5, 356, 388
Borrowing limit, 356
National Soil Conservation Week, 798
"Soil at Risk", 798
Status of Women
Persons Awards 1985, 1403
Ukraine, sixth-eighth anniversary of Proclamation of Independence, 1849
Western Grain Stabilization bill C-29, 590, 614
Early payments, 590
Farm financing, 590
Purpose of plan, 590
Women's Institute, 202

Bills, Numerically, Commons
C-2 Sports Pool and Loto Canada Winding-up
C-3 Ontario and Manitoba Courts
C-4 Farm Products Marketing Agencies
C-5 Freshwater Fish Marketing
C-6 Saltfish
C-7 Income Tax
C-8 Petroleum and Gas Revenue Tax
C-9 Customs and Customs Tariff
C-10 Income Tax Conventions Interpretation
C-11 Borrowing Authority, 1984-85 (No. 2)
C-13 Public Works and Public Land Grants
C-14 Foreign Extraterritorial Measures
C-15 Investment Canada
C-16 Appropriation No. 3, 1984-85
C-17 Excise Tax and Excise
C-18 Criminal Law, 1985
C-21 Currency
C-22 International Centre for Ocean Development
C-23 Small Businesses Loans
C-24 Oil Substitution and Conservation and Canadian Home Insulation Program
C-25 Agricultural Stabilization
C-26 Old Age Security
C-27 Statute Law (Canadian Charter of Rights and Freedoms)
C-28 Pension
C-29 Western Grain Stabilization
C-30 Bretton Woods Agreements
C-31 Indian

Bills, Numerically, Commons—*Cont'd*
C-32 Fisheries
C-33 Meat Inspection
C-34 Appropriation No. 4, 1984-85
C-35 Appropriation No. 1, 1985-86
C-36 Aeronautics
C-37 Canadian Commercial Bank Financial Assistance
C-38 Customs Tariff
C-39 Supplementary Fiscal Equalization Payments 1982-87
C-40 Customs and Special Import Measures
C-41 Prairie Farm Assistance
C-43 Crown Assets Disposal Corporation Dissolution
C-44 Western Grain Transportation
C-45 Parliamentary Employment and Staff Relations
C-46 Divorce
C-47 Divorce and Corollary Relief
C-48 Family Orders and Agreements Enforcement Assistance
C-49 Criminal Code (prostitution)
C-50 Pioneer Trust Payment Continuation
C-51 Borrowing Authority, 1985-86 (No. 2)
C-52 Unemployment Insurance, 1971
C-53 Northern Transportation Company Limited Disposal Authorization
C-54 Appropriation No. 2, 1985-86
C-55 Immigration, 1976
C-56 Farm Improvement Loans
C-57 Fisheries Improvement Loans
C-58 Advance Payments for Crops
C-59 Customs
C-60 Crown Corporations Dissolution Authorization
C-61 Judges
C-62 Employment Equity
C-63 House of Commons
C-64 Seeds and Canada Grain
C-65 Royal Canadian Mounted Police
C-66 Canada Development Corporation Reorganization
C-67 Parole and Penitentiary
C-68 Parole and related Statutes
C-69 Canadian Institute for International Peace and Security
C-70 Family Allowances, 1973
C-71 Customs Tariff
C-72 Income Tax and Tax Court of Canada
C-73 Condominium Ordinance Validation
C-74 Representation 1985
C-76 Toronto Harbour Commissioners', 1985
C-77 Criminal Code (pari-mutuel betting)
C-78 Governor General's and Governor General's Retiring Annuity and Salaries and Judges
C-79 Financial Institutions Depositors Compensation
C-80 Excise Tax and Excise
C-81 Criminal Code (lotteries)
C-82 Petroleum and Gas Revenue Tax and Income Tax
C-83 Tax Rebate Discounting
C-84 Income Tax and related Statutes
C-85 Petroleum Incentives Program
C-86 Canada Deposit Insurance Corporation
C-87 Canadian Arsenals Limited Divestiture Authorization
C-88 Marine Atlantic Inc. Acquisition Authorization
C-89 Appropriation No. 3, 1985-86
C-90 Pension Benefits Standards, 1985
C-91 Competition Tribunal
C-93 Sechelt Indian Band Self-Government
C-96 Federal-Provincial Fiscal Arrangements, Federal Post-Secondary Education, Health Contributions, 1977
C-98 Duties Relief
C-99 Borrowing Authority, 1986-87

Bills, Numerically, Commons—*Cont'd*
C-100 Army Benevolent Fund and related Acts
C-101 Appropriation No. 4, 1985-86
C-102 Appropriation No. 1, 1986-87
C-106 Young Offenders, Criminal Code, Penitentiary, Prisons and Reformatories
C-107 United Nations Foreign Arbitral Awards Convention
C-108 Commercial Arbitration
C-109 Income Tax
C-110 Grassy Narrows and Islington Indian Bands Mercury Pollution Claims Settlement
C-111 Customs Tariff
C-112 Energy Administration
C-115 Appropriation No. 2, 1986-87
C-116 Canada Pension Plan and Federal Court
C-117 Farm Debt Review
C-118 Currency
C-128 Judges and related Acts
C-255 Public Pensions Reporting

Bills, Numerically, Senate
S-1 Railways (pro forma)
S-2 Marriage (prohibited degrees)
S-3 Income Tax Conventions
S-4 Canadian Patent No. 855, 255
S-5 Evangelical Lutheran Church in Canada
S-6. Income Tax Conventions
S-7 Pine Hill Divinity Hall
S-8 Smoking Prohibition

Bills, Private, Commons
Public Pensions Reporting C-255. 1r, 1985; 2r, 2030; ref to com, 2030; rep without amdt, 2084; 3r, 2104; r.a., 2258

Bills, Private, Senate
Canadian Patent No. 855, 255 S-4. 1r, 921; 2r, 938, 955; ref to com, 956; rep without amdt, 964; 3r, 1024
Evangelical Lutheran Church in Canada S-5. 1r, 1414; 2r, 1414; ref to com, 1415 rep without amdt, 1476; 3r, 1476; message from Commons that bill passed without amdt, 1495; r.a., 1712
Pine Hill Divinity Hall S-7. 1r, 1733; 2r, 1781; ref to com, 1783; rep without amdt, 1863; 3r, 1863; message from Commons that bill passed without amdt, 2614; r.a., 2623

Bills, Public, Commons
Advance Payments for Crops C-58. 1r, 1166; 2r, 1178; 3r, 1181; r.a., 1217
Aeronautics C-36. 1r, 1102; 2r, 1119; 3r, 1143; r.a., 1217
Agricultural Stabilization C-25. 1r, 1195; 2r, 1195; 3r, 1198; r.a., 1217
Appropriation No. 3, 1984-85 C-16. 1r, 296; 2r, 312, 323; 3r, 340; r.a., 404
Appropriation No. 4, 1984-85 C-34. 1r, 703; 2r, 715; 3r, 728; r.a., 756
Appropriation No. 1, 1985-86 C-35. 1r, 703; 2r, 716; 3r, 728; r.a., 756
Appropriation No. 2, 1985-86 C-54. 1r, 1035; 2r, 1048, 1074; 3r, 1094; r.a., 1101
Appropriation No. 3, 1985-86 C-89. 1r, 1683; 2r, 1720, 1743; 3r, 1776; r.a., 1831
Appropriation No. 4, 1985-86 C-101. 1r, 2214; 2r, 2229; 3r, 2250; r.a., 2258
Appropriation No. 1, 1986-87 C-102. 1r, 2214; 2r, 2230, 2250; 3r, 2251; r.a., 2258

Bills, Public, Commons—*Cont'd*
Appropriation No. 2, 1986-87 C-115. 1r, 2577; 2r, 2601, 2616; 3r, 2617; r.a., 2623
Army Benevolent Fund and related Acts C-100. 1r, 2246; 2r, 2251; 3r, 2254; r.a., 2258
Borrowing Authority, 1984-85 (No. 2) C-11. 1r, 419; 2r, 439, 459; ref to com, 462; rep without amdt but with recommendation, 618; 3r, 618; r.a., 621
Borrowing Authority, 1985-86 (No. 2) C-51. 1r, 1199; 2r, 1199; 3r, 1208; r.a., 1217
Borrowing Authority, 1986-87 C-99. 1r, 2261; 2r, 2289, 2309; ref to com, 2317; rep without amdt, 2327; 3r, 2349; r.a., 2361
Bretton Woods Agreements C-30. 1r, 881; 2r, 901, 913; 3r, 927; r.a., 928
Canada Deposit Insurance Corporation C-86. 1r, 2529; 2r, 2556, 2573, 2587; 3r, 2601; r.a., 2623
Canada Development Corporation Reorganization C-66. 1r, 1496; 2r, 1543, 1565, 1657; ref to com, 1660; rep without amdt but with recommendations, 1713; 3r, 1741; r.a., 1830
Canada Pension Plan, Federal Court C-116. 1r, 2697; 2r, 2729; 3r, 2770; r.a., 2783
Canadian Arsenals Limited Divestiture Authorization C-87. 1r, 2362; 2r, 2394; 3r, 2405; r.a., 2410
Canadian Commercial Bank Financial Assistance C-37. 1r, 743; 2r, 743; ref to Committee of the Whole, 747; considered in Committee of the Whole, Hon. Heath Macquarrie in the Chair, Hon. Barbara Jean McDougall, Minister of State (Finance) taking part in the debate, 747; rep without amdt, 755; 3r, 755; r.a., 756
Canadian Institute for International Peace and Security C-69. 1r, 1220; 2r, 1260, 1302; 3r, 1313, 1327, 1363; r.a., 1414
Commercial Arbitration C-108. 1r, 2444; 2r, 2451; 3r, 2462; r.a., 2623
Competition Tribunal C-91. 1r, 2565; 2r, 2577; ref to com, 2581; rep without amdt but with observations, 2614; 3r, 2617; r.a., 2623
Condominium Ordinance Validation C-73. 1r, 1379; 2r, 1394, 1408; 3r, 1409; r.a., 1414
Criminal Code (lotteries) C-81. 1r, 1476; 2r, 1503, 1522; ref to com, 1525; rep without amdt but with recommendations, 1789; 3r, 1825; r.a., 1831
Criminal Code (pari-mutuel betting) C-77. 1r, 1321; 2r, 1355, 1365; ref to com, 1366; rep with amdt, 1377; m in amdt, 1378; concurrence by Commons in Senate amdt, 1379; 3r, 1378; r.a., 1414
Criminal Code (prostitution) C-49. 1r, 1495; 2r, 1538, 1561; ref to com, 1565 rep without amdt but with recommendations, 1733; 3r, 1776; r.a., 1830
Criminal Law, 1985 C-18. 1r, 804; 2r, 817, 843; ref to com, 847; rep without amdt, 990; 3r, 1024; r.a., 1100
Crown Assets Disposal Corporation Dissolution C-43. 1r, 779; 2r, 795; 3r, 807; r.a., 927
Crown Corporations Dissolution Authorization C-60. 1r, 1220; 2r, 1239, 1259; 3r, 1269; r.a., 1414
Currency C-21. 1r, 418; 2r, 438, 456; 3r, 458; r.a., 617
Currency C-118. 1r, 2617; 2r, 2653, 2670; 3r, 2681; r.a., 2783
Customs C-59. 1r, 1476; 2r, 1506, 1576; ref to com, 1577; rep with amdts, 1669, 1705; 3r, 1705; concurrence by Commons in Senate amdts, 1880; r.a., 2031
Customs and Customs Tariff C-9. 1r, 236; 2r, 266, 284; ref to com, 286; rep without amdt, 332; 3r, 340; r.a., 403
Customs and Special Import Measures C-40. 1r, 804; 2r, 815; 3r, 834; r.a., 928
Customs Tariff C-38. 1r, 757; 2r, 762, 771; ref to Committee of the Whole, 773; considered in Committee of the Whole, Hon. Heath Macquarrie in the Chair, 773; rep without amdt, 777; 3r, 777; r.a., 777
Customs Tariff C-71. 1r, 1284; 2r, 1299, 1329; 3r, 1355; r.a., 1414
Customs Tariff C-111. 1r, 2697; 2r, 2726; 3r, 2770; r.a., 2783
Divorce C-46. 1r, 1880; 2r, 1930, 1945, 1964; ref to com, 1965; rep without amdt, 1967; 3r, 1989; r.a., 2031
Divorce and Corollary Relief C-47. 1r, 1880; 2r, 1930, 1945, 1964; ref to com, 1965; rep without amdt, 1968; 3r, 1989; r.a., 2031
Duties Relief C-98. 1r, 2624; 2r, 2654; 3r, 2670; r.a., 2783
Employment Equity C-62. 1r, 2362; 2r, 2392, 2416, 2432; ref to com, 2433; rep with observations and recommendations, 2676; 3r, 2681; m re message to House of Commons, 2681, 2706; r.a., 2783
Energy Administration C-112. 1r, 2731; 2r, 2731; 3r, 2771; r.a., 2783
Excise Tax and Excise C-17. 1r, 396; 2r, 450; 3r, 473; r.a., 617
Excise Tax and Excise C-80. 1r, 1984; 2r, 2006, 2055; ref to com, 2061; rep without amdt but with observations and recommendation, 2065; 3r, 2066; r.a., 2092
Family Allowances, 1973 C-70. 1r, 1833; 2r, 1855, 1892, 1908, 1927, 1943, 1956, 1975, 2009, 2026; ref to com, 2029; rep without amdt, 2122; 3r, 2134, 2156, 2175; r.a., 2258
Family Orders and Agreements Enforcement Assistance C-48. 1r, 1880; 2r, 1930, 1945, 1964; ref to com, 1965; rep without amdt, 1968; 3r, 1989; r.a., 2031
Farm Debt Review C-117. 1r, 2737; 2r, 2737, 2749; ref to Committee of the Whole, 2749; considered in Committee of the Whole, Hon. Rhéal Bélisle in the Chair, Hon. John Wise, Minister of Agriculture, taking part in the debate, 2749; rep without amdt, 2765; 3r, 2765; r.a., 2783
Farm Improvement Loans C-56. 1r, 1130; 2r, 1153; 3r, 1178; r.a., 1217
Farm Products Marketing Agencies C-4. 1r, 188; 2r, 215; 3r, 225; r.a., 403
Federal-Provincial Fiscal Arrangements, Federal Post-Secondary Education, Health Contributions, 1977 C-96. 1r, 2678; 2r, 2683, 2707; ref to com, 2721; rep without amdt but with comments, 2765; 3r, 2766; r.a., 2783
Financial Institutions Depositors Compensation C-79. 1r, 1810; 2r, 1810; 3r, 1824; r.a., 1830
Fisheries C-32. 1r, 1114; 2r, 1145; 3r, 1178; r.a., 1217
Fisheries Improvement Loans C-57. 1r, 1129; 2r, 1152; 3r, 1178; r.a., 1217
Foreign Extraterritorial Measures C-14. 1r, 332; 2r, 358, 388; 3r, 397; r.a., 403
Freshwater Fish Marketing C-5. 1r, 332; 2r, 356, 384; 3r, 397; r.a., 403
Governor General's and Governor General's Retiring Annuity and Salaries and Judges C-78. 1r, 1496; 2r, 1540; ref to com, 1543; rep without amdt, 1649; 3r, 1649; r.a., 1712
Grassy Narrows and Islington Indian Bands Mercury Pollution Claims Settlement C-110. 1r, 2488; 2r, 2497, 2509; 3r, 2539; r.a., 2623
House of Commons C-63. 1r, 1213; 2r, 1213; 3r, 1216; r.a., 1217
Immigration, 1976 C-55. 1r, 2083; 2r, 2104; ref to com, 2107; rep without amdt, 2122; 3r, 2137, 2181; r.a., 2258
Income Tax C-7. 1r, 236; 2r, 265, 324; ref to com, 324; rep without amdt, 396; 3r, 398; r.a., 403
Income Tax C-109. 1r, 2529; 2r, 2557, 2564; 3r, 2573; r.a., 2623
Income Tax and related Statutes C-84. 1r, 1849; 2r, 1871, 1888; ref to com, 1892; rep without amdt, 1938; availability of com proceedings, 1952, 1975; 3r, 1989; r.a., 2031

Bills, Public, Commons—*Cont'd*
Income Tax and Tax Court of Canada C-72. 1r, 1284; 2r, 1356, 1366; ref to com, 1366; rep without amdt, 1398; 3r, 1398; r.a., 1414
Income Tax Conventions Interpretation C-10. 1r, 332; 2r, 357; 3r, 384; r.a., 403
Indian C-31. 1r, 1012; 2r, 1038; ref to com, 1048; rep without amdt, 1106; 3r, 1136; r.a., 1217
International Centre for Ocean Development C-22. 1r, 528; 2r, 588, 609; 3r, 618; r.a., 621
Investment Canada C-15. 1r, 964; 2r, 997, 1024, 1052, 1067; 3r, 1093; r.a., 1101
Judges C-61. 1r, 1212; 2r, 1212; 3r, 1213; r.a., 1217
Judges and related Acts C-128. 1r, 2739; 2r, 2739; ref to com, 2741; rep without amdt, 2768; 3r, 2768; r.a., 2783
Marine Atlantic Inc. Acquisition Authorization C-88. 1r, 2678; 2r, 2686, 2721; 3r, 2770, r.a., 2783
Meat Inspection C-33. 1r, 881; 2r, 903, 917; ref to com, 918; rep without amdt, 922; 3r, 922; r.a., 928
Northern Transportation Company Limited Disposal Authorization C-53. 1r, 1166; 2r, 1181; 3r, 1183; r.a., 1217
Oil Substitution and Conservation and Canadian Home Insulation Program C-24. 1r, 1103; 2r, 1123; 3r, 1144; r.a., 1217
Old Age Security C-26. 1r, 1101; 2r, 1114, 1144; 3r, 1178; r.a., 1217
Ontario and Manitoba Courts C-3. 1r, 332; 2r, 365; 3r, 384; r.a., 403
Parliamentary Employment and Staff Relations C-45. 1r, 2696; 2r, 2723; ref to com, 2725; rep without amdt but with comments, 2776; 3r, 2777; r.a., 2783
Parole and Penitentiary C-67. 1r, 2747; 2r, 2790; ref to Committee of the Whole, 2799; considered in Committee of the Whole, Hon, Rhéal Bélisle in the Chair, Hon. James Kelleher, Solicitor General, taking part in the debate, 2802; rep with amdt, 2822; 3r, 2826; m in amdt, 2830; message from Commons of disagreement with Senate amdt, 2839; m for non-insistance on Senate amdt, 2839; r.a., 2857
Parole and related Statutes C-68. 1r, 2749; 2r, 2800; ref to Committee of the Whole, 2801; considered in Committee of the Whole, Hon. Rhéal Bélisle in the Chair, 2822; rep without amdt, 2824; 3r, 2832; r.a., 2857
Pension C-28. 1r, 519; 2r, 531, 539; 3r, 588; r.a., 617
Pension Benefits Standards, 1985 C-90, 1r, 2734; 2r, 2734, 2771; 3r, 2772; r.a., 2783
Petroleum and Gas Revenue Tax C-8. 1r, 347; 2r, 364, 392; 3r, 398; r.a., 403
Petroleum and Gas Revenue Tax and Income Tax C-82. 1r, 1881; 2r, 1912, 1928; 3r, 1943; r.a., 2031
Petroleum Incentives Program C-85. 1r, 2214; 2r, 2224; 3r, 2247; r.a., 2258
Pioneer Trust Payment Continuation C-50. 1r, 850; 2r, 857, 873; 3r, 882; r.a., 928
Prairie Farm Assistance C-41. 1r, 1035; 2r, 1057, 1072; 3r, 1094; r.a., 1101
Public Works and Public Lands Grants C-13. 1r, 347; 2r, 357, 437; 3r, 456; r.a., 617
Representation, 1985 C-74. 1r, 1733; 2r, 1750, 1777, 1793; ref to com, 1804; rep without amdt, 1863; 3r, 1888; m in amdt , 1906; ref to com, 1908; rep without amdt but with comments, 2018; 3r, 2040, 2052, 2070; r.a., 2092
Royal Canadian Mounted Police C-65. 1r, 1984; 2r, 2005, 2024; ref to com, 2026; rep without amdt, 2148; 3r, 2149; r.a., 2258
Saltfish C-6. 1r, 244; 2r, 286, 303; 3r, 322; r.a., 403
Sechelt Indian Band Self-Government C-93. 1r, 2488; 2r, 2496, 2507; 3r, 2622; r.a., 2623

Bills, Public, Commons—*Cont'd*
Seeds and Canada Grain C-59. 1r, 1476; 2r, 1506, 1546; 3r, 1546; r.a., 1712
Small Businesses Loans C-23. 1r, 703; 2r, 713; ref to com, 715; rep without amdt, 733; 3r, 733; r.a., 756
Sports Pool and Loto Canada Winding-up C-2. 1r, 1035; 2r, 1048, 1096; 3r, 1100; r.a., 1101
Statute Law (Canadian Charter of Rights and Freedoms) C-27. 1r, 1102; 2r, 1116; 3r, 1143; r.a., 1217
Supplementary Fiscal Equalization Payments, 1982-87 C-39/. 1r, 1102; 2r, 1121; 3r, 1143; r.a., 1217
Tax Rebate Discounting C-83. 1r, 1827; 2r, 1827; 3r, 1830; r.a., 1831
Toronto Harbour Commissioners', 1985 C-76. 1r, 1881; 2r, 1911, 1948, 2011; ref to com, 2012; rep without amdt, 2093; 3r, 2112; r.a., 2258
Unemployment Insurance, 1971 C-52. 1r, 929; 2r, 946; 3r, 948; r.a., 950
United Nations Foreign Arbitral Awards Convention C-107. 1r, 2444; 2r, 2449; 3r, 2461; r.a., 2623
Western Grain Stabilization C-29. 1r, 528; 2r, 590, 612; 3r, 618; r.a., 621
Western Grain Transportation C-44. 1r, 1208; 2r, 1208; 3r, 1212; r.a., 1217
Young Offenders, Criminal Code, Penitentiary, Prisons and Reformatories C-106. 1r, 2651; 2r, 2672, 2687; 3r, 2705; r.a., 2783

Bills, Public, Senate
Income Tax Conventions S-3. 1r, 478; 2r, 484, 511; ref to com, 511; rep without amdt, 624; 3r, 624; message from Commons that bill passed without amdt, 1035; r.a., 1101
Income Tax Conventions S-6. 1r, 1648; 2r, 1672, 1697; 3r, 1705; message from Commons that bill passed without amdt, 1880; r.a., 2031
Marriage (prohibited degrees) S-2. 1r, 332; 2r, 394; ref to com, 395; rep with amdts, 1496, 1744; 3r, 1776, 2004, 2367;
Railways S-1 (pro forma). 1r, 8
Smoking Prohibition S-8. 1r, 2018; 2r, 2061, 2376, 2391, 2406, 2413, 2429; m in amdt, Speaker's ruling, 2495, 2510; ref to com, 2514

Board of Grain Commissioners
Termination of appointment of member, status of Chief Commissioner, 1950

Bonn Economic Summit 1985
See Economic Summit

Bonnell, Hon. M. Lorne
Agriculture
Wheat, two-price system
Effect of price increase, qu, 2387
Potato industry
Government assistance, qu, 2037, 2095, 2130
Stabilization policy, qu, 2154, 2173
Banking
Canadian Commercial Bank, collapse, qu, 1230
Banking, Trade and Commerce Committee
Finance, restructuring of financial institutions, authority to study discussion paper, 1107
Cabinet
Conflict-of-interest guidelines, government policy, qu, 2387, 2389
Canada Post Corporation
Closing of post office at Springhill, Nova Scotia, qu, 2704
Canada-U.S. relations

Bonnell, Hon. M. Lorne—*Cont'd*
Canada-U.S. relations—*Cont'd*
Prime Minister and President of United States, meeting, agenda, qu, 2130
Employment
CN shops, Prince Edward Island, qu, 2570
Disparity in treatment of displaced employees, qu, 2585
Family Allowances, 1973 bill C-70, 1908
"Child and Elderly Benefits Consultation Paper", 1908
Child Tax Credit, 1910
Universality, 1908
Federal-Provincial Fiscal Arrangements, Federal Post-Secondary Education, Health Contributions, 1977 bill C-96, 2711
Second class citizens, 2711
Health
Communicable diseases, Canada's participation in world immunization program, qu, 2036
Indian Affairs and Northern Development
Frog Lake Indian Nation, self-government proposals, qu, 2652
Inman, Hon. Florence Elsie, the late, tribute, 2528
Internal Economy, Budgets and Administration Committee 30th report, 2404, 2420
National Film Board "The Kid Who Couldn't Miss", motion to refer back to committee, 2518
National Finance Committee
17th report, federal-provincial fiscal arrangements, subject matter of Bill C-96, 2659
Nuclear disaster
Ukraine, effects of radiation, government knowledge and action, qu, 2387
Old Age Security bill C-26, 1115
Parliament
Caucus rooms and members' offices, electronic eavesdropping, qu, 1925
Pension bill C-28, 539
Prisoners of war, 540
They Served - We Care recommendations, 539
Veterans exposed to radiation, 540
Prince Edward Island
Economy, government assistance, qu, 2304, 2328, 2412
Privacy
Reported giving of information re unemployed, qu, 2094, 2600
Regional Industrial Expansion
Minister, suggested appointment, qu, 2570
Senate
Business, 1676
Wallenberg, Raoul, resolution approving conferring of honorary Canadian citizenship, 1694
Question period, 2616
Delayed answers, 1400
Social Affairs, Science and Technology Committee
"Employment Opportunities: Preparing Canadians for a Better Future", authority to study consultation paper, 831, 879
Pension benefits standards, subject matter of Bill C-90, authority to study prior to receipt of legislation, 2501
Reports
2nd, old age security (Bill C-26), 1050
10th, authority to travel and to engage services to study report *They Served, We Care,* 2651
They Served - We Care, authority to review, 330
Standing Rules and Orders Committee
2nd report, invitation to provinces to appear before Senate committees, 956
Transport
CN Marine, increase in ferry rates, qu, 2094
CN Rail, Prince Edward Island equipment department staff reductions, qu, 2174

Bonnell, Hon. M. Lorne—*Cont'd*
Transport—*Cont'd*
CN shops, Moncton layoffs, qu, 2328
Northumberland Strait ferry, delay in commencement of 1986 season, qu, 2037, 2554
Prince Edward Island, proposed tunnel or causeway to mainland, qu, 2095
Task force report, elimination of Prince Edward Island ferry service, qu, 2174
Unemployment Insurance
Withdrawal of benefits of armed forces pensioners, qu, 2468

Borrowing authority (Bill C-11)
Borrowing authority already granted, 440
Deficit, 460
Economic policy, 461
Non-lapsing contingent, 460
Reserve, 440
Social programs, 461
Speakers: Senators
Doody, C. William, 439, 462
MacEachen, Allan J., 459

Borrowing Authority, 1984-85 (No. 2) bill C-11. 1r, 419; 2r, 439, 459; ref to com, 462; rep without amdt but with recommendation, 618; 3r, 618; r.a., 621

Borrowing authority (Bill C-51)
Budget, 1201
Deficit, 1202
Interest rates, 1207
Tax burden, 1201
Unemployment, 1203
Speakers: Senators
Doody, C. William, 1199
Gigantès, Philippe Deane, 1207
MacEachen, Allan J., 1200
Roblin, Duff, 1205

Borrowing Authority, 1985-86 (No. 2) bill C-51. 1r, 1199; 2r, 1199; 3r, 1208; r.a., 1217

Borrowing Authority, 1986-87 (Bill C-99)
Budgetary deficits, 2309, 2313
Dollar value, 2311, 2314
Progress, 2313
Tax increases, 2310, 2313
$2 billion non-lapsing reserve, 2290, 2316
Speakers : Senators
Doody, C. William, 2289, 2316
MacEachen, Allan J., 2309
Roblin, Duff, 2312

Borrowing Authority, 1986-87 bill C-99. 1r, 2261; 2r, 2289, 2309; ref to com, 2317; rep without amdt, 2327; 3r, 2349; r.a., 2361

Bosa, Hon. Peter
Banking
Canadian Commercial Bank
Committee study, request for answers, 1377
Budget, proposals, 2298
Medical extra-billing practices, 2298
Universality, 2298
Cabinet
Leader of the Government in the Senate, responsibilities, 42

Bosa, Hon. Peter—*Cont'd*
Canada-Italy International Social Security Agreement
Pension applications, 2246
Canada's International Relations, Special Joint Committee
1st report , Bilateral trade with the United States and Canada's participation in research on Strategic Defense Initiative (interim), 1661
International tensions, 1662
"Prisoner's dilemma" theory, 1662
United Nations, 1661
Communications
Museum of Man, change of name, qu, 1973, 2103
Concentration camps, qu, 2100
Currency bill C-118, 2654, 2670
$1 coin, 2671
Economy
Wage and price controls, qu, 377
Education
Toronto school, change of name, qu, 1288
Energy
Oil pricing, qu, 2051
Federal-provincial relations
Establishment of cross-party caucus committees, qu, 2790
Foreign affairs
Middle East, Gulf of Sidra, United States-Libya conflict, safety of Canadian nationals, qu, 2221
Re-establishment of diplomatic relations with Iran, qu, 2068
Foreign Affairs Committee
International financial system and institutions, Canada's participation
Motion to authorize Foreign Affairs Committee to adjourn to Toronto, New York and Washington D.C. to study, 2236
Health, ill effects of smoking, 462, 474, 1935, 1981
Advertising and sales promotion of cigarettes, 475
Cost of smoking to employer and taxpayer, 475
Recommendations for implementation on Parliament Hill, 475
Requests to Prime Minister and Treasury Board re non-smoking areas, 1981
Second-hand smoke, 375
"Tips to help smokers butt-out", Ann Landers, quote, 1982
House of Commons
Alleged remarks by Conservative M.P., qu, 2112
Government attitude, qu, 2133
Disparaging remarks by Conservative M.P., qu, 2308
Human rights
Meeting of experts, participation by Canadian parliamentarians, qu, 868
Immigration
Entry of Soviet Jews, government action, qu, 2470
Proposed reduction in quotas, qu, 78
Qualifications for entry, qu, 97
Immigration, 1976 bill C-55, 2105, 2122, 2137, 2185
Case backlog, 2105
Immigration Appeal Board, 2106
Immigration policy, 2106
Multiculturalism, 2106, 2138
Refugee-status determination system, 2106
Temporary measures, 2138
Industry
Cornwall, establishment of American plant, qu, 523, 524, 530, 712
International terrorism
Seizure of Italian cruise ship, request for information, qu, 1355, 1363
Inter-Parliamentary Union, Seventy-Fifth Conference, Mexico City, 2479

Bosa, Hon. Peter—*Cont'd*
Inter-Parliamentary Union, Seventy-Fourth Annual Conference, 1106, 1184, 1529
Africa and other world problems, 1529
Disarmament, 1530
Drug traffic and youth, 1530
History of union, 1184
Inter-Parliamentary Union, Seventy-Fourth Annual Conference, Ottawa and Spring Conference, Lomé, Togo, 1480
Inter-Parliamentary Union, Seventy-Fifth Conference, Mexico City, 2445
Inter-Parliamentary Union, Sixth Conference on European Co-operation and Security at Bonn, West Germany, 2665, 2774
June 24 celebrations
Saint-Jean-Baptiste Day, anniversary of landing of Giovanni Caboto, qu, 1092
Libya
Reported incidents in Tripoli, qu, 2281
McBride, Captain Ronald G.
Unveiling of memorial sculpture and visit of industrial mission from Fruili, Italy, 1649, 1700
History, 1701
Metric conversion
Government policy, qu, 1407
Mexico
Earthquake disaster, government action, qu, 1268
Multiculturalism
Federal-provincial conference, request for observer status for interested parties, qu, 873
Parliamentary secretaries
Suggested appointment of senators, qu, 841, 1224, 2789
Parole and Penitentiary bill C-67, 22813
Pioneer Trust Payment Continuation bill C-50, 861
Reform of the Senate
Commons resolution, consideration by joint committee, qu, 867
Parliamentary secretaries, suggested appointment of senators, qu, 1233
Representation, 1985 bill C-74, 1797
Restaurant of Parliament
Provision of services, qu, 321
Rules of the Senate
Rule 20, oral questions, suggested amendment, qu, 61, 81
Senate
Foreign Affairs Committee, meeting, qu, 2069
Question Period
Request for answers, 382, 2089
Retirement of members, statistics, 450
Smoking Prohibition bill S-8, 2376
Social Affairs, Science and Technology Committee
7th report, Immigration bill C-55, rep without amdt, 2122
World Cup soccer
Congratulations to television sponsor and networks, qu, 2679

Bosley, Hon. John
Appointment to office of Speaker of the House of Commons, 3
Response to address to both houses of His Excellency Yasuhiro Nakasone, Prime Minister of Japan, 1848

Bretton Woods Agreements
Bonn Economic Summit, 914
International Development Association, 902, 914
International Finance Corporation, participation of Canada, 902, 915
Payments, 903
United States, 915
World Bank, 901, 913

Bretton Woods Agreements—*Cont'd*
Speakers: Senators
Flynn, Jacques, 901, 916
MacEachen, Allan J., 913

Bretton Woods Agreements bill C-30. 1r, 881; 2r, 901, 913; 3r, 927; r.a., 928

Broadcasting
Caplan task force report, 2504, 2586
Task force, qualifications of co-chairman, 942
Threatened jamming of U.S. radio station by Cuba, possible interference with radio station CFRB, Toronto, 945, 1023

Buckwold, Hon. Sidney L.
Agriculture
Grain, plight of producers, deficiency payments and two-price system for wheat, government policy, qu, 2285
Sugar-beet industry crisis, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1886
Western Canada, drought conditions
Government action, 1224
Government assistance programs, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1462
The Western Producer, 1615
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1615
Douglas, Hon. T.C., P.C., the late, tribute, 2081
Foreign affairs
Zimbabwe, status of white farmers, qu, 507
International trade
Exportation of grain to People's Republic of China, qu, 78, 242
Pioneer Trust Payment Continuation bill C-50, 859
Reform of the Senate, 634
Senate
Question Period
Request for answers, 303
Youth
Katimavik program, cancellation, announcement of new program, qu, 2202

Budget
Agriculture, impact of cuts, 1134
Atlantic provinces, impact of measures, 986, 1020
Date of presentation, 494, 509, 637, 677
De-indexation of pension benefits
Government position, 1013, 1021
Government statement, 1169
Request for reply to petitions, 1037
Farm Credit loan provision, impact on farmers, 2086
Impact of measures, 1016
Impact on employment, 932
Impact on firefighting personnel at airports, 2112, 2223
Minister of External Affairs, statement, government position, 781
Oil pricing, loss of revenue, 2112, 2222
Preparation
Alleged negotiations between government and Independent Petroleum Association of Canada, 446
Use of consultants, 447, 635, 1090
Proposed business transfer tax, 2112
Request for briefing, 925
Tax incentive for investment in Cape Breton, 951
Tax increases, government policy, 929

Budget—*Cont'd*
Timing of implementation of budgetary provisions, 1020
Version of budget paper sent to Canadian embassies, 2149, 2272
See National Finance Committee

Budget, impact on senior citizens, 965, 991, 1051, 1079, 1244
Point of order, 991
Speaker's ruling, 1051
Speakers: Senators
Frith, Royce, 1079, 1244
Roblin, Duff, 1081

Budget, proposals, 2140, 2371
Canadian Rural Transition Program, 2373
Commodiity-based loan program, 2372
Commodity exchanges, 2141
Downstream/upstream revenue, 2142
Energy deregulation, 2141
Energy sector considerations, 2373
Farm financing and debt servicing, 2141
Farm sector priority, 2373
Impact of deficits, 2144
Medical extra-billing practices, 2298
National sugar policy, 2140
New oil reference price, 2142
Nielsen report, 2143
Petro-Canada lay-offs, 2143
Public debt, 2144
Options for deficit reduction, 2145
Universality of social programs, 2145, 2298
Speakers: Senators
Balfour, R. James, 2371
Bosa, Peter, 2298
Everett, Douglas D., 2143
Olson, H.A., 2140

Budget Speech
Accommodation for senators in Senate gallery of House of Commons, 924, 2065

Cabinet
Access to information, 113
Conflict-of-interest guidelines, government policy, 2384, 2387, 2388, 2405
Senator's arm's length relationship, 2386
Leader of the Government in the Senate, responsibilities, 28, 41, 213

Cabinet, access to information, 220, 254, 268, 287, 306, 1411
Employment, 269
Journalists, 269
Public servants, 269
Real disposable income per capita, 269
Speakers: Senators
Davey, Keith, 254, 1411
Gigantès, Philippe Deane, 268
Phillips, Orville H., 287
Steuart, D.G., 306

Canada Council
Effect of budget reductions, 46

Canada Deposit Insurance Corporation
Board of directors, 2556, 2573, 2587
Increasing fees, 2573, 2588
Losses of failed western banks, 2587

Canada Deposit Insurance Corporation—*Cont'd*
Retroactivity, 2574, 2587
Speakers : Senators
Flynn, Jacques, 2556, 2587
Godfrey, John M., 2573

Canada Deposit Insurance Corporation bill C-86. 1r, 2529; 2r, 2556, 2573, 2587; 3r, 2601; r.a., 2623

Canada Development Corporation
Sale of shares, government policy, 945, 975

Canada Development Corporation reorganization
Adversary system, 1659
Definition of "associate" loophole, 1565, 1741, 1742
Equity consolidation, 1742
Rights issue, 1544
Transitional measures, 1545
Speakers: Speakers
Godfrey, John M., 1565, 1741
Kelly, William M., 1543, 1659, 1741
Sinclair, Ian, 1657, 1742
Stewart, John, B., 1742

Canada Development Corporation Reorganization bill C-66. 1r, 1496; 2r, 1543, 1565, 1657; ref to com, 1660; rep without amdt but with recommendations, 1713; 3r, 1741; r.a., 1830

Canada-Europe Parliamentary Association
Meeting in Italy, 2363, 2479
See appendix p. 2486

Canada-Greece relations, 1714, 1787
Good relations at risk, 1787

Canada-Italy International Social Security Agreement
Pension applications, 2246

Canada Pension Plan, Federal Court
Children's benefits, 2729
Disability benefits, 2729
Harmonization with Quebec Pension Plan, 2730
Increased contribution rates, 2729
Survivor benefits, 2729
Speakers: Senators
Frith, Royce, 2730
Tremblay, Arthur, 2729

Canada Pension Plan, Federal Court bill C-116. 1r, 2697; 2r, 2729; 3r, 2770; r.a., 2783

Canada Post Corporation
Board members, replacement, 2569
Closing of post office at Forget, Saskatchewan, 2584
Closing of post office at Springhill, Nova Scotia, 2704
Door-to-door delivery service, limited cancellation, 831, 937
Prospective strike, government policy, 530

Canada-United States Inter-Parliamentary Group, Twenty-fifth Meeting, Puerto Rico, 113, 225, 2275
Energy, defence and multilateral questions, 226
Environmental and multilateral issues, 227
Trade and economic questions, 226
See appendix p. 132

Canada-United States Inter-Parliamentary Group, Twenty-fifth Meeting, Puerto—*Cont'd*
Speaker: Senator
Stanbury, Richard J., 225

Canada-United States Inter-Parliamentary Group, Twenty-seventh Meeting, at Tucson, Arizona, 2616, 2676
See appendix p. 2625

Canada-United States Inter-Parliamentary Group, Twenty-sixth Meeting, Niagara-on-the-Lake, Ontario, 929, 1327, 1358
Economic and trade questions, 1359
Energy, defense and multilateral questions, 1360
Fisheries, environment and multilateral issues, 1360
See appendix p. 1332
Speaker: Senator
Stanbury, Richard J., 1358

Canada-United States relations, 31
American countervail on Atlantic groundfish, government attitude, 1853
Bank of Nova Scotia, appeal to Supreme Court of United States, 478, 504
Bilateral trade negotiations, 1388, 1392, 1399, 1431, 1521
Agricultural products, 1309
Marketing boards, 2207
Agriculture, consultations with Canadian producers, 2364, 2472
Benefits accruing to other trading partners, 2464, 2495
Canadian publishing and Canadian magazines, 2769
Canadian use of lobbyist, 2304
Canadian testimony before congressional committee or special prosecutor, government policy, 2426, 2537
Government position, 2383
Cultural industries, 1651
Effect on Canadian lumber industry, 1853
Export of fresh water, 1851
Statement by government leader, 1864
Fisheries, imposition of U.S. tariff, government attitude, 2386
Government policy, 1236, 1535, 1538, 2265, 2328, 2342
Individual negotiators for specialized areas, 2668
Items for negotiation, 1352, 2665
Items not for negotiation, 1353
Participation of provinces, 1552, 1557
Statement by Premier of Ontario, 2045, 2222
Position of United States, 2303
Remuneration of Canadian negotiator, 1852
Request for amplification of delayed answer, 2505
Role of lobbyist, 2268
Position of United States, 2472
United States Ambassador's comments, 1308, 1310
United States countervailing duties, government action, 2467
United States undertakings, government position, 2282
User fees on Great Lakes, 1517, 1718
Canadian advertising in United States media, 651
Canadian content rules, effect on U.S. trade into Canada, 2503
Canadian hog export embargo, 953
Canadian hog production, United States import duty, 738, 971
Canadian potatoes, United States import duty, 727, 740, 973
Cultural heritage and national identity, government policy, 2769
Extraterritorial jurisdiction, 648
Fish, alleged subsidization of Canadian exports, 1063
Free trade
Impact on auto pact, availability of report to Province of Ontario, 2493
Free trade arrangement, impact on employment in Canada, 1518
Garrison Dam project, 46, 82, 102, 214, 497, 795

Canada-United States relations—*Cont'd*
Garrison Dam project,—*Cont'd*
Diversion unit legislation enactment, 2448, 2555
United States study of bill, 2342
Georges Bank, World Court judgment, 298
Government policy, 81, 243
Investment restrictions, 650
Japanese automobile plant, effect of establishment in Canada, 2493
Kidnapping of Canadian citizen by bounty hunters from United States, 529
Northern waters, sovereignty, 1092
Prime Minister and President of United States, meeting
Acid rain, government objectives, 2160
Scope of agreement, 2197
Status of agreement, 2382, 2472
Agenda, 2130, 2151
Oil import tax, agenda item, 2174
Status of document, 2155, 2272
U.S. agriculture policy as agenda item, 2207, 2273, 2389
Request for answer, 2365
Prime Minister's speech in Chicago
"Cultural sovereignty", definition, 1656
"Joint tenancy" and "constructive internationalism", definition, 1655
Summit meeting in Quebec City
Absence of Governor General, 657, 669, 671, 674, 677, 814, 1174, 2494
Agenda, 648
Availability of background information, 762
Declaration on international security, 674, 814, 833, 937
Effect on employment in Atlantic provinces, 678, 1023
Invitations to gala performance, request for answer, 2221
Newspaper article, 652
Press release, 652
Request for texts of agreements, 673
Trade
Commitment to halt protectionism, 2700
Imposition of tariff on publications and computer parts, 2536, 2545, 2546
Imposition of U.S. tariffs and Canadian tariffs, mitigation of harmful effects, government policy and programs, 2542, 2560, 2562, 2566 2572, 2582, 2702
Imposition of U.S. tariff on Canadian shakes and shingles, 2489
Compensation, 2502
Compensation for workers in industry, 2547
Imposition of U.S. tariff on Canadian shakes, shingles and steel products, mitigation of harmful effects, government policy and programs, 2530
New approaches, government policy, 62, 242, 259
Policy, 648
Tariff discussions, request for information, 2542, 2702
Trans-border pollution problems, 608, 669, 1951, 2050, 2102, 2156
Mandate of special envoys, 671
U.S. weapons testing in Canada, cruise missile mishap, 1868, 1869, 1871, 2039

Canada-United States relations, free trade, 1362

Canadair , 253
Government policy, 336, 432
See National Finance Committee

Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1573, 1578
Advertising, 1624

Canada's cultural industries—*Cont'd*
Crisis in publishing industry, motion to adjourn under rule 46(g) to consider—*Cont'd*
"Battle of the book", 1592
Bilingualism, 1629
Books, movies, broadcasting, culture or economics, 1590
Broadcasting, 1604
Canadian Authors' Association, 1609
Canadian film industry, 1618, 1643
Canadian football, 1624
Canadian identity, 1635
Canadian subsidiaries of American agencies, 1625
Canadian talent, 1638
Copyrights, 1625
Cost of being Canadian, 1635
Cultural identity, 1635
Cultural sovereignty, 1620
Culture, definition, 1604
Freedom to be different, 1640
Gulf and Western's acquisition of Canadian companies, 1595
Investment Canada Act, 1594
Involvement of children and schools in cultural development, 1631
Literary and intellectual heritage, 1594
Motion withdrawn, 1645
Nine questions, 1621
Patriation policy, 1596
Penetration of Canadian markets by U.S. cultural industries, 1619
Saskatchewan culture, 1613
Symbols and values, nation's survival, 1641
The Western Producer, 1615, 1617
Time magazine, 1623
Trade negotiations, 1610
Written word, important measure of values, 1583
Speakers: Senators
Argue, Hazen, 1616
Barootes, Efstathios, 1612
Bielish, Martha P., 1630
Buckwold, Stanley L., 1615
Davey, Keith, 1620
David, Paul, 1615
De Bané, Pierre, 1642
Doyle, Richard J., 1608
Flynn, Jacques, 1574, 1578
Frith, Royce, 1574, 1578
Gigantès, Philippe Deane, 1628
Grafstein, Jerahmiel S., 1573, 1578, 1645
Haidasz, Stanley, 1644
Hays, Dan, 1604
Hébert, Jacques, 1590
Lapointe, Renaude, 1639
Le Moyne, Jean, 1632
MacDonald, Finlay, 1627
MacEachen Allan J., 1610
Macquarrie, Heath, 1601
Marsden, Lorna, 1641
Murray, Lowell, 1575
Robertson, Brenda M., 1619
Roblin, Duff, 1574, 1587
Simard, Jean-Maurice, 1635
Turner, Charles, 1637

Canada's International Relations, Special Joint Committee
Appointment
Message from House of Commons, 1010, 2488, 2670
Message to House of Commons, 1155, 1183

Canada's International Relations, Special Joint Committee—*Cont'd*
Appointment—*Cont'd*
Senate membership, 1183
Reports
1st, bilateral trade with United States and Canada's participation in research on Strategic Defense Initiative (interim), 1221, 1316, 1395, 1508, 1568, 1661, 2670
Canada's role, 1510
East-West relations, 1509
International tensions, 1662
"Prisoner's dilemma" theory, 1662
United Nations, 1661
Final, "Independence and Internationalism", 2697

Canadian Arsenals Limited divestiture authorization
Consolidated Revenue Fund, 2405
Export of armaments, 2396
Progress of transaction, 2394
Reciprocal Pension Transfer Agreement, 2395, 2397
Speakers : Senators
Hicks, Henry D., 2396, 2405
Kelly William M., 2394, 2405

Canadian Arsenals Limited Divestiture Authorization bill C-87. 1r, 2362; 2r, 2394; 3r, 2405; r.a., 2410

Canadian Broadcasting Corporation
Cutbacks in service, 100
Effect of budget reductions, 46, 1479
Funding, government policy, 318
Independence, government policy, 99, 318
International service, possible cancellation, 194, 427
Mandate, parliamentary committee study, 318, 322
Rumoured sale, 299
Staff reductions, 944

Canadian Commercial Bank
See Banking

Canadian Commercial Bank financial assistance
Confidence in financial institutions, 745
Depositors, 744
Government's responsibility, 745
Impact of failure on depositors and shareholders, 747
Inspector General of Banks, 747
Shareholders, 744
Stability of Canadian financial institutions, 747
Speakers: Senators
Frith, Royce, 745
Godfrey, John M., 751
MacEachen, Allan J., 747
Roblin, Duff, 743
Turner, Charles, 754
also
McDougall, Hon. Barbara Jean, Minister of State (Finance), 747

Canadian Commercial Bank Financial Assistance bill C-37. 1r, 743; 2r, 743; ref to Committee of the Whole, 747; considered in Committee of the Whole, Hon. Heath Macquarrie in the Chair, Hon. Barbara Jean McDougall, Minister of State (Finance) taking part in the debate, 747; rep without amdt, 755; 3r, 756; r.a., 756

Canadian Institute for International Peace and Security
Canadian information, 1303
Designation of the institute in French, 1261
East-West relations, 1303
International members of the board, 1304
Strategic Defense Initiative, 1304
Speakers: Senators
MacEachen, Allan J., 1302
Macquarrie, Heath, 1260, 1305, 1313, 1327
Roblin, Duff, 1305

Canadian Institute for International Peace and Security bill C-69. 1r, 1220; 2r, 1260, 1302; 3r, 1313, 1327, 1363; r.a., 1414

Canadian internationalism, 246

Canadian National Railways
Board of directors
Replacement of chairman, 779
Replacement of members, 812, 833, 2023

Canadian Patent No. 855, 255
Canadian Oxygen Limited and BOC Inc., 938, 955
Forane, 938, 955
Speakers: Senators
Langlois, Léopold, 955
Nurgitz, Nathan, 938

Canadian Patent No. 855, 255 bill S-4. 1r, 921; 2r, 938, 955; ref to com, 956; rep without amdt, 964; 3r, 1024

Canadian Pension Commission, Pension Review Board
Replacement of Wing Commander MacKenzie, DFC, 1066, 1174
Vacancies, 807

Canadian Wheat Board, 63
Alleged absence of minister from advisory committee meetings, 1172, 1238
Appointment of commissioner, 2173
Criticism contained in study team report to task force on program review, 2149
Dwarf wheat, marketing, 741
Mission to China, composition of delegation, 2585, 2669
Sprouted wheat, presentation of petitions for direct emergency open quota, 1405

Cape Breton
Labour relations, 2789
Provincial status, 2790

Cape Breton Development Corporation
Board of directors, appointment, 1235
President, appointment, 725, 726, 1023
Prompt delivery of copies of tabled reports to senators' offices, 2159

Censorship, nature and danger, 1322, 1368
Canadian Broadcasting Corporation, 1369
Mill, John Stuart, quotes, 1368
National Film Board, 1369
Speaker: Senator
Gigantès, Philippe Deane, 1368

Census 1986, 93

Charbonneau, Hon. Guy, Speaker of the Senate
Appointment, 1
Banking, Trade and Commerce Committee
Proceedings, televising, ruling, 1467
Berntson, Hon. Eric, Deputy Premier of the Province of Saskatchewan, visit, 416
Budget, impact on senior citizens, ruling, 1051
Canada's International Relations Committee
1st report, bilateral trade with United States and Canada's participation in research on Strategic Defense Initiative (interim), 1221
Gentleman Usher of the Black Rod
Jalbert, René M., Esq., appointment, 1220
Hungary
Nagy, His Excellency Lajos, Ambassador, visit, 2581
Indonesia
Djalal, His Excellency Hasjim, Ambassador, visit, 1430
Industry
Canadian Porcelain Company, offer to purchase by employee cooperative, government attitude, 990
Information Commissioner, special report tabled, 2083
Internal Economy, Budgets and Administration Committee
Reports
1st, "Soil at Risk", printing of additional copies, 419
19th, tabled, 1534
20th and 21st, tabled, 1735
22nd, 23rd and 24th, tabled, 1999
24th (revised), tabled, 2032
25th, tabled, 2160
26th and 27th, tabled, 2302
31st to 40th, tabled, 2559
Schedule of salary revisions tabled, 2093
Official Languages
Report of commissioner, year ending Mar. 31/86, tabled, 2614
Official Languages, Policy and Programs
Estimates 1986-87, P.C. vote 15, message from Commons, 2083
Parliament
Estimates, 1986-87, Parliament vote 10, message from Commons, 2083
Standing joint committees
Message from Commons, 2082
Propriety of Commons referrals, 2195
Speaker's statement, 2223
Parliamentary Employment and Staff Relations bill C-45, 2696
People's Republic of China, delegation, visit, 1220
Republic of Rwanda, representatives, visit, 2559
Senate
Clerks at the Table, 47
Clerk Assistant, issuance of commission to Richard G. Greene, 2362
Hébert, Senator Jacques, hunger strike, statement, 2245
Minutes of Proceedings, recording of points of order, 1967
Official report, 1648
Prayer at commencement of sittings, 27
Property Qualification of Senators, renewal, 303
Reception for new senators, 434, 695
Smoking Prohibition bill S-8, motion in amendment, ruling, 2495
Social Affairs, Science and Technology Committee
National Film Board, "The Kid Who Couldn't Miss", authority to examine, 1249
Standing Joint Committees
Appointment of Commons members, 2195

Charbonneau, Hon. Guy, Speaker of the Senate—*Cont'd*
Youth, Special Senate Committee
2nd report, "Youth: A Plan of Action", point of order, 2338
Ruling, 2342

Chernenko, Konstantin, the late, President of U.S.S.R., 622
Government representation at funeral, 677

Child and Elderly Benefits consultation paper
See Social Affairs, Science and Technology Committee

China, Peoples' Republic of, delegation visit, 1220

Christmas, bureaucratic and political comments, 296, 405, 440

Christmas greetings, 415, 1831

Citizenship
Increase in fees, 98

Clerk's Accounts
Statement tabled pursuant to rule 112 and ref to com, 951, 2501

Cogger, Hon. Michel (Introduced in the Senate May 14/86), 2463
Parole and Penitentiary bill C-67, motion in amendment, 2830

Commercial arbitration
Speakers : Senators
Frith, Royce, 2451
Phillips, Orville H., 2451

Commercial Arbitration bill C-108. 1r, 2444; 2r, 2451; 3r, 2462; r.a., 2623

Committee of Selection
See Selection Committee

Committee of the Whole
Canadian Commercial Bank Financial Assistance bill C-37, Hon. Heath Macquarrie in the Chair, Hon. Barbara Jean McDougall, Minister of State (Finance) taking part in the debate, 747
Customs Tariff bill C-38, Hon. Heath Macquarrie in the Chair, 773
Farm Debt Review bill C-117. Hon. Rhéal Bélisle in the Chair, Hon. John Wise, Minister of Agriculture taking part in the debate, 2750
Parole and Penitentiary bill C-67, Hon. Rhéal Bélisle in the Chair, Hon, James Kelleher, Solicitor General taking part in the debate, 2802
Parole and related Statutes bill C-68, Hon. Rhéal Bélisle in the Chair, 2822

Committees of the Senate
Authority to meet during Senate adjournment, 419

Committees, Special, Joint
Canada's International Relations

Committees, Special, Senate
National Defence
Youth

Committees, Standing, Joint
Library of Parliament
Official Languages (from Feb.24/86)
Official Languages Policies and Programs (until Feb. 24/86)
Printing of Parliament
Regulations and other Statutory Instruments
Restaurant of Parliament

Committees, Standing, Senate
Agriculture, Fisheries and Forestry (until May 14/86)
Agriculture and Forestry (from May 14/86)
Banking, Trade and Commerce
Energy and Natural Resources
Fisheries (from May 14/86)
Foreign Affairs
Internal Economy, Budgets and Administration
Legal and Constitutional Affairs
National Finance
Selection
Social Affairs, Science and Technology
Standing Rules and Orders
Transport and Communications

Commonwealth of Australia
See Australia

Communications
Cairo conference, participation of Parliamentarians, 2286
Museum of Man, change of name, 1971, 1973, 2103

Competition tribunal
Abuse of market power, 2578
Bank and crown corporation mergers, 2579
Conspiracy, 2579
Membership, 2578
Mergers and impact on competition, 2578
Speakers: Senators
Frith, Royce, 2579
MacDonald, Finlay, 2577
Sinclair, Ian, 2580

Competition Tribunal bill C-91. 1r, 2565; 2r, 2577; ref to com, 2581; rep without amdt but with observations, 2614; 3r, 2617; r.a., 2623

Concentration camps, 2100

Condominium ordinance validation
Housing costs, 1394
Land Titles Act, 1394
Need for housing, 1394
Speakers: Senators
Lucier, Paul, 1408
Marshall, Jack, 1394

Condominium Ordinance Validation bill C-73. 1r, 1379; 2r, 1394, 1408; 3r, 1409; r.a., 1414

Constitution
First Ministers' Conference, aboriginal rights, Senate representation, 692, 743, 761
Quebec's opting out, government policy, 281

Consumer and Corporate Affairs
Combines and trust companies legislation, 1255
Patent Office closing, 954, 975
Sale of canned tuna unfit for human consumption
Alleged wrongdoing in inspection process, suggested prosecution, 1382
Labour union action at processing plant, 1382
Responsibility of processor's parent company, government policy, 1381
Sale as pet food, 1382, 1436
See Fisheries and Oceans
Trademark legislation, 479, 679, 771

Cook, Hon. Eric (Retired July 26/84)
Tributes, 22

Cools, Hon. Anne C.
Adams, Rt. Hon. John, the late, representation at funeral, 666
Address in reply to Speech from the Throne, 244
Canadian internationalism, 246
Capital punishment, 248
Social justice, 247

Co-operatives, 63

Corbin, Hon. Eymard G. (Introduced in the Senate Nov. 5/84), 1
Agricultural Stabilization bill C-25, 1197
Potato industry, 1197
Agriculture
Inspection fees, government policy, qu, 695
Marketing of potatoes, qu, 80, 242, 510, 537, 638
Potato industry
Re-establishment of commission of inquiry, qu, 1971
Stabilization or diversion program, qu, 1970, 2099
Stabilization policy, qu, 2154
Sugar-beet industry crisis, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1883
Banking, Trade and Commerce Committee
Proceedings, authority to televise, 1492
Canada-United States relations
Canadian potatoes, United States import duty, qu, 727, 740, 973
Meeting in Quebec City, absence of Governor General, qu, 677
Trade, imposition of U.S. and Canadian tariffs, mitigation of harmful effects, government policy and programs, 2567
Communications
Cairo conference, participation of Parliamentarians, qu, 2286
Environment
Soil conservation, qu, 104
Farm Debt Review bill C-117, 2737, 2749, 2753
"Atlantic Canada", 2761
Potato industry, 2754
Farm Products Marketing Agencies bill C-4, 219
Potato marketing in eastern Canada, 219
Federal-provincial fiscal arrangements
Equalization payments, qu, 210
Federal-Provincial Fiscal Arrangements, Federal Post-Secondary Education, Health Contributions, 1977 bill C-96, 2717, 2766
Impact on New Brunswick francophones, 2718
Financial Institutions Depositors Compensation bill C-79, 1817
Fisheries and Oceans
Future of Star-Kist plant, government policy, request for answer, 1870
Product inspection standards, qu, 1906, 1922
Sale of canned tuna unfit for human consumption

Corbin, Hon. Eymard G. —*Cont'd*
Fisheries and Oceans—*Cont'd*
Sale of canned tuna unfit for human consumption—*Cont'd*
Consumer confidence, future of Star-Kist plant, government policy, qu, 1297, 1435
Foreign affairs
Iran
Diplomatic relations, re-establishment, 1257, 1435
Expulsion of Iranian nationals from Inter-Parliamentary Union Conference, qu, 1311
Francophone Commonwealth
Establishment, possible government participation, qu, 337
Hatfield, Hon. Richard B.
Fifteenth anniversary of becoming Premier of New Brunswick, 1666, 1706, 1996
Division of communities, 1708
Room for improvement, 1708
Health, ill effects of smoking, 1935
House of Commons bill C-63, 1214
Human rights
Afghanistan and Iran, United Nations resolutions, Canada's position, qu, 1716 1739
Income Tax and related Statutes bill C-84
Availability of committee proceedings, 1955
Indian bill C-31, 1141
Justice for Indian women, 1141
Industry
New Brunswick, closure of Star-Kist plant, government action, qu, 1393
Request for answer, 1400
Internal Economy, Budgets and Administration
Estimates of the Senate for 1986-87, 1725
Inter-Parliamentary Union
Seventy-fourth Annual Conference, Ottawa and Spring Conference, Lomé, Togo, 1837
Actions of RCMP, 1838
Canada-Iran relations, 1840
Democratic rights and freedoms, 1839
National Resistance Council of Iran representatives, statement, 1837
Legal and Constitutional Affairs Committee
14th report, Representation, 1985 bill C-74, rep without amdt, 1863
Multiculturalism
Minister's communiqué, disparity between French and English versions, qu, 1377
National Film Board
Possibility of budget cuts in Ontario, qu, 525, 679
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to report, 585, 592
National Soil Conservation Week, 808
Erosion, 809
Official Languages Committee
Quorum, 463
Official report, point of order, 1793
Old age security
De-indexation of pensions, presentation of petitions, 1130
Parliament
Report of commission to review salaries of members of Parliament and senators, definition of "members of Parliament" and "salaries", 921
Parliament buildings
Centre block, removal of portraits of British Prime Ministers, 1527, 1934
Parliament Hill
"Fairyland of beauty and excitement", 1716

Corbin, Hon. Eymard G. —*Cont'd*
Parliamentary Employment and Staff Relations bill C-45, 2776, 2781
Parliamentary privileges and traditions, 2781
Parole and Penitentiary bill C-67, 2813
Point of order
Tabling of documents in Senate in bilingual form in compliance with Official Languages Act, 2565
Poverty
Secretary of State for External Affairs, reported statement on "elementary conditions", qu, 1716
Regional Industrial Expansion
Atlantic provinces, government assistance to industry, qu, 605, 814
Remembrance Day, 1485
Representation, 1985 bill C-74, 1781, 1797, 2052
Amalgam formula, 2055
American Review of Canadian Studies, R.K. Carty, quote, 2052
Courtney, Prof. John C., quote, 2054
Freeze on electoral map, 1798
Hnatyshyn formula, 1798
Lack of public testimony, 2053
Regional disparities, 2052
Royal Canadian Mounted Police bill C-65, point of order, 1984
Senate
Business, 1681
Wallenberg, Raoul, resolution approving conferring of honorary Canadian citizenship, question of privilege, 1693
Committees, authority to invite provincial representations, 621
Order paper question, request for answer, 1093
Privilege, 1741
Question Period
Distribution of delayed answers, 519
Request for answers, 638, 1176, 1792
Simard, Hon. Jean-Maurice, 1128
Social programs
Universality, government policy, qu, 407, 409
Standing Rules and Orders Committee
Audio recording and broadcasting proceedings of Senate committees, request to study, 653
Report
5th, Rules of the Senate, use of male and female gender, 1570
Transport
Atlantic provinces, freight rate increases, qu, 499, 680
VIA Rail, resumption of "Atlantic Limited" service, qu, 724
Unemployment, method of combatting, 701
UNESCO
General conference, Sofia, Bulgaria, composition of Canadian delegation, qu, 1375
Youth
Government policy, qu, 2162
Katimavik, cancellation of program, government policy, qu, 1942, 2131
Government knowledge of contents of Special Senate Committee report before tabling, qu, 2205
Youth Committee
2nd report, "Youth: A Plan of Action," 2620

Correctional service
Commissioner's office, increased cost of administration, 2284, 2389

Corrections, 2246
Correctional investigator, annual report, request for tabling, 2565
Daniel Hawe Report, motions Nos. 3, 4, 5 and 6, for production of service contracts and statement of expenditures, 2338, 2359, 2539

Corrections—*Cont'd*
Request for tabling of document, 2669, 2704, 2787

Corrections system, 68

Cottreau, Hon. Ernest G.
Address in reply to Speech from the Throne, 248
Democracy, 248

Criminal Code (lotteries)
Authority to operate sports pool betting, 1503
Definition of "lottery scheme", 1505
Legalized gambling, 1825
Manufacture and export of gaming equipment, 1505
Restrictions, 1505
Uncertainties in law, 1503
Speakers: Senators
Frith, Royce, 1825
Nurgitz, Nathan, 1503
Perrault, Raymond J., 1522

Criminal Code (lotteries) bill C-81. 1r, 1476; 2r, 1503, 1522; ref to com, 1525; rep without amdt but with recommendations, 1789; 3r, 1825; r.a., 1831

Criminal Code (pari-mutuel betting), 68, 248
Horse racing, 1355
Pari-mutuel betting, 1365
Race Tracks of Canada Incorporated, 1365
Speakers: Senators
Frith, Royce, 1365
Nurgitz, Nathan, 1355

Criminal Code (pari-mutuel betting) bill C-77. 1r, 1321; 2r, 1355, 1365; ref to com, 1366; rep with amdt, 1377; m in amdt, 1378; concurrence by Commons in Senate amdt, 1379; r.a., 1414

Criminal Code (prostitution)
Adverse consequences, 1561
Enhancement of pimp's control, 1565
Fraser report, 1539, 1562
Juvenile prostitution, 1539
Proposed provision a breach of rights under Charter, 1563
Prostitution not defined, 1562
Stop-gap action, 1563
Street soliciting, nuisance, 1539, 1563
Wide discretionary powers for police, 1562
Speakers: Senators
Flynn, Jacques, 1563
Frith, Royce, 1564
Hicks, Henry D. 1564
Lewis, P. Derek, 1561
MacDonald, Finlay, 1538

Criminal Code (prostitution) bill C-49. 1r, 1495; 2r, 1538, 1561; ref to com, 1565; rep without amdt but with recommendations, 1733; 3r, 1776; r.a., 1831

Criminal law, 1985
Air safety regulations, 820, 846
Appeal procedures, 818
Blood samples, 822
Computer offences, 819

Criminal law, 1985—*Cont'd*
Contempt of court provisions, 844
Drugs, 819, 846
Extraterritoriality, 844
Impaired driving, 821
Impounding of a vehicle used to commit an offence, 821
Indictments, 818
Information concerning searches, 819
Mandatory supervision, 844
Offences punishable on summary conviction, 821
Powers of judges and justices in the administration of justice, 818
Pre-hearing conferences, 818
Professional secrecy, 819
Protection for medical doctors, 846
Protection of individual rights, 818
Release on bail, 818
Restitution of seized goods, 819
Seizing profits from crime, 844
Seizure of vehicles, 846
Sentencing reform, 844
Telewarrants, 820, 844
War crimes and crimes against humanity, 845
See appendix p. 830
Speakers: Senators
Asselin, Martial, 817
Frith, Royce, 843
Nurgitz, Nathan, 846

Criminal Law, 1985 bill C-18. 1r, 804; 2r, 817, 843; ref to com, 847; rep without amdt, 990; 3r, 1024; r.a., 1100

Croll, Hon. David A.
Aging, justice for the elderly, 370, 976
Senate reform, 977
Benidickson, Hon. William M., the late, 417
Canada-United States relations
Bilateral trade negotiations, role of lobbyist, qu, 2268, 2472
Douglas, Hon. T.C., P.C., the late, tribute, 2078
Family Allowances, 1973 bill C-70, 1897
Guaranteed annual income, 1899
Universality, 1897
Grey Cup
Congratulations to Winnipeg Blue Bombers on winning Canadian professional football championship, 76
Health and Welfare
"Guaranteed Annual Income—born again", 1295
Health services, universality, government policy, qu, 374
Inman, Hon. Florence Elsie, the late, tribute, 2527
Poverty in Canada
Poverty Line Update, 1983, 73
Poverty Line Update, 1984, 1495
See appendix p. 1513
Reform of the Senate, qu, 625
Senate
Business
Orders of the Day, 1442
Televising of sittings, qu, 424
Sullivan, Hon. Joseph A., resignation, 624
Tribute, 1740

Crown Assets Disposal Corporation dissolution
Disposal of surplus goods, 797
Employees, 796
Legal proceedings related to obligations or liabilities, 796
Transfer of assets and liabilities, 798
Transfer of responsibilities, 807

Crown Assets Disposal Corporation dissolution—*Cont'd*
Speakers: Senators
De Bané, Pierre, 797
Flynn, Jacques, 795
Graham, B. Alasdair, 796

Crown Assets Disposal Corporation Dissolution bill C-43. 1r, 779; 2r, 795; 3r, 807; r.a., 927

Crown corporations, 88
Composition of boards of directors, 672
de Havilland Aircraft of Canada Limited and Canadair Limited, government policy, 336, 432
Disposal, 297
Petro-Canada, possible privatization, 1280
Qualifications of officials, 1737

Crown corporations dissolution authorization
Canadian National (West Indies) Steamships, Ltd., 1239
St. Anthony Fisheries Limited, 1239
Societa a responsibilita limitata Immobiliare San Sebastiano, 1240
Uranium Canada, Ltd., 1240
Speakers: Senators
Kelly, William M., 1239
Sinclair, Ian, 1259

Crown Corporations Dissolution Authorization bill C-60. 1r, 1220; 2r, 1239, 1259; 3r, 1269; r.a., 1414

Cultural heritage and national identity
Government policy, 1278, 1381, 1432, 2701, 2769

Cultural organizations
Relationship to government, 222

Currency (Bill C-21)
Calgary Winter Olympics, 457
Olympic Coins, 438, 457
Program to help smaller communities build facilities, 457
Speakers: Senators
Nurgitz, Nathan, 438, 458
Perrault, Raymond J., 456

Currency bill C-21. 1r, 418; 2r, 438, 456; 3r, 458; r.a., 617

Currency (Bill C-118)
$1 coin, 2653, 2671
Cost and composition, 2654
Weight, 2671
Speakers: Senators
Barootes, Efstathios William, 2653, 2671
Bosa, Peter, 2671

Currency bill C-118. 1r, 2617; 2r, 2653, 2670; 3r, 2681; r.a., 2783

Customs
Disparity in appeal period for department and tax payer, 1577
Expedited release of goods, 1507
Honour system for payment of duties, 1576
Increased scope for mail-openings, 1576
Post-release audit, 1507
Speakers: Senators
Balfour, R. James, 1506
Barrow, A. Irvine, 1576

Customs bill C-59. 1r, 1476; 2r, 1506, 1576; ref to com, 1577; rep with amdts, 1669, 1705; 3r, 1705; concurrence by Commons in Senate amdts, 1880; r.a., 2031

Customs and Customs Tariff
Civil aircraft trade, 267
General Agreement on Tariffs and Trade, 284
Liberalization of world trade, 285
"Made in Canada" items, 267
Ministerial prescription, 267
Valuation code, 266, 285
Speakers: Senators
Hays, Dan, 284
Murray, Lowell, 266, 285

Customs and Customs Tariff bill C-9. 1r, 236; 2r, 266, 284; ref to com, 286; rep without amdt, 332; 3r, 340; r.a., 403

Customs and Excise
Prime Minister's wife, alleged non-declaration of gifts, 2560

Customs and special import measures
Anti-Dumping Act, 816
Delegation of authority, 816
Speakers: Senators
Balfour, R. James, 815
Frith, Royce, 817
Godfrey, John M., 816

Customs and Special Import Measures bill C-40. 1r, 804; 2r, 815; 3r, 834; r.a., 928

Customs Tariff (Bill C-38)
Child pornography, 772
Criminal Code, 763, 774
Holding of material, 773
Importation of obscene material and hate propaganda, 762
Material of a treasonable or seditious character, 764, 775
Regulations and instructions for customs officers, 772
Speakers: Senators
Neiman, Joan, 771
Nurgitz, Nathan, 762, 772

Customs Tariff bill C-38. 1r, 757; 2r, 762, 771; ref to Committee of the Whole, 773; considered in Committee of the Whole, Hon. Heath Macquarrie in the Chair, 773; rep without amdt, 777; 3r, 777; r.a., 777

Customs Tariff (Bill C-71)
Goods made/not made in Canada, 1299
Motor vehicles, 1299
Speakers: Senators
Hicks, Henry D., 1329
Kelly, William M., 1299

Customs Tariff bill C-71. 1r, 1284; 2r, 1299, 1329; 3r, 1355; r.a., 1414

Customs tariff (Bill C-111)
Duty-free goods from Caribbean, 2726
Obsene material and hate propaganda, 2727
Semiconductor devices and computer parts, 2727
Tariff rate response to private sector needs, 2726
Speakers; Senators
Barrow, Irvine A., 2728

Customs tariff (Bill C-111)—*Cont'd*
Speakers; Senators—*Cont'd*
Simard, Jean-Maurice, 2726

Customs Tariff bill C-111. 1r, 2697; 2r, 2726; 3r, 2770; r.a., 2783

Dailly, Senator Etienne, Vice-President of Senate of Republic of France, visit, 1964

Davey, Hon. Keith
Address in reply to Speech from the Throne, 107
Air Canada
Board of directors, replacement of members, qu, 658, 660
Broadcasting
Caplan task force report, qu, 2504, 2586
Task force, qualifications of co-chairman, qu, 942
Cabinet, access to information, 254, 1411
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1620
Advertising, 1624
Canadian football, 1624
Canadian subsidiaries of American agencies, 1625
Copyrights, 1625
Cultural sovereignty, 1620
Nine questions, 1621
Time magazine, 1623
Canada-United States relations
Bilateral trade negotiations
Canadian use of lobbyist, qu, 2304
Government position, qu, 2383
Cultural industries, qu, 1651
Canadian advertising in United States media, qu, 651
Cultural heritage and national identity, 2769
Summit meeting in Quebec City, newspaper article, qu, 652
Trade
Imposition of tariff on publications and computer parts, qu, 2545
Imposition of U.S. tariffs and Canadian tariffs, mitigation of harmful effects, government policy and programs, qu, 2564
Cultural heritage and national identity
Government policy, qu, 1278, 1381, 1432, 2701, 2769
Employment and Immigration
Maclean's magazine, prospective hiring of non-Canadians, qu, 769
Environment
Public Environment Group, qu, 300, 319, 431
External Affairs
Overseas distribution of summary of *Globe and Mail* items, qu, 380, 501
Finance
Document entitled "John Turner as Minister of Finance: An Era of Economic Decline", qu, 262, 319, 429
Investment Canada bill C-15, 1067
Canada's cultural heritage and national identity, 1069
Canadian Football League, 1070
Film industry, 1070
Foreign investment, 1068
Foreign Investment Review Agency, 1068
Unemployment, 1068
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to report, 560, 600
Parliament
Caucus rooms, electronic eavesdropping, apology by Deputy Prime Minister, qu, 1941

Davey, Hon. Keith—*Cont'd*
Political appointments, 109
Prime Minister
Newspaper advertisement, qu, 769
Request for clarification of statements, qu, 197
Reform of the Senate
Election of members, statement of Minister of Justice, qu, 910
Senate
Doyle, Hon. Richard J., appointment, party affiliation, qu, 706
Senate, authority to broadcast proceedings, 867, 905
Cost, 906
Image, 905
Sport
Canadian Football League, future, qu, 469
Supply and Services
Poll, awarding of contract, qu, 1433, 1521, 1560, 1739, 2096
Toronto harbourfront
Public access, qu, 868, 1023
Universality of social programs, 108
United Nations
Food and Agriculture Organization, cancellation of appointment of Hon. Eugene Whelan, P.C., qu, 479, 636
University of Toronto
Mock parliament election results, qu, 479

David, Hon. Paul D. (Introduced in the Senate Apr. 25/85), 803
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1615
End of Decade Women's Conference, meeting held at Nairobi, Kenya, 1251, 1272
Discrimination faced by women, 1273
Objectives for the year 2000, 1273
Obstacles to peace, 1273
World economy, 1273
Official Languages Policy and Programs
Reports
1st, authority to adjourn from place to place in Canada, 942
4th, authority to adjourn from place to place in Canada, 1967
Rules of the Senate
Rule 77 (7), motion to amend to prohibit smoking at committee meetings, 2168
Youth Committee
2nd report, "Youth: A Plan of Action," 2590

Deaths
Beaubien, Hon. Louis-Philippe (Mar. 28/85), 731
Benidickson, Hon. William Moore, P.C. (Jan. 4/85), 416
Douglas, Hon. T.C., P.C., former leader of New Democratic Party (Feb. 24/86), 2078
Hollet, Hon. Malcolm Mercer, 1321
Inman, Hon. Florence Elsie (May 31/86), 2526
Malone, Richard Sankey, 1102
Missen, Senator Alan, of Commonwealth of Australia, 2326
Riley, Hon. Daniel A. (Sept. 13/84), 22
Yuzyk, Hon. Paul (July 9/86)

De Bané, Hon. Pierre, P.C. (Introduced in the Senate Nov. 5/84), 1
Agriculture, Fisheries and Forestry Committee
Fish marketing in Canada, authority to study, 491
Budget
Impact of measures, qu, 1017
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1642
Canadian film industry, 1643

De Bané, Hon. Pierre, P.C. —*Cont'd*
Constitution
Quebec's opting out, government policy, qu, 281
Crown Assets Disposal Corporation Dissolution bill C-43, 797
Disposal of surplus goods, 797
External Affairs
Overseas distribution of *Globe and Mail* items, qu, 381
Finance
Protection of bondholders against inflation, reported statement by minister, 970
Fisheries and Oceans
Sale of canned tuna unfit for human consumption, qu, 1230
Foreign affairs
Burkina-Faso, closing of Canadian diplomatic post, qu, 58, 301
Gift of war planes to Turkey, qu, 410
Lebanon, government aid, qu, 99, 264
Freshwater Fish Marketing bill C-5, 387
Public Service
Placement of former ministerial assistants, qu, 214, 224, 428
Regional Industrial Expansion
Government assistance to industry, United States intervention, 607
Saltfish bill C-6, 303
Senate
Business
Wallenberg, Raoul, resolution approving conferring of honorary Canadian citizenship, 1694
Prime Minister, comments, qu, 401
Victoria Building, senators' parking, qu, 1298

De Cuellar, His Excellency Javier Perez, Secretary-General, United Nations Organization
Address to members of both houses, 624
See appendix p. 640

Deficit, 30, 83, 110, 119, 251

de Havilland Aircraft of Canada Limited
Government policy, 336, 432
Possible negotiation of sale, government position, 813
Sale to Boeing Corporation, 1559, 1738, 1854
Burns Fry prospectus, 1854
Off-the-record private briefings, job security, 1715, 1855
Tabling of memorandum agreement, 1654
Use of de Havilland technology, 1715, 1854
See National Finance Committee

Democracy, 248

Denis, Hon. Azellus, P.C.
Criminal Code (prostitution) bill C-49, 1539
Customs Tariff bill C-38, 764
Farm Debt Review bill C-117, 2756
Bankruptcy Act, 2756
Timing, 2762
Fiftieth anniversary of election to Parliament, tributes, 1371
Financial Institutions Depositors Compensation bill C-79, 1817
Foreign investment
President of Treasury Board, reported statement, qu, 471, 679, 694
Investment Canada bill C-15, 1057
Parliament Hill
Cost of tourist reception tent, 1433
Landscaping east of Centre Block, qu, 909
Suggested relocation of tourist reception tent, qu, 946, 974

Denis, Hon. Azellus, P.C.—*Cont'd*
Senate
Prayer at commencement of sittings, qu, 46
"Senate Bulletin", qu, 1519

Department of the Environment
Research scientists, termination of employment, 214, 382

Deschatelets, Hon. Jean-Paul, P.C.
Tributes on resignation from the Senate, 1832

Dickson, Rt. Hon. Brian, Chief Justice of Canada
Royal Assent, 927, 1414, 2091, 2623

Diplomatic missions
Security, 652

Disarmament
Deployment of nuclear weapons, government policy, 472, 636
Space-based defensive weapons, government policy, 421, 424

Divorce and corollary relief and family orders and agreements enforcement assistance (bills C-46, C-47 and C-48)
Artificial insemination, embryo implantation, *in vitro* fertilization/, 1947
Barriers to remarriage, 1932
Custody and support orders, 1931
Grounds, 1931
Inadequate reconciliation provisions, 1946
Jurisdiction, 1930
Speakers: Senators
Bélisle, Rhéal, 1945
Nurgitz, Nathan, 1930

Divorce and Corollary Relief bill C-47. 1r, 1880; 2r, 1930, 1945, 1964; ref to com, 1965; rep without amdt, 1968; 3r, 1989; r.a., 2031

Divorce bill C-46. 1r, 1880; 2r, 1930, 1945, 1964; ref to com, 1965; rep without amdt, 1967; 3r, 1989; r.a., 2031

Documents tabled
See Journals of the Senate

Donahoe, Hon. Richard A. (Retired Sept. 27/84)
Tributes, 22

Doody, Hon. C. William, Deputy Leader of the Government
Address in reply to Speech from the Throne, 51
Agriculture
Agricultural products processors, availability of financial assistance, 1943
Potato industry
Re-establishment of commission of inquiry, 1971
Stabilization assistance, 1974
Stabilization or diversion program, 1971
Sugar-beet industry, government policy, 1905, 1923, 1943, 1974
Sugar-beet industry crisis, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1881
Western Canada, drought conditions, government action, 1223
Grain producers and beef producers, disparity in criteria for payments, 1942
Agriculture and Forestry Committee

Doody, Hon. C. William, —*Cont'd*
Agriculture and Forestry Committee—*Cont'd*
Farm debt review, subject matter of Bill C-117, authority to study prior to receipt of legislation, 2598
Agriculture, Fisheries and Forestry Committee
Agricultural stabilization, authority to examine subject matter of Bill C-25 prior to receipt of legislation, 966
Fisheries, authority to examine subject matter of Bill C-32 prior to receipt of legislation, 646
Prairie farm assistance and crop assistance, authority to examine subject matter of Bill C-41 prior to receipt of legislation, 966
"Soil at Risk", authority to print additional copies, 291
"Tax Issues in Agriculture", authority to study discussion paper, 618
Western grain transportation, authority to examine subject matter of Bill C-44 prior to receipt of legislation, 966
Appropriation No. 3, 1984-85 bill C-16, 312, 323
Appropriation No. 4, 1984-85 bill C-34, 715
Appropriation No. 1, 1985-86 bill C-35, 716
Appropriation No. 2, 1985-86 bill C-54, 1048, 1076, 1094
Post-secondary education, 1078
Urgency of passage, 1067, 1091
Appropriation No. 3, 1985-86 bill C-89, 1720, 1744, 1767
Appropriation No. 4, 1985-86 bill C-101, 2229, 2250
Appropriation No. 1, 1986-87 bill C-102, 2230, 2251
Appropriation No. 2, 1986-87 bill C-115, 2601, 2617
Request for information, answer, 2770
Banking
Canadian Commercial Bank and Northland Bank
Status of proposed joint committee, 1222
Banking, Trade and Commerce Committee
Aeronautics, authority to examine subject matter of Bill C-36 prior to receipt of legislation, 967
Authority to engage services, 481
Authority to meet during Senate sittings, 1274
Availability of proceedings, 1954
Canadian Arsenals Limited divestiture, authority to study subject matter of Bill C-87 prior to receipt of legislation, 2149
Customs tariff, authority to study subject matter of Bill C-111 prior to receipt of legislation, 2530
Finance, restructuring of financial institutions, authority to study discussion paper, 957, 1106
Interim report tabled, 1695
Income tax, authority to study subject matter of Bill C-84 prior to receipt of legislation, 1534
Investment in Canada, authority to study subject matter of Bill C-15 prior to receipt of legislation, 646
Report
13th, financial institutions depositors' compensation, rep on subject matter of Bill C-79, 1767
Tax rebate discounting, authority to study subject matter of Bill C-83 prior to receipt of legislation, 1534
Barbados, Hon. Billie Miller, Minister of Education, visit, 1948
Board of Grain Commissioners
Termination of appointment of member, status of Chief Commissioner, 1950
Borrowing Authority, 1984-85 (No. 2) bill C-11, 439, 462
Borrowing authority already granted, 440
Reserve, 440
Borrowing Authority, 1985-86 (No. 2) bill C-51, 1199
Borrowing Authority, 1986-87 bill C-99, 2289, 2316, 2349
$2 billion non-lapsing reserve, 2290, 2316
Budget
Date of presentation, 494
De-indexation of pension benefits, request for reply to petitions, 1037

Doody, Hon. C. William, —*Cont'd*
Canada Development Corporation Reorganization bill C-66, 1660
Canada-United States relations
Bank of Nova Scotia, appeal to Supreme Court of United States, 479
Trade, new approaches, government policy, 62
Trans-border pollution problems, 1952
Canada's International Relations Committee
Appointment
Message from House of Commons, 2670
Message to House of Commons, 1155, 2488
Senate membership, 1183
Canadian Institute for International Peace and Security bill C-69, 1364
Canadian Patent No. 855, 255 bill S-4, 1024
Christmas, bureaucratic and political comments, 405
Christmas greetings, 1831
Committees, select
Authority to meet during Senate adjournments, 419
Communications
Museum of Man, change of name, 1972, 1974
Consumer and Corporate Affairs
Trademark legislation, 480
Corrections
Daniel Hawe report, motions Nos. 3, 4, 5, and 6, for production of service contracts and statement of expenditures, 2339, 2359
Criminal Code (pari-mutuel betting) bill C-77, 1378
Criminal Code (prostitution) bill C-49, 1776
Crown Corporation Dissolution Authorization bill C-60, 1269
Currency bill C-118, 2681
Customs bill C-59, 1706
Customs Tariff bill C-38, 765
Customs Tariff bill C-111, 2770
Economy
Canadian dollar, decline in value, 1926, 1939
Government action, 1969, 1970
Market intervention, role of Governor of Bank of Canada, 1968
Request for statements of Chairman of Economic Council of Canada and Michael McCracken of Infometrica Ltd., 1970
Economic Council of Canada
Rumoured dissolution, 483
Employment and Immigration
Long-term Illegal Migrants Review Committee, possible investigation of conduct of chairman, 807
Employment Equity bill C-62
Motion re message to House of Commons, 2681
Energy
Oil pricing, government policy, 1924
Request for answers, 1904
Petroleum Incentive Program, reduction in grants, 59
Price of Canadian crude oil, 483
Energy and Natural Resources Committee
Canada-Newfoundland Atlantic Accord implementation, authority to study subject matter or Bill C-94 prior to receipt of legislation, 2559
Canada petroleum resources, authority to study subject matter of Bill C-92 prior to receipt of legislation, 2459
Oil substitution and conservation, authority to study subject matter of Bill C-24 prior to receipt of legislation, 966
Petroleum incentives program, authority to study subject matter of Bill C-85 prior to receipt of legislation, 2171
Estimates
Date of tabling, 494
External Affairs

Doody, Hon. C. William, —*Cont'd*
External Affairs—*Cont'd*
Ambassador to Ireland, appointment, alleged partisanship of appointee, 1940
Parking tickets, payment by Canadian diplomats abroad, 805
Family allowances
De-indexation, petitions against Bill C-70, number and disposition, 1923
Farm Debt Review bill C-117, 2737, 2749, 2765
Federal-Provincial Fiscal Arrangements, Federal Post-Secondary Education, Health Contributions, 1977 bill C-96, 2720, 2765
Federalism, 53
Finance
Suggested impropriety of minister, 807
Financial Institutions Depositors Compensation bill C-79, 1810, 1824
Fisheries and Oceans
Product inspection standards, 1906, 1922
Foreign affairs
Burkina-Faso, closing of Canadian diplomatic post, 57
India, detention of Canadian national, 56
Iran, persecution of Baha'is 480
Organization of American States, government policy, 60
Foreign Affairs Committee
International financial system and institutions, Canada's participation
Authority to adjourn to Toronto, New York and Washington, D.C. to study, 2254
Foreign Extraterritorial Measures bill C-14, 397
Draft Restatement of the Foreign Relations Law of the United States, 398
OECD, 397
Proposed Export Administration Act, 398
Gentleman Usher of the Black Rod
Jalbert, René M., Esq., appointment, 1220
Governor General's and Governor General's Retiring Annuity and Salaries and Judges bill C-78, 1649
Health and Welfare
Canada-Belgium social security agreement, delay in tabling, 483
Hollet, Hon. Malcolm Mercer, the late, 1321
Human rights
Japanese-Canadians, government apology and compensation, government policy, 1905
Meeting of experts, desirability of Senate participation, 639
Saskatchewan, passage of Bill 144 imposing settlement on government employees, 1973
Immigration
Entry of Soviet refugees, government policy, 58
Income Tax and related Statutes bill C-84
Availability of committee proceedings, 1954, 1975
Entry of Soviet refugees, government policy, 58
Income Tax bill C-109, 2573
Income Tax Conventions bill S-3, 478
Income Tax Conventions bill S-6, 1648, 1672, 1698, 1705
Capital gains, non-discrimination, pensions and double taxation relief, 1672
Rate of witholding tax on dividends, 1672
Uniformity, 1698
International terrorism
Motion for appointment of special Senate committee, 1887
Seizure of Egyptian aircraft, expression of outrage, expression of condolences, 1531
Investment Canada bill C-15, 1028
Branch plant, 1028
Economic development of Newfoundland, 1029
Foreign Investment Review Agency, 1028

Doody, Hon. C. William, —*Cont'd*
Japan
Nakasone, His Excellency Yasuhiro, Prime Minister, address to members of both houses, 1833
See appendix p. 1843
Judges bill C-61, 1212
Judges and related Acts bill C-128, 2739, 2768
June 24 celebrations
Saint-Jean-Baptiste Day, anniversary of landing of Giovanni Caboto, 1093
Justice
Canada Commission of Inquiry on War Criminals, cost and scope, 1921
Legal and Constitutional Affairs Committee
Authority to engage services, 1251
Authority to meet during sittings of the Senate, 1694, 1983
Canadian Charter of Rights and Freedoms, authority to examine subject matter of Bill C-27 prior to receipt of legislation, 966
Constitution 1867, electoral boundaries adjustment, authority to examine subject matter of Bill C-76 prior to receipt of legislation, 1516
Criminal Code, authority to examine subject matter of Bill C-18 prior to receipt of legislation, 646
Divorce and corollary relief, authority to examine subject matter of Bill C-47 prior to receipt of legislation, 982
Divorce, authority to examine subject matter of Bill C-46 prior to receipt of legislation, 982
Family orders enforcement assistance, authority to examine subject matter of Bill C-48 prior to receipt of legislation, 982
Indian Act, authority to examine subject matter of Bill C-31 prior to receipt of legislation, 646
Parole and penitentiary, authority to examine subject matter of Bill C-67 prior to receipt of legislation, 1714
Parole, penitentiary, prisons and reformatories, Criminal Code, authority to examine subject matter of Bill C-68 prior to receipt of legislation, 1714
Report
14th, Representation, 1985 bill C-74, rep without amdt, 1863
Young offenders, Criminal Code, penitentiary, prisons and reformatories, subject matter of Bill C-106, authority to study prior to receipt of legislation, 2617
Marriage (prohibited degrees) bill S-2, 1749, 2367
Meat Import Act
Tabling of reports, 1887
National Aeronautics and Space Administration of the United States
Space shuttle "Challenger" disaster, expression of condolences, 1880
National Defence Committee
2nd report, "Canada's Territorial Air Defence", 1059
National Finance Committee
Authority to engage services, 478
Authority to meet during sitting of the Senate, 2737
Borrowing authority, authority to examine subject matter of Bill C-51 prior to receipt of legislation, 965
Estimates ref to com
Year ending Mar. 31/85
Supplementary (B), 76
Supplementary (C), 625
Year ending Mar. 31/86, 612
Supplementary (A), 942
Supplementary (B), 1476
Supplementary (C), 2093
Year ending Mar, 31/87, 2084

Doody, Hon. C. William, —*Cont'd*
National Finance Committee—*Cont'd*
Excise Tax and Excise, authority to study subject matter of Bill C-80 prior to receipt of legislation, 1477
Federal-provincial fiscal arrangements, authority to study subject matter of Bill C-96 prior to receipt of legislation, 2381
Petroleum and gas revenue tax and income tax, authority to study subject matter of Bill C-82 prior to receipt of legislation, 1477
Post-secondary education and training, authority to study government activities, 1274
Reports
4th, estimates year ending Mar. 31/85, supplementary (C), 696
5th, estimates year ending Mar. 31/86, 1033
6th, estimates year ending Mar. 31/86, supplementary (A), 1004
10th, estimates year ending Mar, 31/86, supplementary (B), 1699
11th, petroleum and gas revenue tax and income tax, subject matter of Bill C-82, 1695
12th, Canada Development Corporation Reorganization bill C-66, rep without amdts but with observations and recommendations, 1713
14th, estimates year ending Mar. 31/86, supplementary (C), 2209
15th, Borrowing Authority 1986-87, rep without amdt, 2327
16th, estimates year ending Mar. 31/87, 2589
17th, Federal-provincial fiscal arrangements, subject matter of Bill C-96, 2565, 2604
18th, Federal-Provincial Fiscal Arrangements, Federal Post-Secondary Education, Health Contributions, 1977 bill C-96, rep without amdt but with comments, 2765
Supplementary fiscal equalization payments, authority to examine subject matter of Bill C-39 prior to receipt of legislation, 965
National Soil Conservation Week, 778, 810
Official languages
Commissioner of Official Languages, report, referred to committee, 2261
Official Languages Policy and Programs Committee
Authority to meet during sittings and adjournments of the Senate, 466
Estimates 1985-86
Privy Council Vote 15 referred, 621
Estimates 1986-87
Privy Council Vote 15 referred, 2224
Authority to examine, 2238
Quorum, 463
Report
1st, authority to adjourn from place to place in Canada, 1009, 1156
Report of Commissioner of Official Languages referred, 723
Parliament
Caucus rooms, electronic eavesdropping
Apology by Deputy Prime Minister, 1941
Prime Minister's reaction, 1926
Caucus rooms and members' offices, electronic eavesdropping, 1925
Parliamentary Employment and Staff Relations bill C-45, 2696, 2725, 2776, 2777
Parliamentary secretaries
Suggested appointment of senators, 1224
Parole and Penitentiary bill C-67, 2747, 2790, 2799, 2811, 2823, 2840
Point of order, 2830
Precedents for Commons non-concurrence with Senate amdt, 2840

Doody, Hon. C. William, —*Cont'd*
Parole and related Statutes bill C-68, 2749, 2801, 2824
Penitentiaries
Canada-Alberta agreement and memorandum of intent, request for tabling, 1927
Pension Benefits Standards bill C-90, 2772
Petroleum and Gas Revenue Tax and Income Tax bill C-82, 1912, 1929, 1943
PGRT phase-out, 1912
Pine Hill Divinity Hall bill S-7, 1733
Property Qualification of Senators
Supplementary return authorized, 396
Public Pensions Reporting bill C-255, 2104
Public Works
Cleaning services, possible layoff of employees, 1941
Quebec, 53
Register of senators' interests
Motion to refer to committee, 1666
Representation, 1985 bill C-74, 1780, 1907
Research and development, support and government policy, 31058
Capital gains exemption, 1058
Research Tax Credit Program, 1059
Restaurant of Parliament
Availability of French apples, 59
Rowe, Hon. Frederick W., "The Smallwood Era", felicitations on publication, 445
Royal Canadian Mounted Police bill C-65, 1984
Rules of the Senate
Rule 20, oral questions, suggested amendment, 61
Senate
Absence of Leader of the Government, 1221
Adjournment, 13, 113, 220, 228, 334, 404, 466, 519, 688, 959, 1012, 1100, 1217, 1371, 1398, 1403, 1413, 1478, 1492, 1534, 1649, 1704, 1831, 1864, 1920, 1968, 2111, 2149, 2197, 2259, 2302, 2342, 2521, 2530, 2560, 2599, 2665, 2704, 2769, 2833, 2856
Business, 383, 397, 398, 620, 646, 647, 951, 1050, 1136, 1194, 1370, 1404, 1516, 1719, 1793, 2254, 2700, 2768, 2838
Committee pre-study of bills, 965
Committees authorized to study subject matter of Bills C-27, C-41, C-44, C-24 and C-36, 999
Wallenberg, Raoul, resolution approving conferring of honorary Canadian citizenship, 1703
Committees, authority to invite provincial representations, 661, 697, 801
Easter greetings, 2259
Jurisdiction over services, 806
Leader of the Government, absence, 805
Legislative program, 482
Minutes of Proceedings
Recording of choosing of Acting Speaker, 1966
Recording of points of order, 1967
Official report, 1648
Question Period, 2616
Request for answers, 1951
Proceedings, authority to broadcast
Motion in amendment, 1875
Implications under present Rules of the Senate, 1876
Smoking Prohibition bill S-8, 2377, 2391
Social Affairs, Science and Technology Committee
Authority to engage services, 1703, 1711, 1730
Authority to meet during Senate sitting, 804
Canada Pension Plan and Federal Court, authority to study subject matter of Bill C-116 prior to receipt of legislation, 2598

Doody, Hon. C. William, —*Cont'd*
Social Affairs, Science and Technology Committee—*Cont'd*
Family Allowances, 1973, authority to study subject matter of Bill C-70 prior to receipt of legislation, 1516
Immigration, 1976, authority to study subject matter of Bill C-55 prior to receipt of legislation, 1106, 1516
Motion withdrawn, 1547
National Film Board, "The Kid Who Couldn't Miss", authority to examine, 1250, 1316
Old age security, authority to examine subject matter of Bill C-26 prior to receipt of legislation, 965
Pension benefits standards, authority to study subject matter of Bill C-90 prior to receipt of legislation, 2501
Report
10th, 2660
Sports Pool and Loto Canada Winding-up bill C-2, 1099
Standing Rules and Orders Committee
Budgetary process, authority to study documentation proposals for improvement, 1467
Register of senator's interests, notice of motion, 1552
Status of Women
Affirmative action legislation, government policy, 1950
Armed forces personnel, restriction of spouses activities, government policy, 1906
Broadcasting task force, remuneration of women members, 1225
Senior government appointments
Bird, Hon. Florence, 806
Franklin, Dr. Ursula, 806
Tax Rebate Discounting bill C-83, 1830
Transport
Railways, shortfall in CN and CP expenditures on expansion, 1973
Transport and Communications Committee
Bell Canada reorganization, authority to study subject matter of Bill C-19 prior to receipt of legislation, 2678
Canada shipping and related statutes, authority to study subject matter of Bill C-75 prior to receipt of legislation, 2149
Car rental outlets at airports, authority to study policy, 413
Northern Transportation Company Limited, authority to examine subject matter of Bill C-53 prior to receipt of legislation, 1089
Western grain transportation, authority to examine subject matter of Bill C-44 prior to receipt of legislation, 1062
Unemployment, method of combatting, 700
United Nations
de Cuellar, His Excellency Javier Perez, Secretary-General, address to members of both houses, 624
See appendix p. 640
Food and Agriculture Organization, cancellation of appointment of Hon. Eugene Whelan, P.C., 479
United Way Campaign 1985, 1361
University of Toronto
Mock parliament election results, 479
Wallenberg, Raoul
Honorary Canadian citizenship, request for answers, 1927
Young Offenders, Criminal Code, Penitentiary, Prisons and Reformatories bill C-106, 2688, 2705
Youth
Cancellation of programs, government policy, 1921, 1923
Katimavik, 1921, 1942

Douglas, Hon. T.C., P.C., (Deceased Feb. 25/86)
Former Leader of the New Democratic Party, tributes, 2078

Doyle, Hon. Richard J. (Introduced in the Senate Mar. 21/85), 688
Appointments, 666
Canadian Institute for International Peace and Security bill C-69, 1314
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1608
Canadian Authors' Association, 1609
Investment Canada bill C-15, 1032
Foreign Investment Review Agency, 1033
Malone, Richard Sankey, the late, 1102
Party affiliation, 706
Pension Benefits Standards, 1985 bill C-90, 2734
Availability to part-time workers, 2735
Early vesting and locking-in, 2735
Inflation protection, 2736
Portability, 2735
Survivor's share, 2736
Royal Canadian Mounted Police bill C-65, 2005, 2025, 2148
Marin commission report, 2005
Privacy rights, 2006
Public complaints process, 2006
Right to grieve, 2006

Drought assistance, 63

Duties relief
Machinery program, 2655
Simplification of existing law, 2656
Streamlining of procedure, 2655
Speakers: Senators
Hicks, Henry D. 2656
Phillips, Orville H., 2654

Duties Relief bill C-98. 1r, 2624; 2r, 2654; 3r, 2670; r.a., 2783

Economic and social policies, government statement, 370, 388, 1060
Proposed elimination of full indexation of old age security, 1060
Universality, 1060

Economic Council of Canada
Rumoured dissolution, 483, 637

Economic Development
Nova Scotia
Cape Breton Advisory Committee report
Government action, 1354
Request for copies, 1289

Economic Summit
Bonn, West Germany, 1985
Securing of third window, Prime Minister's statement, 851
Technology, growth and employment working group report, 1281
United States embargo on Nicaragua, Canadian position, 852
United States interest rate policy, 811
World drug trade, government position, 850, 974

Economy, 31, 83
Canadian dollar, decline in value, 508, 509, 543, 604, 1926, 1939, 2068
Government action, 1969, 1970, 2085, 2471
Market intervention, role of Governor of Bank of Canada, 1968, 2599

Economy—*Cont'd*
Canadian dollar, decline in value—*Cont'd*
Request for statement of Chairman of Economic Council of Canada and Michael McCracken of Infometrica Ltd., 1970
Value, 2492, 2503
Timing and extent of market intervention, 1999
Appearance of Governor of Bank of Canada before Senate, 2004
Fiscal outlook, updated economic projections, 47
Foreign investment, competition, 355
Government policy, 781
Interest rates, 2203, 2283, 2329
Government policy, 238, 257, 428, 429, 676, 2121
Increase, 2001, 2561, 2568, 2703
Leader of the Government in the Senate, statement, request for clarification, 42, 76
Manitoba
Construction of Winnipeg research centre, 472
Cancellation, 44, 239
Mortgages, effect of bank rate on interest rates, 2205
National conference, 659, 689, 703, 709, 815
Availability of information, 660
Senate opposition representation, 693
Suggested follow-up, 694
Pioneer Trust
Closing, 506
Status, 528
Taxation and unemployment, government policy, 211
United States investment in Canada, 1651
Wage and price controls, 377
See The Economy and the Budget

Education, 50
Post-secondary
Availability of report, 529, 814
Government assistance, 258, 284, 430
Ministerial meetings, 529
See National Finance Committee
Toronto school, change of name, 1288

Employment
Cape Breton, unemployment rate, 2552
CN shops, layoffs at Moncton, government policy, 2548, 2552
See also Transport
CN shops, Prince Edward island, 2570
Disparity in treatment of displaced employees, 2585
Effect of budgetary cuts on female employees, 407, 433
Government policy, 376
Job creation, 898, 910
Government policy, 79
London, Ontario, status of CN computer express terminal, 2554, 2702
Nannies, remuneration, 354
Nova Scotia, decentralization program, 101, 426, 498, 637
Public service staff reductions, job creation, government policy, 2469
Royal commission, report, government response, 635
Summer Youth Employment Program, 409, 505, 2493, 2669

Employment and Immigration
Government policy, possible changes, 759
Immigrant wife of Canadian citizen, status, 2052
Long-term Illegal Migrants Review Committee, possible investigation of conduct of chairman, 791, 806, 936
Maclean's magazine, prospective hiring of non-Canadians, 769

Employment equity
Canadian Human Rights Commission, 2393, 2419
Employer discretion, 2418
Enforcement, 2418
Federal Public Service exemption, 2418
Process, 2418
Voluntary compliance, 2419
Speakers: Senators
Marsden, Lorna, 2417
Robertson, Brenda M., 2392

Employment Equity bill C-62. 1r, 2362; 2r, 2392, 2416, 2432; ref to com, 2433; rep with observations and recommendations, 2676; 3r, 2681; message to House of Commons, 2681, 2706; r.a., 2783

"Employment Opportunities: Preparing Canadians for a Better Future"
See Social Affairs, Science and Technology Committee

End of Decade Women's Conference
Composition of Canadian delegation and agenda, 652, 899, 912, 970

End of Decade Women's Conference, meeting held at Nairobi, Kenya, 1251, 1272
Discrimination faced by women, 1273
Objectives for the year 2000, 1273
Obstacles to peace, 1273
World economy, 1273
Speaker: Senator
David, Paul D., 1272

Energy
Canada-Newfoundland Offshore Oil and Gas Development Agreement, 334, 432
Canada-Nova Scotia Offshore Oil and Gas Development Agreement, 510, 638
Canadianization, government policy, 296
East coast exploration, replacement of petroleum incentive grants, government policy, 1363
Federal-provincial agreement, 741
Gasoline
Prices reduction, 2154, 2329
Pricing, 2599
Policy, proposed committee study, 280, 431
Advisory committee study, 470
Heavy oils, construction of upgrader at Lloydminster, Alberta, government policy, 2122
Higher cost producers, minister's statement, request for clarification, 2119
International oil pricing, agenda item at economic summit, 2022, 2156, 2222
Natural gas exports to U.S., representations by Alberta and British Columbia, 1987
Natural gas, proposed pipeline to Vancouver Island, 946
New pricing agreement, progress of negotiations, 423, 501, 631
Oil and gas industry
Application of tax incentives, 2119
Government policy, 2383
Layoffs, government policy, 2445, 2494
Pricing, government policy, 2583
Oil pricing, 2001, 2022, 2034, 2046, 2121, 2217, 2329
Government action, 2087, 2120
Government policy, 1864, 1904, 1923, 2004, 2051, 2134
Effect on Hibernia development, 1852

Energy—*Cont'd*
Oil pricing—*Cont'd*
Protection of interests of producers, government action, 1850
Petroleum Gas Revenue Tax, government policy, 467, 501
Petroleum Incentive Program, reduction in grants, 59, 301
Price of Canadian crude oil, 483, 637
Pricing, deregulation of industry, government policy, 2464, 2538

Energy administration
Deregulation, 2732
Negotiated prices, 2731
TransCanada Pipelines, 2732
Transition to natural gas competitive market, 2731
Speakers: Senators
Barootes, Efstathios William, 2731
Olson, H.A., 2732

Energy Administration bill C-112. 1r, 2731; 2r, 2731; 3r, 2771; r.a., 2783

Energy and Natural Resources, Standing Senate Committee
Authority to meet during sittings of the Senate, 2445
Canada-Newfoundland Atlantic Accord implementation, authority to study subject matter of Bill C-94 prior to receipt of legislation, 2559
Canada petroleum resources, authority to study subject matter of Bill C-92 prior to receipt of legislation, 2489
National Energy Program
Authority to publish and distribute interim report, 1062
Authority to review all aspects, 333, 369
Oil substitution and conservation, authority to examine subject matter of Bill C-24 prior to receipt of legislation, 966
Petroleum incentives program, authority to study subject matter of Bill C-85 prior to receipt of legislation, 2171
Reports
1st, expenses incurred during 2nd Session, 32nd Parliament, 296
2nd, oil substitution and conservation, subject matter of Bill C-24, 1062
See Journals of the Senate
4th, petroleum incentives program, subject matter of Bill C-85, 2214
5th, "Oil Marketing: 1986," 2678, 2741
Deregulation, 2744
Financial assistance to producers of conventional and nonconventional oil, 2742
High provincial royalties, 2742
Price monitoring group, 2743
Western Accord, 2743
Woods Gordon study, 2741

Energy, Mines and Resources
Articles sent to weekly newspapers, 2506
Director General of Communications, termination of employment, 381, 433
Hibernia drilling platforms, construction site location criteria, 1696
Propaganda articles, 2652

Environment
Air pollution on Parliament hill, message from Commons, 1495
Public education campaign, 1649, 1673, 1699
Motion withdrawn, 1699
Government policy re employment, 79
Newfoundland, integration of weather services, qu, 608
Pollution, Niagara River and Great Lakes, 264, 382
Public Environment Group, 300, 319, 431

Environment—*Cont'd*
Soil conservation, 104
Toxicology research and development, government policy, 1715, 2101
Wildlife, effect of budgetary cuts, 299
World Commission on Environment and Development, submission, input of people of Canada, 2504

Estey, Hon. Willard Z., Puisne Judge of the Supreme Court of Canada
Royal Assent, 403

Estimates
Date of tabling, 494, 524, 535, 538, 542
Question of privilege, 622

Estimates (Appropriation bill C-16)
Speakers: Senators
Doody, C. William, 313, 323
Frith, Royce, 323

Estimates (Appropriation bill C-34)
Speakers: Senators
Doody, C. William, 715
Frith, Royce, 716

Estimates (Appropriation bill C-35)
Speakers: Senators
Doody, C. William, 716
Frith, Royce, 717

Estimates (Appropriation bill C-54)
Post-secondary education, 1075
Speakers: Senators
Doody, C. William, 1048, 1076, 1094
Stewart, John B., 1074, 1094

Estimates (Appropriation bill C-89)
Speakers; Senator
Doody, C. William, 1720
Frith, Royce, 1720
See appendix p. 1731

Estimates (Appropriation bill C-101)
Speakers: Senators
Doody, C. William, 2229, 2250
Frith, Royce, 2229
See appendix p. 2239

Estimates (Appropriation bill C-102)
Medical and health services, availability and delivery, 2250
Speakers: Senators
Argue, Hazen, 2250
Doody, C. William, 2230
Frith, Royce, 2250
See appendix p. 2241

Estimates referred to National Finance Committee
Year ending Mar. 31/85
Supplementary (B), 76; rep of com, 279, 312
See appendix p. 293
Supplementary (C), 624; rep of com, 666, 696
See appendix p. 684
Year ending Mar. 31/86, 612; rep of com, 951, 975, 999, 1033

Estimates referred to National Finance Committee—*Cont'd*
Year ending Mar. 31/86, 612; rep of com—*Cont'd*
Supplementary (A), 942; rep of com, 964, 1000, 1405, 1483
See appendices p. 980 and 1416
Supplementary (B), 1476; rep of com, 1573, 1699, 1719
Supplementary (C), 2093; rep of com, 2174, 2208, 2228
See appendix p. 2187
See appendices p. 960 and 1646 and 1731
Year ending Mar. 31/87, 2084; rep of com, 2501, 2540, 2589
See appendix p. 2522

Estonian, Latvian, Lithuanian and Ukrainian Communities of Ottawa
Thirteenth ecumenical memorial service and concert, 1009

Evangelical Lutheran Church in Canada bill S-5. 1r, 1414; 2r, 1414; ref to com, 1415; rep without amdt, 1476; 3r, 1476; message from Commons that bill passed without amdt, 1495; r.a., 1712

Everett, Hon. Douglas D.
Benidickson, Hon. William M., the late, 418
Budget, proposals, 2143
Impact of deficits, 2144
Options for deficit reduction, 2145
Public debt, 2144
Universality of social programs, 2145
Canada-United States relations
Trade
Imposition of tariff on publications, qu, 2546
Imposition of U.S. and Canadian tariffs, mitigation of harmful effects, government policy and programs, qu, 2563, 2702
Excise Tax and Excise bill C-17, 451
Air transportation tax, 452
Deficit, 453
Fuel tax rebate, 451
Increasing government spending or reducing taxes, 453
Neutral tax system, 454
Removal of sales tax from primary producers, 452
Transfer of burden of tax, 454
Federal-provincial fiscal arrangements
Equalization payments, qu, 208
Investment Canada
Foreign investment, government policy, qu, 316, 319, 431
Manitoba
Winnipeg, future of St. Paul's College site building, qu, 300, 383
National Film Board, "The Kid Who Couldn't Miss", motion to refer back to committee, 2515
National Finance Committee
10th report, estimates year ending Mar. 31/86, supplementary (B), 1700
Pioneer Trust Payment Continuation bill C-50, 859
Setting of precedent, 862
Reform of the Senate
Leader of the Government, views, qu, 899
Representation, 1985 bill C-74, 2074
Elected Senate solution, 2074
Representation by population, 2074
Workload of members of Parliament, 2075
Senate
Business, 1676, 1680
Orders of the Day, 1441
Question Period
Form, suggested referral to Standing Rules and Orders Committee, qu, 2553
Wallenberg, Raoul, resolution approving conferring of honorary Canadian citizenship, 1689

Everett, Hon. Douglas D.—*Cont'd*
Smoking Prohibition bill S-8, 2406
Bad legislation, 2407
Social Affairs, Science and Technology Committee
National Film Board, "The Kid Who Couldn't Miss", authority to examine, 1250, 1292
Report
8th, National Film Board, "The Kid Who Couldn't Miss", 2291
Standing Rules and Orders Committee
Reports
3rd, Rules of the Senate, suggested amendment, 1242
7th, guidelines for financial operation of committees, 2125
Unemployment Insurance, 1971 bill C-52, 947, 948
Abuses, 948
Special review committee, 947

Excise Tax and Excise (Bill C-17)
Air transportation tax, 451
Appeals system, 455
Deficit, 453
Federal tax on motor vehicles, 451
Fuel tax rebate, 451
Increasing government spending or reducing taxes, 453
Neutral tax system, 454
Removal of sales tax from primary producers, 452
Special recovery program, 455
Transfer of burden of tax, 454
Speakers: Senators
Everett, Douglas D., 451
Murray, Lowell, 450

Excise Tax and Excise bill C-17. 1r, 396; 2r, 450; 3r, 473; r.a., 617

Excise Tax and Excise (Bill C-80)
Appeal mechanism, 2007
Assessment provisions inequities for Revenue Canada and taxpayer, 2057
Broad-based measures, 2007
Closure, 2056, 2060
Consultative process, 2056
Elimination of automatic indexation of specific taxes, 2007
Energy conservation and prefabricated construction goods tax, 2057, 2060
Frazee, Rowland, comments, 2059
Speakers: Senators
MacEachen, Allan J., 2055
Simard, Jean-Maurice, 2006, 2060

Excise Tax and Excise bill C-80. 1r, 1984; 2r, 2006, 2055; ref to com, 2061; rep without amdt with observations, 2065; 3r, 2066; r.a., 2092

Expo 86
Attendance of members of Parliament, 2090

External Affairs, 18
Ambassador to Ireland, appointment
Alleged partisanship of appointee, 1940, 2102
Application of code of conduct, 2163
Clarke, Mr, Victor, Special Adviser to Canadian High Commission, appointment, 1670
Overseas distribution of summary *Globe and Mail* items, 380, 501
Parking tickets, payment by Canadian diplomats abroad, 805
Passports, issuance at Hull, 851, 937

External Affairs,—*Cont'd*
Visit by minister to U.S.S.R., 792

External relations
Family planning promotion, government support and policy, 1696

Fairbairn, Hon. Joyce (Introduced in the Senate Nov. 5/84), 1
Agriculture
National strategy, qu, 1558
National sugar policy, qu, 1654
Sugar-beet industry
Crisis, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1881
Canadian industry, 1882
Jobs at risk, 1882
Motion withdrawn, 1887
Uncertainty issue, 1882
Government policy, qu, 770, 934, 1173, 1176, 1852, 1870, 1905, 1923 1943, 1974, 2117, 2133
1983 stabilization payment, government policy, qu, 1311, 1400, 1433, 1502, 1537, 1559, 1737, 1987, 2003, 2023, 2036, 2048, 2067, 2152
Request for answers, 1324, 1354
Western Canada
Drought conditions, government assistance, qu, 1671, 1854
Motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1463
Budget
De-indexation of pension benefits, government position, qu, 1021
Canada-United States relations
U.S. weapons testing in Canada, cruise missile mishap, qu, 1868, 1869, 2039
Canadian Broadcasting Corporation
Mandate, parliamentary committee study, qu, 322
Disarmament
Deployment of nuclear weapons, government policy, qu, 473
Fisheries and Oceans
Sale of canned tuna unfit for human consumption, qu, 1258
Foreign affairs
Visit of President Reagan to cemetery at Bitburg, West Germany, Prime Minister's views, qu, 813
Health and Welfare
Social benefits, issuance of discussion paper, qu, 236
Indian Affairs and Northern Development
Departmental staff reductions, government policy, qu, 1323
Indian bill C-31, 1042, 1137
Band control over membership, 1043
Communication and implementation program, 1138
Discouragement in native youth, 1045
Financial assistance to bands, 1044, 1138
High impact bands, 1044
Referral to Supreme Court, 1138
Sexual discrimination, 1043, 1139
Spending cutbacks on Indian programs, 1138
Strains on current infrastructure on reserves, 1138
International terrorism
Training sites, qu, 1110
Libya
Evacuation of Canadian nationals, qu, 2304
United States air strike, position of Canadian nationals, qu, 2268
Malone, Richard Sankey, the late, 1102
Native peoples
Funding of programs, task force report, qu, 870
Nuclear disaster
Ukraine, effects of radiation, qu, 2366, 2537

Fairbairn, Hon. Joyce—*Cont'd*
Nuclear disaster—*Cont'd*
Ukraine, effects of radiation,—*Cont'd*
Government knowledge and action, qu, 2385
Parole and Penitentiary bill C-67, 2846
Chronology of events, 2848
Dangerous Offenders Act, 2849
Earned remission, 2846
Role of Parole Board and courts, 2847
Old age security
De-indexation of pensions
Presentation of petitions, 1088, 1104
Press release by president of National Advisory Council on Aging, qu, 1064
Government policy, qu, 407, 501
Representation, 1985 bill C-74, 2073
Impact on Alberta, 2074
Senate
Question Period
Request for answers, 303, 1951
Social programs
Universality, government policy, qu, 371, 380
Status of Women
Senior government appointments, Dr. Ursula Franklin, qu, 791
Summit meetings
Suggested return to former format, qu, 856
Transport
Transportation of Dangerous Goods Regulations, qu, 840
Unemployment Insurance
Petition against calculation of severance pay as income, qu, 708
Youth
Cancellation of programs, government policy, qu, 1921
Announcement of new program, qu, 2203
Government policy, qu, 2221
Youth Committee
2nd report, "Youth: A Plan of Action", 2256, 2259, 2294

Family allowances
De-indexation, petitions against Bill C-70, number and dispositon, 1923

Family Allowances, 1973
Adequacy of existing benefits, 1963
"Child and Elderly Benefits" consultation paper", 1908, 1928, 1961, 1976
Child Tax Credit, 1895, 1910, 1976, 2158, 2177, 2179
Child tax exemption, 2176
Conservative, Liberal philosophical differences, 2159
Evolution of social security net, 1957
Federal sales tax, 2176
Guaranteed annual income, 1899
History of previous amendments, 1857
Impact of proposed amendments, 1859
Industry and Humanity, Mackenzie King, quotes, 1944
Interaction between federal and provincial benefits, 1977
Minister of National Health and Welfare, quotes, 2176
National Council of Welfare, 2177
Prime Minister, quotes, 2175
Psychological component, 1896
Question of trust, 2009
Regressive legislation, 1927
State responsibility to the family structure, 2137
Symbolic importance, 2157
"Total financial resources" income concept, 1977
Transfer payments, 2028
Universality, 1896, 1897, 1908, 1963, 2027, 2028

Family Allowances—*Cont'd*
See appendices p. 1879, 1909, 1902
Speakers: Senators
Bonnell, M. Lorne, 1908
Croll, David A., 1897
Gigantès, Philippe Deane, 2009
Graham, B. Alasdair, 1893, 2134
Le Moyne, Jean, 1943
MacEachen, Allan J., 2175
Marsden, Lorna, 1975, 2156
Rousseau, Yvette, 1927
Thériault, Norbert L., 2026
Tremblay, Arthur, 1855, 2028, 2178
Turner, Charles, 1956
See also Social Affairs, Science and Technology Committee

Family Allowances, 1973 bill C-70. 1r, 1833; 2r, 1855, 1892, 1908, 1927, 1943, 1956, 1975, 2009, 2026; ref to com, 2029; rep without amdt, 2122; 3r, 2134, 2156, 2175; r.a., 2258

Family orders and agreements enforcement assistance
Garnishment, 1932
Support and custody, 1932
Speaker: Senator
Nurgitz, Nathan, 1930

Family Orders and Agreements Enforcement Assistance bill C-48. 1r, 1880; 2r, 1930, 1945, 1964; ref to com, 1965; rep without amdt, 1968; 3r, 1989; r.a., 2031

Farm debt review
"Atlantic Canada", 2761
Bankruptcy Act, 2756
Canada Assistance Plan, 2739, 2755
Farm Credit Corporation funds, 2738
Financial institutions, 2755
Moratorium on farm credit loans, 2739
Potato industry, 2754
Provincial debt review boards, 2738
Rural transition programs, 2756
Suicide rate, 2739
Timing, 2762
Speakers: Senators
Argue, Hazen, 2738, 2754
Corbin, Eymard G., 2753, 2761
Denis, Azellus, 2756, 2762
Olson, H.A., 2756
also
Wise, Hon. John, Minister of Agriculture, 2750

Farm Debt Review bill C-117. 1r, 2737; 2r, 2737, 2749; ref to Committee of the Whole, 2749; considered in Committee of the Whole, Hon. Rhéal Bélisle in the Chair, Hon. John Wise P.C., Minister of Agriculture taking part in the debate, 2750; rep without amdt, 2765; 3r, 2765; r.a., 2783

Farm improvement loans
Debt service charge, 1154
Intermediate-term farm loans, 1153
Speakers: Senators
Balfour, R. James, 1153
Olson, H.A., 1154

Farm Improvement Loans bill C-56. 1r, 1130; 2r, 1153; 3r, 1178; r.a., 1217

Farm products marketing agencies
Canadian Wheat Board, 216
Canagrex, 216
Potato marketing in eastern Canada, 219
Tobacco production, 215
Speakers: Senators
Argue, Hazen, 216
Bielish, Martha P., 215
Corbin, Eymard G., 219
Roblin, Duff, 217

Farm Products Marketing Agencies bill C-4. 1r, 188; 2r, 215; 3r, 225; r.a., 403

Federal-provincial consultation, 38, 123

Federal-provincial fiscal arrangements
Equalization payments, 208
See National Finance Committee

Federal-provincial fiscal arrangements, federal post-secondary education and health contributions, 1977
Canadian Nurses Association, proposals, 2715
Cash transfer payments reductions, 2714
Effect on Atlantic Canada, 2709
Emphasis on deficit reduction, 2715
EPF entitlements escalator amendment, 2684
False saving, 2715
Impact on New Brunswick francophones, 2718
Importance of research, 2717
"No strings" transfers, 2708
Research and development constraints, 2708
Second class citizens, 2711
Speakers: Senators
Argue, Hazen, 2715
Bonnell, M. Lorne, 2711
Corbin, Eymard G., 2717
Hicks, Henry D., 2707
Macquarrie, Heath, 2683, 2718
Molgat, Gildas L., 2716
Stewart, John B., 2712, 2767
Thériault, L. Norbert, 2709

Federal-Provincial Fiscal Arrangements, Federal Post-Secondary Education, Health Contributions, 1977 bill C-96. 1r, 2678; 2r, 2683, 2707; ref to com, 2721; rep without amdt but with comments, 2765; 3r, 2766; r.a., 2783

Federal-provincial relations, 88
Establishment of cross-party caucus committees, 2790
First Ministers' Conference, Regina, Feb. 14-15, 1985, failures and shortcomings, 535, 888, 939
Government of Quebec, attitude to sovereignty, 1502
Health and education
Effect of reduction in transfer payments, 1520, 1556, 1558

Federalism, 53

Felicitations
Griffith, Mr. Hubert, Editor of Debates (English), 25 years of service, 1534

Felicitations—*Cont'd*
Macdonald, Hon. John M., 25th anniversary of appointment, 1114, 1126
Murray, Hon. Lowell P.C., on becoming Leader of the Government in the Senate 2786
Queen Elizabeth II, Her Majesty, Thirty-third anniversary of accession to Throne, 492
Riel, Hon. Maurice, Privy Council appointment, 244
Robichaud, Hon. Louis-J., P.C., 25th anniversary of becoming Premier of New Brunswick, 1177
Rowe, Hon. Frederick W., "The Smallwood Era", publication, 445
Sherwood, Hon. Cyril B., induction into Dairy Hall of Fame, 1521
Sinclair, Hon. Ian, nomination to Business Hall of Fame, 604
Sparrow, Hon. Herbert O., United Nations award, 1010

Film industry
Identification of Canadian production locales, 2097

Finance
Deputy Minister, meetings, government policy, 1498
Document entitled "John Turner as Minister of Finance: An Era of Economic Decline", 262, 319, 429
Financial institutions, restructuring, possible committee study of discussion paper, 783
Report (interim) tabled, 1695
Ministerial aide, payment, 782
Protection of bondholders against inflation, reported statement by minister, 969
Recording of ministerial discussions, 223
Suggested impropriety of minister, 807
See Banking, Trade and Commerce Committee

Finance, Italian and Newfoundland electors, comments of minister, 347, 444

Financial institutions
Concentration of economic power, government policy, 2283
Discussion paper, "The Regulation of Canadian Financial Institutions: Proposals for Discussion", 893
Pioneeer Trust failure, request for investigation, 894, 925, 1022
Takeovers by industrial conglomerates, government policy, 2282

Financial institutions depositors compensation
Attitude of auditors, 1821
Confidentiality, 1812, 1815, 1823
Deposit insurance limit, 1816
Double standard, 1813
Estey Commission, 1816
"High risk investments", 1817
Insolvency principle, 1819
Ministerial responsibility, 1824
Mismanagement, 1821
"Off-set" arrangement, 1811
Reimbursement of the banks, 1823
Speakers : Senators
Argue, Hazen, 1812
Corbin, Eymard G., 1817
Denis, Azellus, 1817
Frith, Royce, 1818
Kelly, William M., 1810, 1820
Molgat, Gildas L., 1814
Olson, H.A., 1818
Roblin, Duff, 1821
Stewart, John B., 1816
Turner, Charles, 1815

Financial institutions depositors compensation—*Cont'd*
See Banking, Trade and Commerce Committee

Financial Institutions Depositors Compensation bill C-79. 1r, 1810; 2r, 1810; 3r, 1824; r.a., 1830

Fisheries
West German fleet, overfishing in waters under Canadian jurisdiction, 835, 870

Fisheries and Oceans
Canned tuna unfit for human consumption, suggested method of disposal, 1254
Decision of minister re licence, 1171, 1238
Request for answer, 1236
Fishing vessel support program, cancellation, 1986
Future of Star-Kist plant, government policy, request for answer, 1870
Independence of inspectors, 1298
Inspection function, consultation with industry, 1298
Parliamentary secretary, whereabouts, 2070
Product inspection standards, 1363, 1906, 1922
Reported fee for access to minister, 1170
Resignation of minister, tributes, 1265, 1267
Sale of canned tuna unfit for human consumption, 1230, 1236, 1258
Consumer confidence, future of Star-Kist plant, government policy, 1297, 1435
Members of the government, extent of knowledge, 1276
Prime Minister's Office, extent of knowledge, 1265, 1435
Request for answers, 1353
Suggested inquiry, 1308, 1384
See Consumer and Corporate Affairs

Fisheries (Bill C-32)
Allocation of fish between competing groups, 1148
Consultation, 1146
Fisheries management, 1145
Native rights, 1146
Regulation-making powers, 1149
Scope of the act, 1146
Speakers: Senators
Godfrey, John M., 1149
LeBlanc, Roméo, 1147
Marshall, Jack, 1145

Fisheries bill C-32. 1r, 1114; 2r, 1145; 3r, 1178; r.a., 1217

Fisheries improvement loans
Guaranteed loans program, 1152
Security, 1152
Speakers: Senators
LeBlanc, Roméo, 1152
Marshall, Jack, 1152

Fisheries Improvement Loans bill C-57. 1r, 1129; 2r, 1152; 3r, 1178; r.a., 1217

Fisheries, Standing Senate Committee (from May 14/86)
Authority to publish and distribute interim report on marketing of fish in Canada, 2652, 2673
Order of reference, 2598
Report
1st, 2698
See appendix p. 2745

Fitness and Amateur Sport
Appointment of females to advisory council, 2121

Flynn, Hon. Jacques, P.C.
Agriculture
Potato industry, government assistance, 2131
Banking
Canadian Commercial Bank and Northland Bank
Status of proposed joint committee, 1223
Regulation of banks, 1286
Banking, Trade and Commerce Committee
13th report, financial institutions depositors' compensation, subject matter of Bill C-79, 1775
Beaubien, Hon. Louis-Philippe, the late, 731
Bretton Woods Agreements bill C-30, 901, 916
International Development Association, 902
International Finance Corporation, Canadian participation, 902
World Bank, 901
Budget, impact on senior citizens, point of order, 991
Canada Deposit Insurance Corporation bill C-86, 2556, 2574, 2587, 2601
Board of directors, 2556, 2587
Increasing fees, 2588
Losses of failed western banks, 2587
Retroactivity, 2587
Canada-United States relations
Extraterritorial jurisdiction, 649
Trade, imposition of tariff on Canadian shakes and shingles and steel products, mitigation of harmful effects, government policy and programs, 2531
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1574, 1578
Canada's International Relations Committee
1st report, bilateral trade with United States, and Canada's participation in research on Strategic Defense Initiative, (interim), 1316, 1568
Censorship, nature and danger, 1370
Criminal Code (prostitution) bill C-49, 1563
Soliciting, nuisance problem, 1563
Crown Assets Disposal Corporation Dissolution bill C-43, 795, 807
Employees, 797
Transfer of assets, 798
Transfer of responsibilities, 807
Customs Tariff bill C-38, 765
David, Hon. Paul, 803
Employment
Job creation, 910
Environment
Air pollution on Parliament Hill and public education campaign, 1674
Excise Tax and Excise bill C-80, 2066
Foreign affairs
India, detention of Canadian national, qu, 115
Income Tax bill C-7, 265, 324
Administration of tax system, 265
Farmers, 265
Small business tax simplification, 265
Taxation of charities, 265
Industry
Aerospace, allocation of service contracts, 2069
Canadian Porcelain Company, offer to purchase by employee co-operative, government attitude, 990
Legal and Constitutional Affairs Committee
6th report, Marriage (prohibited degrees) bill S-2, rep with amdts, 1748
Libya

Flynn, Hon. Jacques, P.C.—*Cont'd*
Libya—*Cont'd*
United States air strike
Consultations between Canada and United States and between Canada and western allies, 2345
Request for answers, 2280
Marriage (prohibited degrees) bill S-2, 394, 1776, 2289
Motion in amendment, 1776, 2004
Meat Inspection bill C-33, 923
National Film Board, "The Kid Who Couldn't Miss", motion to refer back to committee, 2475, 2518
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to report, 575
Report
10th, estimates year ending Mar. 31/86, supplementary (B), 1700
Ontario and Manitoba Courts Amendment bill C-3, 365
Petitions, 1789
Representation, 1985 bill C-74, 1750, 2040, 2054, 2075
Closure, 2075
Impact on smaller provinces, 2076
Rights and freedoms
Canadian forces, spouses of members, 1511, 1527, 2235
Motion in amendment, 1526
Royal Canadian Mounted Police
Alleged conduct of former corporal, 1065
Rules of the Senate
Rule 77 (7), motion to amend to prohibit smoking at committee meetings, 2436
Senate
Adjournment, 688
Business
Wallenberg, Raoul, resolution approving conferring of honorary Canadian citizenship, 1690, 1695, 1703
Motion re second distinct sitting, 1761
Point of order, 1703
Christmas recess, 1792
Committees, authority to invite provincial representations, 802
Official report, 1648
Orders and Customs of the Senate and Privileges of Parliament
Motion to constitute immediately in Committee of the Whole, 2242
Question Period, form, suggested referral to Standing Rules and Orders Committee, 2554
Small Businesses Loans bill C-23, 735
Smoking Prohibition bill S-8, 2391, 2432, 2511
Social programs
Universality, government policy, 378
Wells, Robert, Q.C., President of Canadian Bar Association, visit, 2307
Youth Committee
2nd report, "Youth: A Plan of Action"
Point of order, 2336

Fonyo, Steve
"Journey for Lives" across Canada, 866, 941

Foreign affairs
Afghanistan
Possibility of political settlement, 1740
Refugees, government policy, 1740
Soviet army defectors, government policy, 2327
Africa, famine relief, 524, 638
Bangladesh, aid to disaster victims, 945
Burkina-Faso, closing of Canadian diplomatic post, 57, 301

Foreign affairs—*Cont'd*
Central America, use of military force, government policy, 2162, 2272
Forthcoming visit of government leader to southern Africa, correction of press report, 1868, 1870
Gift of war planes to Turkey, 410
Green paper on competitiveness and security, 897, 908, 909, 912
Question of privilege, 921
Honduras and Nicaragua, U.S. military assistance to Contra forces, government position, 792
India
Aid for victims of industrial accident at Bhopal, 263
Detention of Canadian national, 56, 115
Iran
Diplomatic relations, re-establishment, 1257, 1435, 2068, 2068
Expulsion of Iranian nationals from Inter-Parliamentary Union Conference, 1311
Persecution of Baha'is, 480, 636
Lebanon, government aid, 99, 264
Mexico, reported nuclear pact with Canada, 450
Correction to statement by Leader of the Government, 467
Middle East
Gulf of Sidra, United States-Libya conflict, safety of Canadian nationals, 2221
Mission of Secretary of State for External Affairs, 2163
Namibia, proposed establishment of interim administration, government position, 791, 936
Nicaragua, absence of Canadian observers from election, 223, 382
Organization of American States, government policy, 60, 301
Overseas delegations, parliamentary representation, 760
Amplification of statement, 769
Philippines presidential election
Attitude of Canadian government, 2066
Canadian Ambassador, possible recall, 2068
Status of Canada-Philippines relations, 2032, 2049
Sale of CF-104 aircraft to Turkey, 299, 431
Shooting down of South Korean aircraft, Soviet compensation for next-of-kin of Canadian victims, 761, 815
South Africa, apartheid
Canadian position at Commonwealth Conference, 1386, 1520
Government action to adopt United Nations convention, 2099
Third World, government aid, 934, 1173
U.S.S.R., treatment of Canadian journalist, government attitude, 770
United States, imposition of economic sanctions against Nicaragua, 837, 842, 974
Government policy, 855, 872, 881, 937
Visit of President Reagan to cemetery at Bitburg, West Germany, Prime Minister's views, 813
Zimbabwe, status of white farmers, 507

Foreign affairs, gift of war planes to Turkey, 347, 441
Balance of power between Turkey and Greece, 443
NATO, 442
Possibility of Greek air force receiving aircraft, 443
Possible Turkish attack against Greek islands, 441
Tension in the Aegean, 441
Speakers: Senators
Gigantès, Philippe Deane, 441
Phillips, Orville H., 442

Foreign Affairs, Standing Senate Committee
Canadian relations with countries of the Middle East and North Africa, authority to study, 188, 233, 366
International financial system and institutions, Canada's participation, authority to study, 1406

Foreign Affairs, Standing Senate Committee—*Cont'd*
International financial system and institutions, Canada's participation,—*Cont'd*
Authority to adjourn to Toronto, New York and Washington D.C., 2195, 2235, 2254
Reports
1st, expenses incurred during 2nd Session, 32nd Parliament, 236
See Journals of the Senate
2nd, Canada's relations with countries of Middle East and North Africa, 1131
Arab-Israeli conflict, 1133
Canada-Israel Committee, 1132
Embassy in Damascus, 1133
Israel, 1132
See appendix p. 1159

Foreign affairs, visit of Canadian parliamentary delegation to Federal Republic of Germany, 965, 1157, 1727
Berlin Wall, 1729
Prosperity and problems, 1727
Speaker, ambassador of goodwill, 1727
Speakers: Senators
MacEachen, Allan J., 1728
Macquarrie, Heath, 1727
Wood, Dalia, 1157

Foreign extraterritorial measures
American Law Institute, Restatement of U.S. Foreign Relations Law, 390, 398
Attorney General, 362, 391
Bank of Nova Scotia, 360
Blocking mechanism, 391
COCOM, 361
Canada and U.S. relations, 359
Canadian governmental responses to foreign governmental measures, 362
Canadian sovereignty, infringement, 391
Control of Canadian exports to other countries, 361
Export Administration Act, 390, 398
Foreign antitrust judgments, 362
NATO, 361, 389
OECD, 390, 397
Production of evidence, 360
Strategic exports, 361
U.S. antitrust laws, 360
United Kingdom and Australia, 361
United States, 389
Speakers: Senators
MacEachen, Allan J., 388
Nurgitz, Nathan, 359, 391

Foreign Extraterritorial Measures bill C-14. 1r, 332; 2r, 359, 388; 3r, 397; r.a., 403

Foreign investment
Effect of Prime Minister's statements, 2151
Minister of Regional Industrial Expansion, reported statement, 102
President of Treasury Board, reported statement, 471, 679, 694

Forestry and Fisheries
Government policy, 45

France
See Visitors

Francophone Commonwealth
Establishment, possible government participation, 337

Francophone summit
Canadian Head of State, reported statement by Prime Minister, 2048
Famine relief, reported breach of agreement between Government of Canada and Government of Quebec, 2033, 2069
Premier of New Brunswick, status, 2034, 2104

Freshwater fish marketing
Borrowing limit, 356
Speakers: Senators
Adams, Willie, 386
Bielish, Martha P., 356, 388
De Bané, Pierre, 387
LeBlanc, Roméo, 385
Marshall, Jack, 386
Molgat, Gildas L., 384
Steuart, D.G., 386

Freshwater Fish Marketing bill C-5. 1r, 332; 2r, 356, 384; 3r, 397; r.a., 403

Freshwater Fish Marketing Corporation
See Agriculture, Fisheries and Forestry Committee

Frith, Hon. Royce, Deputy Leader of the Opposition
Académie française, 350th anniversary of founding, 1705
Access to information
Tabling of documents, 75
Aeronautics bill C-36, 1121
Airport security around the world, 1121
Agriculture
Sugar-beet industry crisis, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1881
Western Canada, drought conditions, government assistance programs, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1450
Agriculture, Fisheries and Forestry Committee
Agricultural stabilization, authority to examine subject matter of Bill C-25 prior to receipt of legislation, 999
Fish marketing in Canada, authority to study, 476, 491
Report
2nd, Meat Inspection bill C-33, 922
"Soil at Risk", authority to print additional copies, 292
Appropriation No. 3, 1984-85 bill C-16, 323
Appropriation No. 4, 1984-85 bill C-34, 716
Appropriation No. 1, 1985-86 bill C-35, 717
Appropriation No. 2, 1985-86 bill C-54, 1077
Appropriation No. 3, 1985-86 bill C-89, 1720, 1743
Appropriation No. 4, 1985-86 bill C-101, 2229
Appropriation No. 1, 1986-87 bill C-102, 2230, 2250
Appropriation No. 2, 1986-87 bill C-115, 2602, 2616
Banking
Canadian Commercial Bank
Bad loans, qu, 1373
Collapse
Memorandum of Intent, request for information, qu, 1252, 1266, 1436
Request for answers, 1322, 1353
Canadian Commercial Bank and Northland Bank
Availability of names of uninsured depositors, qu, 1373
Status of proposed joint committee, qu, 1223
Confidence in system, qu, 1372

Frith, Hon. Royce—*Cont'd*
Banking—*Cont'd*
Estey Commission of Inquiry, qu, 1295
Regulation of banks, 1287
Banking, Trade and Commerce Committee
Authority to meet during Senate sittings, 1274, 1281
Committee proceedings, televising, 1449, 1491
Competition tribunal, authority to study subject matter of Bill C-91 prior to receipt of legislation, 2302
Finance, restructuring of financial institutions, authority to study discussion paper, 957
Notice of committee meetings, 1398
Reports
Finance, restructuring of financial institutions, (interim), 1695
13th, financial institutions depositors' compensation, subject matter of Bill C-79, 1767, 1775
Beaubien, Hon. Louis-Philippe, the late, 732
Budget
De-indexation of pension benefits, government position, qu, 1013
Oil pricing, loss of revenue, qu, 2112, 2222
Preparation
Alleged negotiations between government and Independent Petroleum Association of Canada, qu, 446
Request for briefing, qu, 925
Tax increases, government policy, qu, 931
Budget, impact on senior citizens, 965, 991, 1079, 1244
Budget proposals, 2371
Cabinet
Access to information, qu, 113
Leader of the Government in the Senate, responsibilities, qu, 28, 41
Cabinet, access to information, 220
Canada Deposit Insurance Corporation bill C-86, 2557, 2574
Canada Development Corporation Reorganization bill C-66, 1660
Canada Pension Plan, Federal Court bill C-116, 2729
Canada-United States relations
Bilateral trade negotiations, qu, 1390, 1399
Extraterritorial jurisdiction, qu, 649
Prime Minister and President of United States, meeting, agenda, qu, 2151
Acid rain, scope of agreement, qu, 2197
Status of agreement, qu, 2382, 2472
Prime Minister's speech in Chicago
"Joint tenancy" and "constructive internationalism", qu, 1655
Trade, imposition of tariff on Canadian shakes, shingles and steel products, mitigation of harmful effects, government policy and programs, 2532
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1574, 1578
Canada Development Corporation Reorganization bill C-66, 1660, 1743
Canada's International Relations Committee
Appointment
Message to House of Commons, 1183
Canadian Arsenals Limited Divestiture Authorization bill C-87, 2405
Canadian Broadcasting Corporation
Effect of budget reductions, qu, 1479
International service, possible cancellation, qu, 194, 427
Staff reductions, 944
Canadian Commercial Bank Financial Assistance bill C-37, 745
Confidence in financial institutions, 745
Depositors, 745
Government's responsibility, 745
Shareholders, 745

Frith, Hon. Royce—*Cont'd*
Canadian Institute for International Peace and Security bill C-69, 1269, 1315, 1327
Canadian National Railways
Board of directors
Replacement of chairman, qu, 779
Replacement of members, qu, 812, 833, 2023
Christmas, bureaucratic and political comments, 405
Christmas greetings, 1831
Commercial Arbitration bill C-108, 2444, 2451
Competition Tribunal bill C-91, 2579, 2617
Constitution
Quebec's opting out, government policy, qu, 282
Cook, Hon. Eric, tributes, 23
Corrections
Daniel Hawe report, motions nos. 3, 4, 5 and 6, for production of service contracts and statement of expenditures, 2359
Criminal Code (lotteries) bill C-81, 1504, 1825
Legalized gambling, 1825
Criminal Code (pari-mutuel betting) bill C-77, 1365
Pari-mutuel betting, 1365
Race Tracks of Canada Incorporated, 1365
Criminal Code (prostitution) bill C-49, 1564
Criminal Law bill C-18, 821, 834, 843
Contempt of court provisions, 844
Mandatory supervision, 844
Seizing profits from crime, 844
Sentencing reform, 844
Telewarrants and extraterritoriality, 844
War crimes and crimes against humanity, 845
Crown Assets Disposal Corporation Dissolution bill C-43, 808
Cultural organizations
Relationship to government, 222
Customs and Excise
Prime Minister's wife, alleged non-declaration of gifts, qu, 2560
Customs and Special Import Measures bill C-40, 817, 834
Delegation of authority, 817
Customs Tariff bill C-38, 765, 772
Denis, Hon. Azellus, P.C., fiftieth anniversary of election to Parliament, tributes, 1371
Deschatelets, Hon. Jean-Paul, P.C., tributes on resignation, 1832
Divorce, Divorce and Corollary Relief, Family Orders and Agreements Enforcement Assistance, bills C-46, 47 and 48, 1930
Donahoe, Hon. Richard A., tributes, 23
Economic and social policies, government statements, 370
Economy
Canadian dollar, decline in value, 508
Timing and extent of market intervention, appearance of Governor of Bank of Canada before Senate, qu, 2004
Leader of the Government in the Senate, statement, request for clarification, 42, 76
Employment and Immigration
Long-term Illegal Migrants Review Committee, possible investigation of conduct of minister, qu, 806, 936
Employment Equity bill C-62, 2432
Motion re message to House of Commons, 2681
Energy and Natural Resources Committee
Canada-Newfoundland Atlantic Accord implementation, subject matter of Bill C-94, authority to study prior to receipt of legislation, 2559
Environment
Air pollution on Parliament Hill and public education campaign, 1649, 1673
Motion withdrawn, 1699
Soil conservation, 105

Frith, Hon. Royce—*Cont'd*
Environment—*Cont'd*
World Commission on Environment and Development, submission, input of people of Canada, qu, 2504
Evangelical Lutheran Church in Canada bill S-5, 1414
Family Allowances, 1973 bill C-70, 1856, 2011
Farm Debt Review bill C-117, 2737, 2749, 2752
Federal-provincial fiscal arrangements
Equalization payments, 208
Federal-Provincial Arrangements, Federal Post-Secondary Education, Health Contributions, 1977 bill C-96, 2685, 2720, 2766
Finance
Financial institutions, restructuring, possible committee study of discussion paper, qu, 783
Suggested impropriety of minister, qu, 807
Financial Institutions Depositors Compensation bill C-79, 1810, 1818
Insolvency principle, 1819
Fisheries and Oceans
Resignation of minister, tribute, 1266
Sale of canned tuna unfit for human consumption
Members of the government, extent of knowledge, qu, 1276
Prime Minister's Office, extent of knowledge, qu, 1265, 1435
Request for answers, 1353
Fisheries Committee
Authority to publish and distribute report on marketing of fish in Canada, 2652, 2673
Foreign affairs
Green paper on competitiveness and security, 913
United States, imposition of economic sanctions against Nicaragua, 838
Government policy, qu, 855, 872, 881
Foreign Affairs Committee
International financial system and institutions, Canada's participation
Authority to adjourn to Toronto, New York and Washington D.C., to study, 2196, 2236
Report
2nd, Canada's relations with countries of Middle East and North Africa, 1132
Foreign Extraterritorial Measures bill C-14, 360, 392
Freshwater Fish Marketing bill C-5, 387
Gentleman Usher of the Black Rod
Jalbert, René M., Esq., appointment, 1220
Government advertising
Awarding of contracts, qu, 794
Governor General's and Governor General's Retiring Annuity and Salaries and Judges bill C-78, 1541
Greek Independence Day, 2216
Health and Welfare
Health services, universality, government policy, qu, 351
Palliative care, use of heroin, government policy, qu, 258
Health, ill effects of smoking, 728
Human rights
Japanese-Canadians, government apology and compensation, 240
Income Tax and related Statutes bill C-84
Availability of committee proceedings, 1954
Industry
Shipbuilding, government policy, qu, 2111, 2679
Inman, Hon. Florence Elsie, the late, tribute, 2526
Internal Economy, Budgets and Administration Committee
Notice of meeting, 492, 1403
Postponement of meeting, 1087
Reports
Estimates of the Senate for 1986-87, tabled, 1696
Consideration, 1708, 1725, 1751

Frith, Hon. Royce—*Cont'd*
Internal Economy, Budgets and Administration Committee—*Cont'd*
Reports—*Cont'd*
OASIS, 1709
Victoria building, 1709
26th and 27th, tabled, 2302, 2361
28th and 29th, tabled, 2363, 2575, 2576
30th, tabled, 2403, 2420
31st to 40th, tabled, 2559, 2574
41st, 2787
International terrorism
Motion for appointment of Special Senate Committee, 1991
Motion withdrawn, 2374
Reservations, 1991
Seizure of Egyptian aircraft, expression of outrage, expression of condolences, 1532
Training sites, qu, 1110
Investment Canada
Foreign investment, government policy, qu, 319
Investment Canada bill C-15, 1071
Judges and related Acts bill C-128, 2739
Justice
Quebec, appeal of speeding conviction, decision of minister, qu, 282, 430
Legal and Constitutional Affairs committee
Constitution 1867 and electoral boundaries readjustment, authority to study subject matter of Bill C-74 prior to receipt of legislation, 1547
Parole, penitentiary, prisons and reformatories and Criminal Code, authority to study subject matter of Bill C-68 prior to receipt of legislation, 1714
Reports
14th, Representation, 1985 bill C-74, rep without amdt, 1863
15th, parole and penitentiaries, subject matter of Bills C-67 and C-68, authority to travel from place to place in Canada to study, 1948
19th, Representation, 1985 bill C-74, 2020
20th, Royal Canadian Mounted Police bill C-65, rep without amdt, 2148
21st, parole and penitentiaries, interim rep on subject matter of Bill C-67, 2473
24th, Employment Equity bill C-62, rep with observations and recommendations, 2677
Libya
United States air strike
Consultations between Canada and United States and between Canada and western allies, 2345
Request for answers, 2278
Macdonald, Hon. John M., felicitations on 25th anniversary of appointment, 1126
Marriage (prohibited degrees) bill S-2, 2367
Meat Inspection bill C-33, 923
Metric conversion
Government policy, qu, 196, 302
National Defence Committee
Appointment, 71, 94, 112
National Film Board, "The Kid Who Couldn't Miss", 2455
Motion to refer back to committee, 2514
National Finance Committee
Borrowing authority, authority to examine subject matter of Bill C-51 prior to receipt of legislation, 998
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to meet forthwith, 497, 526
Excise tax and excise, authority to study subject matter of Bill C-80 prior to receipt of legislation, 1477

Frith, Hon. Royce—*Cont'd*
National Finance Committee—*Cont'd*
Petroleum and gas revenue tax and income tax, authority to study subject matter of Bill C-82 prior to receipt of legislation, 1477
Post-secondary education and training, authority to study government activities, 1275
Reports
6th, estimates year ending Mar. 31/86, supplementary (A), 1007
10th, estimates year ending Mar. 31/86, supplementary (B), 1699
12th, Canada Development Corporation reorganization bill C-66, rep without amdt but with recommendations, 1713
14th, estimates 1985-86, supplementary (C), 2228
Supplementary fiscal equalization payments, authority to examine subject matter of Bill C-39 prior to receipt of legislation, 999
National Postal Museum
Advisory committee, motion for return, 2410
National Revenue
Definition of "partnership", tax avoidance, qu, 1284
Nuclear disaster
Ukraine, safety and health of Canadian nationals, government action, qu, 2386
Official Languages Policy and Programs Committee
Estimates 1986-87, Privy Council Vote 15, referred, 2224
Quorum, 463
Report
1st, authority to adjourn from place to place in Canada, 1008
Ontario and Manitoba Courts Amendment bill C-3, 365
Parliament
Caucus rooms, electronic eavesdropping, Prime Minister's reaction, qu, 1926
Standing joint committees, propriety of Commons referrals, 2128
Parliamentary Employment and Staff Relations bill C-45, 2696, 2725, 2776
Implications for independence of Parliament, 2778
Parole and Penitentiary bill C-67, 2747, 2791, 2811, 2823, 2826, 2831
Commons disagreement with Senate amendment, 2840
Point of order, 2830
Potential for abuse, 2849
Speaker's ruling, 2831
Parole and related Statutes bill C-68, 2822, 2825
Pension Benefits Standards bill C-90, 2771
Petitions, 1789
Pine Hill Divinity Hall bill S-7, 1733
Pioneer Trust Payment Continuation bill C-50, 860, 877
Privilege, 1096
Statement by Senator Roblin on alleged conflict of interest, 2444
Reform of the Senate, qu, 625
Request for information, qu, 656
Register of senators' interests, 1666
Regulations and other Statutory Instruments Committee
Reports
2nd, Statutory Instruments No. 29, 495
5th, Statutory Instruments No. 32, 2230, 2274, 2360, 2500
Representation, 1985, bill C-74, 1779, 1795, 1801, 1906
Senate responsibility, 1907
Research and Development, support and government policy, 1293
Riel, Hon. Maurice, P.C.
Privy Council appointment, felicitations, 244
Rights and freedoms
Canadian forces, spouses of members, 1512, 1526, 2015, 2235, 2411
Motion in amendment, 1526

Frith, Hon. Royce—*Cont'd*
Riley, Hon. Daniel A., the late, 23
Royal Canadian Mounted Police
Alleged conduct of former corporal, qu, 1064, 2100
Royal Canadian Mounted Police bill C-65, 2024
Definition of "complaint", 2025
Marin commission report, 2024
Public Complaints Commission, limitation of powers, 2025
Royal Commission on Economic Union and Development Prospects for Canada
Request for tabling of report, qu, 925
Rules of the Senate
Rule 20, oral questions, suggested amendment, 61
Rule 67 (1), motion to amend, 2459
Rule 77 (7), motion to amend to prohibit smoking at committee meetings, 1849, 1913, 1995, 2170, 2408, 2452
Health and discomfort, 1914
May's Parliamentary Practice, 20th Edition, 1916
New York State Journal of Medicine, 1916
Precedent, 1916
Suggested amendments, 758
Selection Committee
2nd report, committee members, 55
Senate
Adjournment, 113, 466, 520, 688, 959, 1399, 1413, 1478, 1492, 2111, 2530, 2783
Allocation of rooms, question of privilege, 2016
Bourassa, Paul, tribute on completion of term as page, 843
Business, 383, 397, 398, 503, 646, 647, 737, 743, 1050, 1404, 1516, 1677, 1681, 1719, 2015, 2254, 2436, 2577
Committees authorized to examine subject matter of Bills C-27, C-44, C-24 and C-36 prior to receipt of legislation, 999
Disposition of Bills C-67 and C-68, 2825
Wallenberg, Raoul, resolution approving conferring of honorary Canadian citizenship, 1690, 1703, 1761
Committees, authority to invite provincial representations, 662, 802, 823
Doyle, Hon. Richard J., appointment, qu, 666
Easter greetings, 2259
Hébert, Senator Jacques, hunger strike, 2211
Speakers statement, 2246
Legislative program, qu, 481
Minutes of the Proceedings
Recording of choosing of Acting Speaker, 1966
Recording of points of order, 1967
Official report
Correction of statement, 370
Printing of appendices, 709
Order No. 3 and Inquiry No. 2 withdrawn, 1384
Orders and Customs of the Senate and Privileges of Parliament
Motion to constitute immediately in Committee of the Whole, 2242
Proceedings, motion to authorize broadcasting, 1271
Motion in amendment, 1877
Question Period
Form, suggested referral to Standing Rules and Orders Committee, 2554
Oral questions, delayed answers, 300, 433, 502, 1400, 1836
"Order for return", point of order, qu, 1324
Requests for answers, 303, 382, 1112, 1290, 1384, 1394, 1974, 1989, 2653, 2668
Security service, staff reduction, 944
"Senate Bulletin", qu, 1520
Small Businesses Loans bill C-23, 714, 733
Adequate funding, 714
Difficulty in achieving objectives of bill, 714

Frith, Hon. Royce—*Cont'd*
Small Businesses Loans bill C-23—*Cont'd*
Legislation by order in council, 714
Smoking Prohibition bill S-8, 2415, 2431
Motion in amendment, 2511
Social Affairs, Science and Technology Committee
Authority to meet during sittings of the Senate, 2029, 2083
Family Allowances, 1973, authority to study subject matter of Bill C-70 prior to receipt of legislation, 1547
Immigration, 1976, authority to study subject matter of Bill C-55 prior to receipt of legislation, 1516
Motion withdrawn, 1547
National Film Board, "The Kid Who Couldn't Miss", authority to examine, 1249, 1261
Old age security, authority to examine subject matter of Bill C-26 prior to receipt of legislation, 999
Pension benefits standards, authority to study subject matter of Bill C-90 prior to receipt of legislation, 2501
Reports
9th, authority to adjourn from place to place within and outside Canada to study, 2397
Motion withdrawn, 2410
10th, authority to travel and to engage services to study report *They Served, We Care,* 2651, 2660
Veterans affairs, authority to adjourn from place to place in Canada, 1302
Social programs
Universality, government policy, 372, 375, 378
Standing Rules and Orders Committee
Register of senators' interests, authority to study related matters, 1726
Reports
3rd, Rules of the Senate, suggested amendment, 1243
4th, Royal Assent ceremony changes, 1482
Motion in amendment, 1860, 1875
6th, government responses to committee reports, 1758
8th, rule 77 (7), motion to amend to prohibit smoking at committee meetings, 2381
9th, Message from House of Commons re amendments to their Standing Orders, 2435
Statistics Canada
Cancellation of 1986 census, qu, 237
Statute Law (Canadian Charter of Rights and Freedoms) bill C-27, 1118
Sullivan, Hon. Joseph A., resignation, 623
Terrorism, motion for appointment of Special Senate Committee, 2520, 2540
Trade
Imports from Third World countries, government attitude, qu, 836
Transport
CN Rail, reductions in service in Newfoundland and east of Montreal, qu, 1833
CN Route, possible sale, government action, 2390
Port of Churchill, Manitoba
Grain shipments to U.S.S.R. and availability of hopper cars, 1324
Transportation and Communications Committee
Car rental outlets at airports, authority to study policy, 495
Tributes to departing pages, 2832
Unemployment, method of combatting, 701
United Nations Foreign Arbitral Awards Convention bill C-107, 2450
Wallenberg, Raoul
Proposed conferring of honorary Canadian citizenship, 1669
Youth

Frith, Hon. Royce—*Cont'd*
Youth—*Cont'd*
Abolition of Katimavik, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1920
Government policy, qu, 2216
Report of Special Senate Committee, government policy, qu, 2116
Youth Committee
Appointment, 310
Report
2nd, "Youth: A Plan of Action", 2692
Point of order, 2341
Yuzyk Hon. Paul, the late, tribute, 2835

Gentleman Usher of the Black Rod
Jalbert, René M., Esq., appointment, 1220
Lajoie, Claude, Esq., appointment, 1

Gigantès, Hon. Philippe Deane
Address in reply to Speech from the Throne, 82
Aging, justice for the elderly, 978
Air Canada
Board of directors, replacement of members, qu, 659
Aviation disasters
Air-India aircraft loss, treatment of insurance claims, qu, 1113
Banking
Canadian Commercial Bank and Northland Bank
Delay in instituting inquiry, qu, 1376
Borrowing Authority, 1985-86 (No. 2) bill C-51, 1207
Budget
Impact of measures, qu, 1017
Cabinet
Conflict-of-interest guidelines, government policy, senator's arm's length relationship, 2386
Cabinet, access to information, 268, 289
Employment, 269
Journalists, 269
Public servants, 269
Real disposable income per capita, 269
Canada-Greece relations, 1714, 1787
Good relations at risk, 1787
Canada Post Corporation
Prospective strike, government policy, qu, 530
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1628
Bilingualism, 1629
Canada's International Relations Committee
1st report, bilateral trade with United States and Canada's participation in research on Strategic Defense Initiative (interim), 1395
Canada-United States relations
Bilateral trade negotiations, qu, 1392
Government policy, qu, 2328
Items not for negotiation, qu, 1353
Free trade, 1362
Kidnapping of Canadian citizen by bounty hunters from United States, qu, 529
Summit meeting in Quebec City, absence of Governor General, qu, 657, 2494
Invitations to gala performance, request for answer, 2221
Trade, imposition of tariff on publications and computer parts, qu, 2536, 2545
Censorship, nature and danger, 1322, 1368
Canadian Broadcasting Corporation, 1369
Mill, John Stuart, quotes, 1368
National Film Board, 1369

Gigantès, Hon. Philippe Deane—*Cont'd*
Christmas, bureaucratic and political comments, 296, 405, 440
Customs Tariff bill C-38, 775
Material of a treasonable or seditious nature, 775
Deficit, 83
Disarmament
Space-based defensive weapons, government policy, qu, 424
Economy, 83
Canadian dollar, decline in value, qu, 509
National conference, availability of information, qu, 660
Employment
Job creation, qu, 898, 910
Government policy, qu, 79
Employment and Immigration
Immigrant wife of Canadian citizen, status, qu, 2052
End of Decade Women's Conference, meeting held at Nairobi, Kenya, 1274
Energy
Gas pricing policy, advisory committee study, qu, 471
Petroleum Gas Revenue Tax, government policy, qu, 468
Price of Canadian crude oil, qu, 483
Energy, Mines and Resources
Articles sent to weekly newspapers, qu, 2506
Propaganda articles, 2652
Estimates
Date of tabling, qu, 537, 538
Question of privilege, 622
Family Allowances, 1973 bill C-70, 2009
Question of trust, 2009
Finance
Protection of bondholders against inflation, reported statement by minister, qu, 970
Recording of ministerial discussions, qu, 223
Finance, Italian and Newfoundland electors, comments of minister, 347, 444
Fisheries and Oceans
Canned tuna unfit for human consumption, suggested method of disposal, 1255
Decision of minister re licence, qu, 1171
Independence of inspectors, qu, 1298
Sale of canned tuna unfit for human consumption, qu, 1236
Foreign affairs
Afghanistan, Soviet army defectors, government policy qu, 2327
India, detention of Canadian national, 57
Sale of CF-104 aircraft to Turkey, qu, 299, 431
Foreign affairs, gift of war planes to Turkey, 347, 441
NATO, 442
Possible Turkish attack against Greek islands, 441
Tension in the Aegean, 441
Greece
National Day of Greece, 646, 720
Greek Independence Day, 2216
Immigration
Entry of Soviet refugees, government policy, qu, 58, 411
Japan, 85
Justice
Quebec, appeal of speeding conviction, decision of minister, qu, 336, 432
Request for clarification of statements, 197
Labour
Canada-United States free trade, prospective agreement, possible effects on employment, qu, 2035
Law Reform Commission
Bigamy and polygamy, treatment, qu, 1255
Lévesque, Hon. René, contribution to national life, 1295, 1330
Libya

Gigantès, Hon. Philippe Deane—*Cont'd*
Libya—*Cont'd*
Safety of Canadian nationals, government position, qu, 2305, 2327
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to report, 571
Pension bill C-28, 539
Reform of the Senate, 634
Senate
Committees, authority to invite provincial representations, 662
Hébert, Senator Jacques, hunger strike, 2214
Official report
Printing of appendices, qu, 708
Request for revision of statement, 279
Oral questions, delayed answers, qu, 502
Question Period, request for answers, 638, 1112, 2272, 2472
Social Affairs, Science and Technology Committee
Authority for subcommittee to travel, 2039, 2064
Consultation Paper on Child and Elderly Benefits, authority to study, 512
National Film Board, "The Kid Who Couldn't Miss", authority to examine, 1269, 1306
Reports
4th, Family Allowances, 1973, subject matter of Bill C-70, 1784
8th, National Film Board, "The Kid Who Couldn't Miss", 2332
Social programs
Universality, government policy, qu, 377, 470
Strategic Defense Initiative, 1221, 1262
First strike, 1262
Potential accidents, 1263
Russian research on weapons in outer space, 1264
Star Wars, 1263
Umbrella, 1262
Symbolic apple, 339
Technological revolution, 86
The Economy and the Budget, 1106, 1188
Increasing economic activity, 1189
Pensions, 1189
Unemployment, 1189
United States, 1190
Transport
Canadian airports, security, qu, 1113, 1325
Trudeau, Rt. Hon. Pierre Elliott, P.C., record of administration, 1221, 1401
Economy, 1401
Employment, 1402
Inflation, 1402
Westell, Prof. Anthony, Carleton University, quote, 1402
Unemployment, 84
Unemployment, method of combatting, 657, 698
Youth Committee
2nd report, "Youth: A Plan of Action", 2337, 2369, 2692
Yuzyk, Hon. Paul, the late, tribute, 2836

Godfrey, Hon. John M.
Aging, justice for the elderly, 978
Australia
Missen, Senator Alan, the late, tribute, 2326
Banking
Canadian Commercial Bank, collapse, qu, 1229
Offer of chartered banks to assist in examination of loan portfolio, qu, 1252
Canadian Commercial Bank and Northland Bank

Godfrey, Hon. John M.—*Cont'd*
Banking—*Cont'd*
Canadian Commercial Bank and Northland Bank—*Cont'd*
Senate study, wording of resolution, qu, 1235
Estey Commission of Inquiry, qu, 1297
Regulation of banks, qu, 1287
Banking, Trade and Commerce Committee
Finance, restructuring of financial institutions, authority to study discussion paper, 1107
Cabinet
Leader of the Government in the Senate, responsibilities, 28
Canada Deposit Insurance Corporation bill C-86, 2573, 2588
Board of directors, 2573
Increasing fees, 2573
Retroactivity, 2574
Canada Development Corporation Reorganization bill C-66, 1565, 1741
Definition of "associate" loophole, 1565, 1741
Canada-United States relations
Trade, imposition of tariff on publications and computer parts, 2537
Canadian Commercial Bank Financial Assistance bill C-37, 751
Canadian Pension Commission
Replacement of Wing Commander MacKenzie, DFC, qu, 1066, 1174
Competition Tribunal bill C-91, 2619
Consumer and Corporate Affairs
Trademark legislation, qu, 479, 679, 771
Corrections
Daniel Hawe Report, motions Nos. 3, 4, 5 and 6, for production of service contracts and statement of expenditures, 2340
Customs and Special Import Measures bill C-40, 816
David, Hon. Paul, 803
Employment
Nannies, remuneration, qu, 354
Employment and Immigration
Long-term Illegal Migrants Review Committee, possible investigation of conduct of chairman, qu, 791
External Affairs
Parking tickets, payment by Canadian diplomats abroad, qu, 805
Fisheries bill C-32, 1149
Regulation-making powers, 1149
Foreign affairs committee
International financial system and institutions, authority to adjourn to Toronto, New York and Washington D.C., to study, 2237
Foreign investment
President of Treasury Board, reported statement, 695
Health and Welfare
Canada-Belgium social security agreement, delay in tabling, qu, 483, 680
Health, ill effects of smoking, 476, 768
Income Tax and related Statutes bill C-84, 1888, 1989
Capital gains, 1888
Child Tax Credit, 1889
Child Tax Exemption, 1889
Retroactivity, 1890
Small business investment measures, 1889
Income Tax Conventions bill S-3, 485
Income Tax Conventions Interpretation bill C-10, 358
Immovable property, 359
Indian bill C-31, 1042
Internal Economy, Budgets and Administration
Estimates of the Senate 1985-86, 1726
Investment Canada bill C-15, 1052
Encouraging Canadians to invest in Canada, 1054
Foreign Investment Review Act, 1052

Godfrey, Hon. John M.—*Cont'd*
Investment Canada bill C-15—*Cont'd*
Ministerial administration of the act, 1053
Tax treatment of corporations, 1054
Justice
Unlicensed cable television operators, stay of prosecutions, qu, 221
Library of Parliament Committee
Frequency of meetings and composition, qu, 27, 62
Meat Import Act
Tabling of reports, qu, 1887, 2023
National Finance Committee
6th report, estimates year ending Mar. 31/86, supplementary (A), 1004
Official Languages Committee
Quorum, 463
Pioneer Trust Payment Continuation bill C-50, 863
Parliament
Caucus rooms, electronic eavesdropping, apology by Deputy Prime Minister, qu, 1941
Standing joint committees, propriety of Commons referrals, 2128
Printing of Parliament Committee
Frequency of meetings and composition, qu, 27, 62
Regional Development Incentives
Non-compliance by minister with Act, qu, 882, 1259
Regulations and other Statutory Instruments Committee
Authority to examine subject matter of clauses of certain bills, 207, 313, 615
Report
2nd, Statutory Instruments No. 29, 495
Rights and freedoms
Canadian forces, spouses of members, 1512
Royal Assent
Alternative procedure, qu, 607, 757
Rules of the Senate
Rule 20, oral questions, suggested amendment, qu, 62
Rule 67 (1), motion to amend, 2461
Rule 77 (7), motion to amend to prohibit smoking at committee meetings, 1995, 2169
Suggested amendments, qu, 757
Saltfish bill C-6, 304
Senate
Adjournment, 1650
Business, 737, 1681
Wallenberg, Raoul, resolution approving conferring of honorary Canadian citizenship, 1692
Cabinet members in the Senate, committee membership, qu, 1375
Committees, authority to invite provincial representations, 655, 661, 801, 823
Official report, printing of appendices, 709
Proceedings, authority to broadcast, motion in amendment, 1877
Results of experiment in British House of Lords, 1877
Question Period
Request for answers, 1051
Referral of bills to committee before second reading, qu, 2571
Senate, office of Speaker, 887
Small Businesses Loans bill C-23, 733
Smoking Prohibition bill S-8, 2392, 2413, 2429, 2510
Faulty legislation, 2415
Modified motion in amendment, 2510
Procedural technicalities, 2413, 2429
Social Affairs, Science and Technology Committee
National Film Board, "The Kid Who Couldn't Miss", authority to examine, 1305
Standing Rules and Orders Committee
Audio recording and broadcasting proceedings of Senate committees, request to study, 653

Godfrey, Hon. John M.—*Cont'd*
Standing Rules and Orders Committee—*Cont'd*
Reports
2nd, invitation to provinces to appear before Senate committee, 957
3rd, Rules of the Senate, suggested amendment, 1240
4th, Royal Assent ceremony changes, motion in amendment, 1862, 1873
9th, message from House of Commons re amendments to their Standing Orders, 2435
11th, membership of cabinet members on Senate committees, 2602
Time limit for government response to reports of Senate committees, request for consideration, 1364
Strategic Defense Initiative, government attitude, 1282
Altenberg, General Wolfgang, Chairman, Joint Chiefs of Staff, Federal Armed Forces of Germany, quote, 1283
Deterrence, 1282
U.S.S.R. and U.S. parity in nuclear weapons, 1282
Unemployment, method of combatting, 700
Youth Committee
Appointment, 311

Government advertising
Awarding of contracts, 794

Government cutbacks, 121, 198

Government of Canada
Agricultural programs, composition of task force, 524
Alleged freeze on programs, 523, 680
Appointments, 694
Policies and personality of former Prime Minister Trudeau, government attitude, 850
Remuneration of senior officials and others, 704, 899
Visit of Deputy Prime Minister to Yukon, use of government aircraft, 896

Government spending, 36

Governor General's and Governor General's retiring annuity and salaries and judges
Judicial allowances, 1541
Relativity factor, 1541
Speakers: Senators
Frith, Royce, 1541
Nurgitz, Nathan, 1540

Governor General's and Governor General's Retiring Annuity and Salaries and Judges bill C-78, 1r, 1496; 2r, 1540; ref to com, 1543; rep without amdt, 1649; r.a., 1712

Governor General, Her Excellency, Rt. Hon. Jeanne Sauvé, P.C.
Deputy
Beetz, Hon. Jean, appointment, 2
Dickson, Rt. Hon. Brian
Royal Assent, 927, 1414, 2091, 2623
Estey, Hon. Willard Z.
Royal Assent, 403
La Forest, Hon. Gérard V.J.
Royal Assent, 950, 1217, 1712, 2258, 2361, 2783
Lamer, Hon. Antonio
Royal Assent, 616, 621, 1100, 1830, 2031, 2857
Le Dain, Hon. Gerald, E.
Royal Assent, 756, 2410

Governor General, Her Excellency, Rt. Hon. Jeanne Sauvé, P.C.—*Cont'd*
Deputy—*Cont'd*
Wilson, Hon. Bertha
Royal Assent, 777
Speech from the Throne at Opening of First Session of Thirty-third Parliament, 1
Visit to United Kingdom, 1517

Grafstein, Hon. Jerahmiel S.
Access to information
Government guidelines for public servants, qu, 195, 214, 427, 428
Banking
International banking centres, promotion, qu, 2089, 2471
Canada-United States relations
Bilateral trade negotiations, qu, 1389, 1431
Canadian publishing and Canadian magazines, 2769
Cultural industries, qu, 1652
Export of fresh water, qu, 1851
Government policy, qu, 1236, 2342
Items for negotiation, qu, 1352
United States Ambassador's comments, qu, 1310
U.S. countervailing duties, government action, qu, 2467
User fees on Great Lakes, qu, 1517, 1718
Canadian content rules, effect on U.S. trade into Canada, qu, 2503
Free trade, impact on auto pact, availability of report to Province of Ontario, qu, 2493
Japanese auto plants, effect of establishment in Canada, qu, 2493
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1573, 1578, 1645
Written word, important measure of values, 1583
Chernenko, Konstantin, the late
Government representation at funeral, qu, 677
Cultural heritage and national identity
Government policy, qu, 81, 243, 1432
de Havilland Aircraft of Canada Limited
Sale to Boeing Corporation, 1738, 1854
Use of de Havilland technology, qu, 1715, 1854
Economy
Canadian dollar, decline in value, qu, 508
Government policy, qu, 781
Employment
Government policy, qu, 376
Foreign affairs
Green paper on competitiveness and security, qu, 912
Iran, persecution of Baha'is, qu, 480, 636
Overseas delegations, parliamentary representation, qu, 760
South Africa, apartheid, government action to adopt United nations convention, qu, 2099
Third World, government aid, qu, 934, 1173
Foreign Affairs Committee
Canadian relations with countries of the Middle East and North Africa, authority to study, 366
Government of Canada
Policies and personality of former Prime Minister Trudeau, government attitude, qu, 850
Human rights
Discriminatory hiring practices against visible minorities, qu, 425
Japanese Canadians, government apology and compensation, qu, 27, 240, 673, 790, 1657, 1835, 2364
U.S.S.R., treatment of Canadian journalist, government attitude, qu, 770
Immigration

Grafstein, Hon. Jerahmiel S.—*Cont'd*
Immigration—*Cont'd*
Entry of Soviet refugees, government policy, qu, 43, 241
Multiculturalism
Status of minority groups, government policy, qu, 869
Nuclear disaster
Ukraine, safety and health of Canadian nationals, government action, qu, 2385
Publishing industry
Canadian share of market, qu, 2428, 2494
Reform of the Senate, 634
Supply and Services
Publications, request for removal of permission fee, qu, 2002
United Nations
Government policy, qu, 605, 712

Graham, Hon. B. Alasdair
Address in reply to Speech from the Throne, 198
Cape Breton Development Corporation
Appointment of president, qu, 725, 1023
Crown Assets Disposal Corporation Dissolution bill C-43, 796
Legal proceedings related to obligations or liabilities, 797
Employment
Cape Breton, unemployment rate, qu, 2552
Decentralization program, qu, 101, 426, 498, 637
Family allowances
De-indexation, petitions against Bill C-70, number and disposition, qu, 1923
Family Allowances, 1973 bill C-70, 1893, 2134
Child Tax Credit, 1895
Psychological component, 1896
State responsibility to the family structure, 2137
Universality, 1896
Foreign affairs
Philippines presidential election, status of Canada-Philippines relations, qu, 2032
Government cutbacks, 198
Industrial Development Division, 199
Investment Canada bill C-15, 1030
Canada's cultural heritage and national identity, 1031
Foreign investment entrepreneurship, 1030
Foreign Investment Review Agency, 1030
Ministerial decision-making authority, 1032
Senate
Question Period
Answers to unasked questions, qu, 2284
Sydney Steel Corporation, 199
The Economy and the Budget, 1191
Atlantic region economy, 1192
Capital gains, 1191
Closure of heavy water plants, 1192
Equity, 1191
Long term prospects, 1193
Pensions, 1192
Unemployment, 1192
Unemployment, 198
World peace, 201
Youth
Katimavik, cancellation of program, government policy, qu, 1921

Grain
Conference of ministers of exporting countries, 2448
International conference, government approach, 2504
Wheat pricing, terms of reference of House of Commons task force, 2468

Grassy Narrows and Islington Indian bands mercury pollution claims settlement
Band and individual settlements, 2497
Social consequences of pollution, 2498
Unknown future consequences, 2509
Speakers: Senators
Robertson, Brenda M., 2497, 2510
Watt, Charlie, 2509

Grassy Narrows and Islington Indian Bands Mercury Pollution Claims Settlement bill C-110. 1r, 2488; 2r, 2497, 2509; 3r, 2539; r.a., 2623

Greece
National Day of Greece, 646, 720
See Canada-Greece relations

Greek Independence Day, 2208, 2215

Grey Cup
Congratulations to Winnipeg Blue Bombers on winning Canadian professional football championship, 76

Guay, Hon. Joseph-Philippe, P.C.
Canada-United States relations
Garrison Dam project, qu, 46, 82, 102, 214, 497, 795
Diversion unit legislation enactment, qu, 2448, 2555
United States study of bill, qu, 2342
Trans-border pollution problems, qu, 1951, 2050, 2102, 2156
Department of the Environment
Research scientists, termination of employment, qu, 214, 382
Economy
Foreign investment, competition, qu, 355
Employment
Public service staff reductions, job creation, government policy, qu, 2469
Income Tax and related Statutes bill C-84
Availability of committee proceedings, 1955
Industry
Co-op Implements, proposed relocation from Winnipeg to Regina, qu, 530, 899
VIA Rail maintenance centre location, qu, 538, 713
International terrorism
Training sites, qu, 1110
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to report, 562, 601
Official report
Correction, quality of translation, 1495
Parliament Hill
"Fairyland of beauty and excitement", qu, 1716
Parole and related Statutes bill C-68, 2825
Riel, Louis, 100th anniversary of hanging 1430, 1486
Senate
Question Period
Requests for answers, 302
Transport
Airport car rental service, 261
Parking, 322, 500
Port of Churchill, Manitoba
Continued operation, qu, 1431
Grain car access, qu, 869
Grain shipments to U.S.S.R. and availability of hopper cars, qu, 1067 1324

Haidasz, Hon. Stanley, P.C.
Adams, Rt. Hon. John, the late
Representation at funeral, qu, 647
Army Benevolent Fund and related Acts bill C-100, 2253
Banking
Payments to uninsured depositors, government policy, qu, 1374
Budget
De-indexation of pension benefits, government statement, qu, 1170
Cabinet
Conflict-of-interest guidelines, government policy, qu, 2389
Canada Council
Effect of budget reductions, qu, 46
Canada Post Corporation
Door-to-door delivery, limited cancellation of service, qu, 831, 937
Canada-United States relations
Summit meeting in Quebec City, request for texts of agreements, qu, 673
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1644
Canadian Broadcasting Corporation
Effect of budget reductions, qu, 46
Canadian Institute for International Peace and Security, 1304
Citizenship
Increase in fees, qu, 98
Consumer and Corporate Affairs
Combines and trust companies legislation, qu, 1255
Sale of canned tuna unfit for human consumption as pet food, qu, 1382, 1436
Crown corporations
de Havilland Aircraft of Canada Limited and Canadair Limited, government policy, qu, 336, 432
Petro-Canada, possible privatization, qu, 1280
Diplomatic missions, security, qu, 652
Economy
Canadian dollar, decline in value, qu, 509
Energy
Federal-provincial agreement, qu, 741
Environment
Pollution, Niagara River and Great Lakes, qu, 264, 382
Estonian, Latvian, Lithuanian and Ukrainian Communities of Ottawa
Thirteenth ecumenical memorial service and concert, 1009
Federal-provincial relations
Health and education, effect of reduction in transfer payments, qu, 1520 1556
Financial institutions
Concentration of economic power, government policy, qu, 2283
Fisheries and oceans
Sale of canned tuna unfit for human consumption, suggested inquiry, qu, 1308
Foreign affairs
Mexico, reported nuclear pact with Canada, qu, 450
Health and Welfare
Acquired immune deficiency syndrome, qu, 284, 500
Government action, qu, 1233, 1434
Hazardous products, government policy, qu, 1309
Health, ill effects of smoking, 1979
Contradictory government programs re use of tobacco, 1980
Cost statistics, 1979
Human rights
Berne meeting, absence of senators from membership of observer group, qu, 2349, 2412
Fate of Polish refugee, qu, 2349

Haidasz, Hon. Stanley, P.C.—*Cont'd*
Human rights—*Cont'd*
Japanese-Canadians, government apology and compensation, government policy, qu, 1905, 2789
Meeting of experts, 729
Participation by Canadian parliamentarians, qu, 856, 868
Primate of Poland, expression of sympathy, 96, 203
Human rights and fundamental freedoms
Appointment of Senate committee, 2084
Human rights, meeting of experts, desirability of Senate participation, 397, 487
Immigration
Entry of Soviet Jews, government policy, qu, 2468
Refugee determination, government policy, qu, 2285, 2468
Immigration, 1976 bill C-55, 2139, 2181
Backlog, 2182
Band-aid solution, 2182
Foreign medical graduates, 2183
Hockey players, preferential treatment, 2184
"Investor" category, 2183
Larger legislative reform promised, 2184
Multiculturalism, 2181
Plaut, Rabbi Gunther, "Refugee Determination in Canada", 2182
Indian Act
Status of women, removal of discriminatory provisions, qu, 376, 380, 537
Industry
New Brunswick, closure of Star-Kist plant, government action, qu, 1393
International terrorism
Seizure of Egyptian aircraft, qu, 1497
Expression of outrage, expression of condolences, 1532
Justice
Canada Commission of Inquiry on War Criminals
Cost and scope, qu, 1921, 2102
Destroyed files, government action, qu, 1377
Extension of mandate and cost, qu, 2507
Extension of time, budget, qu, 1654
Scope of inquiry, qu, 1323
Multiculturalism
Government policy, qu, 2269, 2285
Suggested joint committee, qu, 1313
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to report, 574, 601
Native peoples
Treatment of Louis Riel and Métis, government position, qu, 1480
Nuclear disaster
Ukraine, effects of radiation
Government advice to Canadian travellers, qu, 2427
Government knowledge and action, qu, 2387
Nuclear energy
Safety of Canadian reactors, qu, 2385
Parliament
Caucus rooms and members' offices, electronic eavesdropping, qu, 1926
Staff relations, denial of right to strike, qu, 832
Parliament Hill
Canadian flag at half-staff, qu, 647
Parole and Penitentiary bill C-67, 2812
Reform of the Senate, qu, 633
Appointments review committee, qu, 660
Regulations and other Statutory Instruments
5th report, Statutory Instruments No. 32, 2274
Senate
Question Period, request for answers, 2273

Haidasz, Hon. Stanley, P.C.—*Cont'd*
Smoking Prohibition bill S-8, 2018, 2061, 2376, 2790
Chief Medical Officer of England, quote, 2061
Cost statistics, 2062
Dewey, Martin, *Smoke in the Workplace,* quote, 2061
Harmful effects of passive smoking, 2062
Tarnopolsky, Mr. Justice Walter, quote, 2061
Sport
Toronto, proposed domed stadium, government assistance, qu, 449, 712
Status of Women
Equal pay for work of equal value, government delay, qu, 2002
Role in Canadian armed forces, qu, 2086
Thirteenth Baltic Evening
Announcement, 620
UNESCO
Canada's participation, qu, 1656
United Nations
Ratification of international convention against taking of hostages, qu, 652
World War II
40th anniversary of cessation of hostilities in Europe, 866
40th anniversary of surrender of German forces, qu, 842, 973
Yuzyk Hon. Paul, the late, tribute, 2837

Hastings, Hon. Earl A.
Agriculture
Farm credit crisis, request for meeting of ministers of agriculture, qu, 985
Alberta
Economy, government assistance, qu, 2308
Budget, impact on senior citizens, 1086
Canada-United States relations
Summit meeting in Quebec City, press release, qu, 652
Correctional service
Commissioner's office, increased cost of administration, qu, 2284, 2389
Corrections, 2246
Correctional investigator, annual report, request for tabling, 2565
Daniel Hawe Report, motions Nos. 3, 4, 5 and 6, for production of service contracts and statement of expenditures, 2338, 2359, 2539
Request for tabling of documents, qu, 2669, 2704, 2787
Energy
Canada-Nova Scotia Offshore Oil and Gas Development Agreement, qu, 510, 638
Canadianization, government policy, qu, 297
Gas pricing policy, proposed committee study, qu, 280, 431
Advisory committee study, qu, 470
Heavy oils, construction of upgrader at Lloydminster, Alberta, government policy, qu, 2122
Oil pricing, government policy, qu, 1867, 2220
Petroleum Gas Revenue Tax, government policy, qu, 469
Energy and Natural Resources Committee
Authority to meet during sittings of the Senate, 2445
National Energy Program
Authority to publish and distribute interim report, 1062
Authority to review all aspects, 333, 369
Reports
1st, expenses incurred during 2nd Session, 32nd Parliament, 296
2nd, oil substitution and conservation (Bill C-24), 1062
See Journals of the Senate
4th, petroleum incentives program, subject matter of Bill C-85, 2214
5th, "Oil Marketing: 1986," tabled, 2678

Hastings, Hon. Earl A.—*Cont'd*
Health and Welfare
Health services, universality, government policy, 374
International trade
Beef imports from European Economic Community, qu, 985
Labour
Fair Wages and Hours of Labour Act, government attitude towards provisions, qu, 1135, 1238
National Parole Board
Appointment of members, qu, 1500, 1672, 1718
Parole provisions, administration, government policy, qu, 1669
National Revenue
Abandonment of Petroleum and Gas Revenue Tax, qu, 353, 375
Old age security
De-indexation of pensions
Position of Canadian Petroleum Association, qu, 1064
Presentation of petitions, 1035, 1062, 1103, 1130, 1166
Parole
Release of dangerous inmates, qu, 2838
Parole and Penitentiary bill C-67, 2747, 2791, 2793, 2805, 2840
Amendment, 2813
Commons disagreement with Senate amendment, 2840
Earned remission, 2795, 2843
Federal Court of Canada, decision citation, 2798
Freedom of the individual, 2798
Gating, 2797, 2806
Howard vs Stoney Mountain Penitentiary, 2846
Laskin, Chief Justice Bora, quote, 2796
"Mandatory Supervision: A Discussion Paper", 2797
Number of mentally ill and dangerous inmates, 2842
Parole Board credibility, 2807
Parole Board decision statistics, 2844
Public safety, 2794, 2805
Regional representation on Parole Board, 2812
Parole and related Statues bill C-68, 2749, 2801, 2825
Penitentiaries
Canada-Alberta agreement and memorandum of intent
Effect on employees, qu, 1852, 1988
Request for tabling, 1849, 1927
Conditions, government study, qu, 1836
Stoney Mountain, construction of doghouse, qu, 1869, 1988
Petroleum and Gas Revenue Tax bill C-82, 1913, 1928
Canadianization, 1929
Multinational promises, 1929
Security of supply, 1929
Petroleum Incentives Program bill C-85, 2225
Canadianization, 2226
Commitments, 2226
Frontier exploration, 2225
Senate
Question Period
Request for answers, 381
Social Affairs, Science and Technology Committee
They Served - We Care, authority to review, 233

Hatfield, Hon. Richard B.
Tribute on 25th anniversary of election to New Brunswick legislature, 2665

Hatfield, Hon. Richard B., fifteenth anniversary of becoming Premier of New Brunswick, 1449, 1663, 1706, 1996, 2012
Division of communities, 1708
Language equality, 1663
Patriation, 1663
Room for improvement, 1708

Hatfield, Hon. Richard B., fifteenth anniversary of becoming Premier—*Cont'd*
Trust fund establishing financing of French language newspaper, 2013
Speakers: Senators
Corbin, Eymard, G., 1706, 1996
Simard, Jean-Maurice, 1663, 2013

Hays, Hon. Daniel Phillip (Introduced in the Senate Nov. 5/84), 1
Agriculture
Western Canada, drought conditions, government assistance programs, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1461
Canada-United States relations
Bilateral trade negotiations
Agriculture, consultations with Canadian producers, qu, 2364, 2472
Canadian hog production, United States import duty, qu, 738
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1604
Broadcasting, 1604
Culture, definition, 1604
Canadian Broadcasting Corporation
Effect of budget reductions, qu, 1479
Funding, government policy, qu, 318
Independence, government policy, qu, 99, 318
Mandate, parliamentary committee study, qu, 318
Canadian National Railways
Board of directors, replacement of chairman, qu, 780
Canadian Wheat Board
Sprouted wheat, presentation of petitions for direct emergency open quota, 1405
Customs and Customs Tariff bill C-9, 284
General Agreement on Tariffs and Trade, 284
Energy
Higher cost producers, minister's statement, request for clarification, qu, 2119
Oil and gas industry, application of tax incentives, qu, 2119
Government policy, qu, 2383
Oil and gas pricing, government policy, qu, 2583
Energy and Natural Resources Committee
5th report, "Oil Marketing: 1986", 2741
Government of Canada
Agricultural programs, composition of task force, qu, 524
Reform of Parliament, proposed joint committee, qu, 213
Youth Committee
2nd report, "Youth: A Plan of Action", 2399

Health
Communicable diseases, Canada's participation in world immunization program, 2036

Health and Welfare
Acquired immune deficiency syndrome, 284, 500
Government action, 1233, 1434
Canada-Belgium social security agreement, delay in tabling, 483, 680
Consumption of alcohol, "A little of what you fancy...", 1312
Fitness of meat for Canadian consumption, 1653, 2039
Guaranteed Income Supplement, 502
Hazardous products, government policy, 1309
Health services, universality, government policy, 350, 373, 500
Palliative care, use of heroin, government policy, 258
Social assistance programs
Suggested review, 706

Health and Welfare—*Cont'd*
Social assistance programs—*Cont'd*
Universality, government policy, 2037, 2049
Social benefits, issuance of discussion paper, 236

Health and Welfare, "Guaranteed Annual Income—born again", 1295

Health, ill effects of smoking, 462, 474, 728, 766, 799, 1935, 1979
Advertising and sales promotion of cigarettes, 475
Contradictory government programs re use of tobacco, 1980
Cost of smoking to employer and taxpayer, 475, 1979
Injurious effects on smoker, 767
Recommendations for implementation on Parliament Hill, 475
Request to Prime Minister and Treasury Board re non-smoking areas, 1981
Second-hand smoke, 475, 767
"Tips to help smokers butt-out", Ann Landers, quote, 1982
Voluntary restraint by the Senate, 729
Wilson, Peter, 728
Speakers: Senators
Bosa, Peter, 474, 1981
Frith, Royce, 728
Godfrey, John M., 768
Haidasz, Stanley, 1979
Macquarrie, Heath, 766

Hébert, Hon. Jacques
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1590
"Battle of the book", 1592
Gulf and Western's acquisition of Canadian companies, 1595
Investment Canada Act, 1594
Literary and intellectual heritage, 1594
Patriation policy, 1596
Canada-United States relations
Trade, imposition of U.S. and Canadian tariffs, mitigation of harmful effects, government policy and programs, qu, 2561, 2562
Hunger strike, 2211
Speaker's statement, 2245
Katimavik participants, visit, 316
India, General Malhotra, Director General of National Cadet Corps, visit, 497
Quebec National Assembly, parliamentary interns, visit, 504
Youth
Abolition of Katimavik, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1918
Motion withdrawn, 1920
Katimavik, cancellation of program, government policy, 2132
Youth Committee
Appointment, 96, 204
Authority to meet during Senate sitting, 777, 1467
Authority to publish and distribute report, 1985
Order of reference, amendment, 1169, 1430, 1468
Reports
1st, expenses incurred during 2nd Session, 32nd Parliament, 279
See Journals of the Senate
2nd, "Youth: a plan of action", 2045, 2147

"Herbicide Pricing "
See Agriculture, Fisheries and Forestry Committee
"Soil at Risk, Canada's Eroding Future"

Hicks, Hon. Henry D.
Address in reply to Speech from the Throne, 109
Banking, Trade and Commerce Committee
Proceedings, authority to televise, 1490
Beaubien, Hon. Louis-Philippe, the late, 732
Canada-Greece relations, 1788
Canadian Arsenals Limited Divestiture Authorization bill C-87, 2396, 2405
Export of armaments, 2396
Criminal Code (prostitution) bill C-49, 1564
Enhancement of pimp's control, 1565
Customs Tariff bill C-71, 1329
Customs Tariff bill C-111, 2728
Deficit, 110
Deschatelets, Hon. Jean-Paul, P.C., tributes on resignation from the Senate, 1833
Duties Relief bill C-98, 2656
Simplification of existing law, 2656
Excise Tax and Excise bill C-80, 2066
Federal-Provincial Fiscal Arrangements, Federal Post-Secondary Education, Health Contributions, 1977 bill C-96, 2707
Cash transfer payments reductions, 2708
"No strings" transfers, 2708
Research and development constraints, 2708
Fisheries Committee
Authority to publish and distribute report on marketing of fish in Canada, 2675
Fisheries and Oceans
Resignation of minister, tribute, 1266
Foreign affairs
Nicaragua, absence of Canadian observers from election, qu, 223, 382
Foreign Affairs Committee
Canadian relations with countries of the Middle East and North Africa, authority to study, 366
International financial system and institutions, Canada's participation, authority to adjourn to Toronto, New York and Washington D.C. to study, 2236
Report
2nd, Canada's relations with countries of Middle East and North Africa, 1412
Income Tax Conventions bill S-6, 1697
Ratification, 1697
Internal Economy, Budgets and Administration Committee
Senate estimates for 1986-87, 1711
International Centre for Ocean Development bill C-22, 609
Board of directors, replacement of members, qu, 793
Financial support, 610
International Ocean Institute at Malta, 610
Programs, 610
International terrorism
Motion for appointment of special Senate committee, 1937, 1948
Cost, 1937
Marriage (prohibited degrees) bill S-2, 1748
National Defence
Canadian forces, future role, qu, 257, 429
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to report, 578
Report
16th, estimates year ending Mar. 31/87, 2589
National Postal Museum
Advisory committee, 2363, 2410
Membership, qu, 2700
Order for return, qu, 2571, 2653
Parliament buildings

Hicks, Hon. Henry D.—*Cont'd*
Parliament buildings—*Cont'd*
Centre block, removal of photographs of British Prime Ministers, qu, 1383, 1435, 1489, 1933
Westminster heritage, 1933
Parole and Penitentiary bill C-67, 2820
Senate amendments, precedents, 2820
Pine Hill Divinity Hall bill S-7, 1733, 1781, 1863
History, 1782
Pornography, 111
Remembrance Day, 1485
Representation, 1985 bill C-74, 1781
Research and development, 110
Rowe, Hon. Frederick W.
"The Smallwood Era", felicitations on publication, 445
Senate
Adjournment, 1371, 1705
Business, 1676
Wallenberg, Raoul, resolution approving conferring of honorary Canadian citizenship, 1688
Question Period
Request for answers, 356
Standing Rules and Orders Committee
4th report, Royal Assent ceremony changes, 1482
Strategic Defense Initiative, government attitude, 1270
Scientific and technical spin-off, 1270
Star Wars, 1270
Umbrella, 1270
"The Kid Who Couldn't Miss", 2398
Transport
VIA Rail, resumption of "Atlantic Limited" service, 726
Universality of social programs, 110
World War II, 40th anniversary of cessation of hostilities in Europe, 865

Hollet, Hon. Malcolm Mercer
Tributes on death, 1321

House of Commons
Alleged remarks by Conservative M.P., 2112
Government attitude, 2133
Disparaging remarks by Conservative M.P., 2308
Placement of former members' staffs, 408

House of Commons (Bill C-63)
Committee on Internal Economy, 1213
Speakers: Senators
MacEachen, Allan J., 1215
Phillips, Orville H., 1213
Turner, Charles, 1214

House of Commons bill C-63. 1r, 1213; 2r, 1213; 3r, 1216; r.a., 1217

Human rights
Afghanistan and Iran, United Nations resolutions, Canada's position, 1716 1739
Berne meeting, absence of senators from membership of observer group, 2349, 2412
Discriminatory hiring practices against visible minorities, 425
Discriminatory hiring practices, government policy, 2095
Fate of Polish refugee, 2349
Japanese-Canadians, government apology and compensation, 27, 240, 673, 790, 1657, 1835, 2364, 2789
Government policy, 1905
Meeting of experts, 729

Human rights—*Cont'd*
Meeting of experts—*Cont'd*
Suggested participation by Canadian parliamentarians, 856, 868
Primate of Poland, expression of sympathy, 96, 203
Saskatchewan, passage of Bill 144 imposing settlement on government employees, 1972, 2103

Human rights and fundamental freedoms
Standing Senate committee, appointment, 2084

Human rights, meeting of experts, desirability of Senate participation, 397, 487, 513, 639
Speakers: Senators
Haidasz, Stanley, 487
Yuzyk, Paul, 513

Hungary
"Hungarians in Canada," history
See appendix p. 2593
Nagy, His Excellency Lajos, Ambassador, visit, 2581

Immigration
Entry of Soviet Jews, government action, 2469, 2470
Entry of Soviet refugees, government policy, 43, 58, 241, 411
Proposed reduction in quotas, 78
Qualifications for entry, 97
Refugee determination, government policy, 2285, 2468

Immigration, 1976
Case backlog, 2105, 2182
Foreign medical graduates, 2183
Hockey players, preferential treatment, 2184
Immigration Appeal Board, 2105
Immigration policy, 2106
"Investor" category, 2183
Larger legislative reforms promised, 2184
Multiculturalism, 2106, 2138, 2181
Plaut, Rabbi Gunther, "Refugee Determination", report, 2104, 2182
Refugee appeal process, 2104
Refugee-status determination, 2104
Temporary measures, 2138, 2182
Speakers: Senators
Barootes, Efstathios, 2104, 2185
Bosa, Peter, 2105, 2137, 2185
Haidasz, Stanley, 2181

Immigration, 1976 C-55. 1r, 2083; 2r, 2104; ref to com, 2107; rep without amdt, 2122; 3r, 2137, 2181; r.a., 2258

Income tax and related statutes
Capital gains exemption, 1872, 1888
Child Tax Credit, 1889
Child Tax Exemption, 1889
Response to Cape Breton Advisory Committee, 1872
Restrictions on investment tax credits, 1872
Retroactivity provision, 1890, 1892
Small business investment measures, 1889, 1892
Speakers; Senators
Godfrey, John M., 1888
MacDonald, Finlay, 1873
Murray, Lowell, 1891

Income Tax and related Statutes bill C-84. 1r, 1849; 2r, 1871, 1888; ref to com, 1892; rep without amdt, 1938; availability of committee proceedings, 1952, 1975; 3r, 1989; r.a., 2031

Income tax and Tax Court of Canada
Amounts in dispute, 1357
Safeguards, 1357
Technical amendments, 1356
Speakers: Senators
Barrow, A. Irvine, 1366
Nurgitz, Nathan, 1356

Income Tax and Tax Court of Canada bill C-72. 1r, 1284; 2r, 1356, 1366; ref to com, 1366; rep without amdt, 1398; 3r, 1398; r.a., 1414

Income tax (Bill C-7)
Administration of tax system, 265
Advance rulings, 324
Farmers, 265
Filing notice of objection to assessment, 324
Security for taxes in dispute, 324
Small business tax simplification, 265
Taxation of charities, 265
Speakers: Senators
Flynn, Jacques, 265, 324
Kolber, Leo E., 324

Income Tax bill C-7. 1r, 236; 2r, 265, 324; ref to com, 324; rep without amdt, 396; 3r, 398; r.a., 403

Income tax (Bill C-109)
Retroactivity, 2558
Scientific Research Tax Credit program, 2557, 2564
Transitional relief provisions, 2558
Speakers: Senators
Barrow, A. Irvine, 2564
Simard, Jean-Maurice, 2557

Income Tax bill C-109. 1r, 2529; 2r, 2557, 2564; 3r, 2573; r.a., 2623

Income tax conventions (Bill S-3)
Dividends, 484
Interest paid by a resident of one country to a resident of another, 484
Royalties, 484
Speakers: Senators
Kelly, William M., 484
Leblanc, Fernand-E., 511

Income Tax Conventions bill S-3. 1r, 478; 2r, 484, 511; ref to com, 511; rep without amdt, 624; 3r, 624; message from Commons that bill passed without amdt, 1035; r.a., 1101

Income tax conventions (Bill S-6)
Capital gains, non-discrimination, pensions and double taxation relief, 1672
Rate of witholding tax on dividends, 1672
Ratification, 1697
Uniformity, 1698
Speakers: Senators
Doody, C. William, 1672, 1698
Hicks, Henry D., 1697

Income Tax Conventions bill S-6. 1r, 1648; 2r, 1672, 1697; 3r, 1705; message from Commons that bill passed without amdt, 1880; r.a., 2031

Income tax conventions interpretation
Immovable property, 358
Non-residents who carry on business through a permanent establishment, 458
Real property, 358
Speakers: Senators
Godfrey, John M., 358
Murray, Lowell, 357

Income Tax Conventions Interpretation bill C-10. 1r, 332; 2r, 357; 3r, 384; r.a., 403

India
See Aviation disasters
Foreign affairs
Visitors

Indian Act
Reinstatement of Indian women to membership of Indian bands, 525, 1836
Status of women, removal of discriminatory provisions, 262, 376, 380, 537, 870

Indian affairs
Adoption of Indian children, 742

Indian Affairs and Northern Development
Departmental staff reductions, government policy, 1322
Frog Lake Indian Nation, self-government proposals, 2652

Indian (Bill C-31)
Band control of membership, 1039, 1140
Broadening of access to Indian status and band membership, 1041
Communication and implementation program, 1138
Discouragement in native youth, 1045
Effect on children, 1141
Enfranchisement, 1038, 1137
Financial assistance to bands, 1044, 1138
High impact bands, 1041
Indian women, 1141
Referral to Supreme Court, 1138
Regulation of use of intoxicants on reserves, 1040
Restoration of rights, 1039
Self-government, 1046
Sexual discrimination, 1038, 1136
Spending cutbacks on Indian programs, 1138
Strains on current infrastructure on reserves, 1138
Speakers: Senators
Adams, Willie, 1140
Argue, Hazen, 1142
Corbin, Eymard, 1141
Fairbairn, Joyce, 1042, 1137
Marchand, Len, 1045, 1139
Neiman, Joan, 1142
Nurgitz, Nathan, 1038, 1142
Watt, Charlie, 1136

Indian bill C-31. 1r, 1012; 2r, 1038; ref to com, 1048; rep without amdt, 1106; 3r, 1136; r.a., 1217

Indonesia
See Visitors

Industrial Development Division, 199

Industry
Aerospace, allocation of service contracts, 2051, 2068
Armaments, possible manufacture and export by West German company from proposed Canadian factory, 2038
Canadian Porcelain Company, offer to purchase by employee co-operative, 952
Government attitude, 989
Co-op Implements, proposed relocation from Winnipeg to Regina, 530, 899
Cornwall, establishment of American plant, 523, 524, 530, 712
Footwear, importation quotas, government policy, 1362
Layoffs at Calgary and Regina IPSCO plants, government action, 2119
New Brunswick, closure of Star-Kist plant, government action, 1393
Request for answer, 1400
Petro-chemical feedstocks, cost, 45
Railways, Winnipeg, Manitoba, Transcona shops and east yards, 935, 954
St. Thomas, Ontario, foundry, possible closing, 2307
Shipbuilding, government policy, 2111, 2679
VIA Rail maintenance centre location, 538, 713
Yukon, Cyprus Anvil Mine
Closing, 927
Re-opening of mine, status of negotiations, 1392

Information Commissioner
Report tabled, 2838
Special report tabled, 2083

Inman, Hon. Florence Elsie (deceased May 31/86)
Tributes, 2526

Inquiries, calling the attention of the Senate to matters of national and international interest
Aging, justice for the elderly, 370, 976, 1442
Auditor General, report for fiscal year ending Mar. 31/85, 1480
Budget, impact on senior citizens, 965, 991, 1051, 1079, 1244
Budget, proposals, 2140, 2298, 2371
Cabinet, access to information, 220, 254, 268, 287, 306
Canada-Europe Parliamentary Association, meeting in Italy, 2363
Canada-Greece relations, 1787
Canada-United States Inter-Parliamentary Group, Twenty-fifth meeting, Puerto Rico, 113, 225, 2275
Canada-United States Inter-Parliamentary Group, Twenty-seventh meeting at Tucson, Arizona, 2616
Canada-United States Inter-Parliamentary Group, Twenty-sixth meeting, Niagara-on-the-Lake, Ontario, 929, 1327, 1358
Canada-United States relations, free trade, 1362
Censorship, nature and danger, 1322, 1368
Christmas, bureaucratic and political comments, 296, 405, 440
Economic and social policies, government statements, 370, 388, 1060
End of Decade Women's Conference, Nairobi, Kenya, 1251, 1272
Federal-provincial relations, First Ministers' Conference, Regina, Feb. 14-15, 1985, failures and shortcomings, 535, 888, 939
Finance, Italian and Newfoundland electors, comments of minister, 347, 444

Inquiries
Foreign affairs, gift of war planes to Turkey, 347, 441
Foreign affairs, visit of Canadian parliamentary delegation to Federal Republic of Germany, 965, 1157, 1727
Greece
National Day of Greece, 646, 720
Greek Independence Day, 2215
Hatfield, Hon. Richard B., fifteenth anniversary of becoming Premier of New Brunswick, 1449, 1663, 1706, 1996, 2012
Health and welfare, "Guaranteed Annual Income—born again", 1295
Health, ill effects of smoking, 462, 474, 728, 766, 799, 1935, 1979
Human rights, meeting of experts, desirability of Senate participation, 397, 487, 513, 639
International terrorism
Seizure of Egyptian aircraft, expressions of outrage and condolences, 1503 1531
Inter-Parliamentary Conference on the Environment, Nairobi, Kenya, 333, 514
Inter-Parliamentary Union, Seventy-Fifth Annual Conference, Mexico City, 2445, 2479
Inter-Parliamentary Union, Seventy-Fourth Annual Conference, 1106, 1184
Inter-Parliamentary Union, Seventy-Fourth Annual Conference, Ottawa and Spring Conference, Lomé, Togo, 1480, 1529, 1837
Inter-Parliamentary Union, Sixth Conference on European Co-operation and Security at Bonn, West Germany, 2665, 2774
Lévesque, Hon. René, contribution to national life, 1295, 1330
McBride, Captain Ronald G., unveiling of memorial sculpture and visit of industrial mission from Fruili, Italy, 1649, 1700
National Film Board, "The Kid Who Couldn't Miss", 1221, 1247, 1261, 1269, 1291, 1305, 1315, 1358, 2261, 2291, 2317, 2330, 2350, 2367, 2398, 2408, 2437, 2452, 2473, 2514
National Soil Conservation Week, 738, 777, 808
Parliament Buildings, Centre Block, removal of portraits of British Prime Ministers, 1468, 1489, 1527, 1933
Parliamentary Affairs Commission of the International Association of French- Speaking Parliamentarians, meeting in Brazil, 2489, 2592
Research and development, support and government policy, 804, 824, 1293, 1366
Riel, Louis, 100th anniversary of hanging, 1430, 1486
Rights and freedoms, Canadian forces, spouses of members, 1386, 2014
Senate, office of Speaker, 26, 270, 324, 783, 883, 900, 904
Strategic Defense Initiative, 1221, 1262, 1270, 1282
The Economy and the Budget, 1106, 1188
Trudeau, Rt. Hon. Pierre Elliott, P.C., record of administration, 1221, 1401
Unemployment, method of combatting, 657, 698
"Youth: A Plan of Action", 2045, 2147, 2164, 2231, 2256, 2259, 2294, 2333, 2369, 2399, 2590, 2620, 2688

Insurance
Bankruptcy of insurance companies, request for study by Banking, Trade and Commerce Committee, 2465, 2537
Bankruptcy of Northumberland General Insurance Company, compensation of insured victims, request for study by Banking, Trade and Commerce committee, 2552

Internal Economy, Budgets and Administration, Standing Senate Committee
Notice of meeting, 492, 1403

Internal Economy, Budgets and Administration, Standing Senate Committee—*Cont'd*
Parliamentary employment and staff relations, authority to examine subject matter of Bill C-45 prior to receipt of legislation, 924, 940
Postponement of meeting, 1087
Reports
Estimates for financial year 1986-87, tabled, 1696
Consideration, 1708, 1721, 1751
OASIS, 1709
Research assistance, 1752
Victoria building, 1710
Motion to ref to com, 1725
Negatived, 1758
1st, "Soil at Risk", printing of additional copies, 419
2nd, 3rd and 4th tabled, 494
5th, tabled, 688
6th, 7th, 8th and 9th tabled, 736
7th, revised, tabled, 779
10th, 11th and 12th tabled, 1012
13th, tabled, 1169
14th, 15th, 16th and 17th tabled, 1276
18th, tabled, 1406
19th, tabled, 1534
20th and 21st, tabled, 1735
22nd, 23rd and 24th, tabled, 1999
24th (revised), tabled, 2032
25th, tabled, 2160
26th and 27th, tabled, 2302, 2361
28th and 29th, tabled, 2363, 2575, 2576
30th, tabled, 2403, 2402
31st to 40th, tabled, 2559, 2574
41st, 2787
See Journals of the Senate
Schedule of authorized salary revisions tabled, 769, 2093

International Centre for Ocean Development
Board of directors, replacement of members, 793
Financial support, 610
International Ocean Institute at Malta, 610
Law of the Sea Conference, 611
Programs, 589, 610
Wasting of sea products, 589
Speakers: Senators
Hicks, Henry D., 609
LeBlanc, Roméo, 610
Macquarrie, Heath, 558, 611

International Centre for Ocean Development bill C-22. 1r, 528; 2r, 588, 609; 3r, 618; r.a., 621

International Financial System and Institutions
See Foreign Affairs Committee

International relations
Proposed parliamentary committee, 215

International terrorism
Motion for appointment of special Senate committee, 1887, 1935, 1948, 1991, 2126
Adequacy of existing policy, 2127
Canadian Security Intelligence Service, 2127
Motion withdrawn, 2374
RCMP, 2127
Reservations, 1991

International terrorism—*Cont'd*
Motion for appointment of special Senate committee—*Cont'd*
Solicitor General, quote, 2128
Special emergency response team, 2128
Seizure of Egyptian aircraft, 1497, 1717
Seizure of Italian Cruise ship, request for information, 1355, 1363
Training sites, 1109

International terrorism, seizure of Egyptian aircraft, 1497
Expression of outrage, expression of condolences, 1503, 1531
Air safety in Canada, 1532
Murder, 1532
Speakers: Senators
Doody, C. William, 1532
Frith, Royce, 1532
Haidasz, Stanley, 1532
Olson, H.A., 1531

International trade
European Economic Community
Beef imports from, 983
Proposed export of agricultural products to Canada, 987
Exportation of grain to People's Republic of China, 78, 242
Footwear, removal of import quotas, 1518, 1519, 1718
Japanese automobiles, importation, government action, 982

Inter-Parliamentary Conference on the Environment, Nairobi, Kenya, 333, 514
Canadian participation, 116
See appendix p. 517
Speaker: Senator
Olson, H.A., 514

Inter-Parliamentary Union, Seventy-Fifth Annual Conference, Mexico City, 2479
Contadora process, 2481
Contributions of parliaments, 2481
Role of science and technology in economic development, 2481
Terrorism, 2481
Speaker: Senator
Bosa, Peter, 2479

Inter-Parliamentary Union, Seventy-Fourth Annual Conference, 1106, 1184
History of union, 1184
Speaker: Senator
Bosa, Peter, 1184

Inter-Parliamentary Union, Seventy-Fourth Annual Conference, Ottawa and Spring Conference, Lomé, Togo, 1480, 1529, 1837
Africa and other world problems, 1529
Canada-Iran relations, 1840
Democratic rights and freedoms, 1839
Disarmament, 1530
Drug traffic and youth, 1530
National Resistance Council of Iran representatives, statement, 1837
RCMP actions, 1838
Speakers: Senators
Bosa, Peter, 1529
Corbin, Eymard G., 1837

Inter-Parliamentary Union, Sixth Conference on European Co-operation and Security, at Bonn West Germany, 2774
Human rights issues, 2775
Nuclear energy and states' duty, 2775
Speaker : Senator
Bosa, Peter, 2774

Interprovincial trade
Barriers, 1392

Inuit
Status, government policy, 262, 411

Investment Canada
Foreign investment
Government policy, 316, 317, 319, 431
Terminology, 352
United Auto Workers Union, proposed independence of Canadian section, 317

Investment Canada (Bill C-15)
Branch plant, 1024
Canada's bargaining position, 1027
Canada's cultural heritage and national identity, 1031, 1069
Canadian Football League, 1070
Economic nationalism, 1025
Encouraging Canadians to invest in Canada, 1054
Film industry, 1070
Foreign investment, 1024, 1068
Foreign investment control over Canadian industries, 1026
Foreign Investment Review Agency, 997, 1025, 1052, 1068
Foreign participation in our economy, 997
Fossil fuel, 1055
Limitation on foreign investment, 1024
Ministerial decision-making authority, 1032, 1053, 1070
Tax treatment of corporations, 1054
Unemployment, 997, 1025, 1055, 1068
Speakers: Senators
Barootes, Efstathios William, 1054
Davey, Keith, 1067
Doody, C. William, 1028
Doyle, Richard J., 1032
Godfrey, John M., 1052
Graham, B. Alasdair, 1030
Kelly, William M., 997, 1070
Sinclair, Ian, 1024

Investment Canada bill C-15. 1r, 964; 2r, 997, 1024, 1052, 1067; 3r, 1093; r.a., 1101

Iran
See Foreign affairs

Jalbert, René M., Esq.
Gentleman Usher of the Black Rod, appointment, 1220

Japan, 85
Nakasone, His Excellency Yasuhiro, Prime Minister, address to both houses, 1833
See appendix p. 1843

Judges and related acts
Judicial salary adjustments, 2741
P.E.I. and Newfoundland courts reorganization, 2740

Judges and related acts—*Cont'd*
Speakers: Senators
Lewis, P. Derek, 2740
Nurgitz, Nathan, 2740

Judges and related Acts bill C-128. 1r, 2739; 2r, 2739; ref to com, 2741; rep without amdt, 2768; 3r, 2768; r.a., 2783

Judges (Bill C-61)
Speakers: Senators
Doody, C. William, 1212
Neiman, Joan, 1213

Judges bill C-61. 1r, 1212; 2r, 1212; 3r, 1213; r.a., 1217

June 24 celebrations
Saint-Jean-Baptiste Day, anniversary of landing of Giovanni Caboto, 1092

Justice
Canada Commission of Inquiry on War Criminals
Cost and scope, 1921, 2102
Extension of mandate and cost, 2507
Extension of time, budget, 1654
Government action, 1377
Scope of inquiry, 1323
Capital punishment, government policy, 238, 411, 740
Quebec, appeal of speeding conviction, decision of minister, 282, 336, 430, 432
Unlicensed cable television operators, stay of prosecutions, 221
Zundel, Ernst, conviction, 725

Katimavik
Abolition, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1918
Motion withdrawn, 1920
Cancellation of program, 1921
Government policy, 2131
Participants, visit, 316

Kelleher, Hon. James P.C., Solicitor General of Canada
Parole and Penitentiary bill C-67, 2802

Kelly, Hon. William M.
Address in reply to Speech from the Throne, 87
Banking, Trade and Commerce Committee
Committee proceedings, televising, 1449, 1490
Canada Development Corporation Reorganization bill C-66, 1543, 1659, 1660, 1741
Adversary system, 1659
Definition of "associate", 1741
Rights issue, 1544
Transitional measures, 1545
Canadian Arsenals Limited Divestiture Authorization bill C-87, 2394, 2405
Consolidated Revenue Fund, 2406
Progress of transaction, 2394
Reciprocal Pension Transfer Agreement, 2395
Crown corporations, 88
Crown Corporations Dissolution bill C-60, 1239
Canadian National (West Indies) Steamships, Ltd., 1239
St. Anthony Fisheries Limited, 1239
Societa a responsibilita limitata Immobiliare San Sebastiano, 1240
Uranium Canada, Ltd., 1240

Kelly, Hon. William M.—*Cont'd*
Customs Tariff bill C-71, 1299, 1355
Goods made/not made in Canada, 1299
Motor vehicles, 1299
Deficit, 88
Federal-provincial relations, 88
Financial Institutions Depositors Compensation bill C-79, 1810, 1820
Confidentiality, 1812
"Off-set" arrangement, 1811
Income Tax Conventions bill S-3, 484, 624
Dividends, 484
Interest paid by a resident of one country to a resident of another, 484
Royalties, 484
International terrorism, motion to appoint Special Senate Committee, 1887, 1935
Adequate security, 1936
Cost, 1937
Motion withdrawn, 2374
Problem of definition, 1936
Investment Canada bill C-15, 997, 1070
Foreign Investment Review Agency, 997
Foreign participation in our economy, 997
Ministerial decision-making authority, 1070
Unemployment, 997, 1071
National Energy Program, 88
National Finance Committee
Reports
10th, estimates year ending Mar 31/86, supplementary (B), 1573, 1719
See appendix p. 1646
12th, Canada Development Corporation Reorganization bill C-66, rep without amdt but with recommendations, 1713
13th, Excise Tax and Excise bill C-80, rep without amdt but with observations and recommendation, 2065
16th, estimates year ending Mar. 31/87, 2540
Oil Substitution and Conservation and Canadian Home Insulation Program bill C-24, 1123
Alternative energy options, 1124
Conservation, 1123
Senate
Hébert, Senator Jacques, hunger strike, 2213
Supplementary Fiscal Equalization Payment 1982-87 bill C-39, 1121
Floor provisions, 1121
Terrorism
Motion for appointment of Special Senate Committee, 2363, 2421, 2540

Kenny, Hon. Colin (Introduced in the Senate Nov. 5/84), 1

Kirby, Hon. Michael
Advertising
Source of funds for material in magazine, qu, 1111
Banking, Trade and Commerce Committee
13th report, financial institutions depositors' compensation, subject matter of Bill C-79, 1770
Canada-United States relations
Trade, new approaches, government policy, qu, 259
Economy
Taxation and unemployment, government policy, qu, 212
Energy
Canadianization, government policy, qu, 296
Federal-provincial fiscal relations
Equalization payments, qu, 211

Kirby, Hon. Michael—*Cont'd*
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to report, 581
Supplementary Fiscal Equalization Payments, 1982-87 bill C-39, 1122
Alberta, 1122
Calculating the average, 1122
Government financial and fiscal priorities, 1123
Ontario, 1122
Transition provision, 1122

Kolber, Hon. Leo E.
Banking
Green paper on regulation of financial institutions
Suggested withdrawal, qu, 1312
Economy
Interest rates, government policy, qu, 257, 429
Health and Welfare
Consumption of alcohol, "A little of what you fancy...", qu, 1312
Income Tax bill C-7, 324
Advance rulings, 324
Filing notice of objection to assessment, 324
Security for taxes in dispute, 324
Sheiner, Dr. and Mrs. Norman and Dr. and Mrs. Morrie Gelfand, visit, 831

Korea
See Visitors

Labour
Canada-United States free trade, prospective agreement, possible effects on employment, 2035
Fair Wages and Hours of Labour Act, government attitude towards provisions, 1135, 1238

Lafond, Hon. Paul C.
Aviation disaster, Gander, Newfoundland, 1705
Beaubien, Hon. Louis-Philippe, the late, 731
Deschatelets, Hon. Jean-Paul, P.C., tributes on resignation from the Senate, 1833
External Affairs
Passports, issuance at Hull, 851
National Defence
Canadian Forces, increase in contingent in western Europe, effect on establishment, qu, 651, 972
National Defence Committee
Appointment, 26, 71, 203
Reports
1st, expenses incurred during 2nd Session, 32nd Parliament, 236
2nd, "Canada's Territorial Air Defence", 445
3rd, "Military Air Transport", 2456
Status of white paper, qu, 2203
Remembrance Day, 1485
Rights and freedoms
Canadian forces, spouses of members, committee action, 2411
Standing Rules and Orders Committee
3rd report, Rules of the Senate, suggested amendment, 1243

La Forest, Hon. Gérard V.J., Puisne Judge of the Supreme Court of Canada
Royal Assent, 950, 1217, 1712, 2258, 2361, 2783

Lajoie, Claude, Esq.
Gentleman Usher of the Black Rod, appointment, 1

Lamer, Hon. Antonio, Puisne Judge of the Supreme Court of Canada
Royal Assent, 616, 621, 1100, 1830, 2031, 2857

Lang, Daniel A.
Income Tax and Tax Court of Canada bill C-72, 1358
National Film Board, "The Kid Who Couldn't Miss", motion to refer back to Committee, 2473
Parliament
Review of commission to review salaries of members of Parliament and senators, definition of "members of Parliament" and "salaries", question of privilege, 921
Reform of the Senate
Commons resolution, consideration by the Senate, qu, 867
Senate
Proceedings, authority to broadcast, 906
Smoking Prohibition bill S-8, 2432

Langlois, Hon. Léopold
Canadian Patent No. 855, 255 bill S-4, 955
Canadian Oxygen Limited and BOC Inc., 955
Insurance
Bankruptcy of insurance companies, request for study by Banking, Trade and Commerce Committee, qu, 2465, 2537
Bankruptcy of Northumberland General Insurance Company, compensation of insured victims, request for study by Banking, Trade and Commerce Committee, qu, 2552
Remembrance Day, 12
Senate
Official report
Correction of translation, 1128
Telephone service, qu, 539
Transport and Communications Committee
Reports
1st, expenses incurred during 2nd Session, 32nd Parliament, 296
See Journals of the Senate
2nd, aeronautics (Bill C-36), 1089
3rd, western grain transportation (Bill C-44), 1089
4th, Transportation of Dangerous Goods Regulations, 1168, 1577
See appendix p. 1218
5th, Northern Transportation Company Limited (Bill C-53), 1168
6th, transportation of dangerous goods, rep on subject matter, 2045, 2441
Transportation of Dangerous Goods Regulations, authority to study, 519

Lapointe, Hon. Renaude, P.C.
Acting Speaker, 743
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1639
Freedom to be different, 1640

Law Reform Commission
Bigamy and polygamy, treatment, 1255

Lawson, Hon. Edward M.
Economy
National conference, suggested follow-up, qu, 694

Lawson, Hon. Edward M.—*Cont'd*
Transport
CN Route, possible sale, government action, qu, 2305, 2390, 2586

Leblanc, Hon. Fernand-E.
Borrowing Authority, 1986-87 bill C-99, 2291
Excise Tax and Excise bill C-80, 2008
Income Tax Conventions bill S-3, 511
Legal and Constitutional Affairs Committee
19th report, Representation, 1985 bill C-74, 2020
National Finance Committee
Budgetary deficits, authority to study, 347, 395, 639
Post-secondary education and training, authority to study government activities, 1251, 1274, 1276, 1293
Reports
1st, expenses incurred in 2nd Session, 32nd Parliament, 207
See Journals of the Senate
2nd, estimates year ending Mar. 31/85, supplementary (B), 279
See appendix p. 293
3rd, Borrowing Authority, 1984-85 (No. 2) bill C-11, 618
4th, estimates year ending Mar. 31/85, supplementary (C), 666, 696
See appendix p. 684
5th, estimates year ending Mar. 31/86, 951, 975
See appendix p. 960
6th, estimates year ending Mar. 31/86, supplementary (A), 964, 1000
See appendix p. 980
7th, supplementary fiscal equalization payments (Bill C-39), 1088
8th, borrowing authority (Bill C-51), 1088
9th, estimates year ending Mar. 31/86, supplementary (A), 1405
See appendix p. 1416
14th, estimates year ending Mar. 31/86, supplementary (C), 2174, 2208
See appendix p. 2187
16th, estimates year ending Mar.31/87, 2501
See appendix p. 2522
Standing Rules and Orders Committee
Audio recording and broadcasting proceedings of Senate committees, request to study, 624, 653
Report
2nd, invitation to provinces to appear before Senate committees, 956

LeBlanc, Hon. Roméo, P.C. (Introduced in the Senate Nov. 5/84), 1
Consumer and Corporate Affairs
Sale of canned tuna unfit for human consumption, alleged wrongdoing in inspection process, suggested prosecution, qu, 1382
Fisheries
West German fleet, overfishing in waters under Canadian jurisdiction, qu, 836
Fisheries and Oceans
Inspection function, consultation with industry, qu, 1298
Fisheries bill C-32, 1147
Allocation of fish between competing groups, 1148
Consultation, 1148
Fisheries Improvement Loans bill C-57, 1152
Foreign affairs
United States, imposition of economic sanctions against Nicaragua, qu, 840
Freshwater Fish Marketing bill C-5, 385
International Centre for Ocean Development bill C-22, 610

LeBlanc, Hon. Roméo, P.C.—*Cont'd*
International Centre for Ocean Development bill C-22—*Cont'd*
Law of the Sea Conference, 611
Marine Atlantic Inc. Acquisition Authorization bill C-88, 2687
Constitutional guarantee of ferry services, 2687, 2721
National Housing Program
Effect of cutbacks on native population, qu, 693
Public Works and Public Lands Grants bill C-13, 437
Department of Public Works, 437
Saltfish bill C-6, 304
Unemployment Insurance, 1971 bill C-52, 949
Seasonability, 949

Le Dain, Hon. Gerald E., Puisne Judge of the Supreme Court of Canada
Royal Assent, 756, 2410

Lefebvre, Hon. Thomas-Henri (Introduced in the Senate Nov. 5/84), 1
Energy
Oil pricing, government policy, qu, 1924, 2004
Senate
Business
Wallenberg, Raoul, resolution approving conferring of honorary Canadian citizenship, 1693
Prime Minister, comments, qu, 406

Legal and Constitutional Affairs, Standing Senate Committee
Authority to engage services, 1251
Authority to meet during sittings of the Senate, 1694, 1983, 2542
Canadian Charter of Rights and Freedoms, authority to examine subject matter of Bill C-27 prior to receipt of legislation, 966
Constitution 1867 and Electoral Boundaries Adjustment, authority to examine subject matter of Bill C-76 prior to receipt of legislation, 1516 1547
Criminal Code, authority to study subject matter of Bill C-18 prior to receipt of legislation, 646
Divorce, authority to examine subject matter of Bill C-46 prior to receipt of legislation, 982
Divorce and corollary relief, authority to examine subject matter of Bill C-47 prior to receipt of legislation, 982
Family orders and agreements enforcement assistance, authority to examine subject matter of Bill C-48 prior to receipt of legislation, 982
Indian Act, authority to study subject matter of Bill C-31 prior to receipt of legislation, 646
Parole and penitentiaries, authority to study subject matter of Bill C-67 prior to receipt of legislation, 1714
Parole, penitentiaries, prisons and reformatories and Criminal Code, authority to study subject matter of Bill C-68 prior to receipt of legislation, 1714
Postponement of meeting, 2175
Reports
1st, Criminal Law Amendment, 1985 bill C-18, rep without amdt, 990
2nd, Statute Law (Canadian Charter of Rights and Freedoms) amendment, subject matter of Bill C-27, 1105
3rd, Indian bill C-31, rep without amdt, 1106
4th, Criminal Code (pari-mutuel betting) bill C-77, rep with amdt, 1377
5th Evangelical Lutheran Church in Canada bill S-5, rep without amdt, 1476
6th, Marriage (prohibited degrees) bill S-2, rep with amdts, 1496, 1744
Adoptive relationships, 1746

Legal and Constitutional Affairs, Standing Senate Committee—*Cont'd*
Reports—*Cont'd*
6th, Marriage (prohibited degrees) bill S-2, rep with amdts—*Cont'd*
Church opinions, 1746
Provincial governmental views, 1747
7th, divorce, subject matter of Bill C-46, 1535
8th, divorce and corollary relief, subject matter of Bill C-47, 1535
Notice of inquiry, 1535
Withdrawn, 1997
See appendix p. 1549
9th, family orders and agreements enforcement assistance, subject matter of Bill C-48, 1535
Notice of inquiry, 1535
Withdrawn, 1997
See appendix p. 1551
10th, Governor General's and Governor General's Retiring Annuity and Salaries and Judges bill C-78, rep without amdt, 1649
11th, Criminal Code (prostitution) bill C-49, rep without amdt but with recommendations, 1733
12th, Criminal Code (lotteries) bill C-81, rep without amdts but with recommendations, 1789
13th, Pine Hill Divinity Hall bill S-7, rep without amdt, 1863
14th, Representation, 1985 bill C-74, rep without amdt, 1863
15th, penitentiary and parole, and parole, penitentiaries, prisons and reformatories and Criminal Code, subject matter of Bill C-67 and C-68, authority to adjourn from place to place in Canada to study, 1920, 1948
16th, Divorce bill C-46, rep without amdt, 1967
17th, Divorce and Corollary Relief bill C-47, rep without amdt, 1968
18th, Family Orders and Agreements Enforcement Assistance bill C-48, rep without amdt, 1968
19th, Representation, 1985 bill C-74, rep without amdt but with comments, 2018
20th, Royal Canadian Mounted Police bill C-65, rep without amdt, 2148
21st, parole and penitentiaries, subject matter of Bill C-67, interim report, 2473
See appendix p. 2484
22nd, parole and penitentiaries, subject matter of Bill C-67, interim report 2598
See appendix p. 2606
23rd, young offenders, Criminal Code, penitentiary, prisons and reformatories, subject matter of Bill C-106, 2665
24th, Employment Equity bill C-62, rep with observations and recommendations, 2676
25th, Judges and related Acts bill C-128, rep without amdt, 2768
26th, Parliamentary Employment and Staff Relations bill C-45, rep without amdt but with comments, 2776
Young offenders, Criminal Code, penitentiary, prisons and reformatories, authority to study subject matter of Bill C-106 prior to receipt of legislation, 2616

Le Moyne, Hon. Jean
Banking, Trade and Commerce Committee
Finance, restructuring of financial institutions, authority to study discussion paper, 957
Proceedings, authority to televise, 1492
Canada-United States relations
Summit meeting in Quebec City, absence of Governor General, qu, 657, 671, 1174
Trade

Le Moyne, Hon. Jean—*Cont'd*
Canada-United States relations—*Cont'd*
Trade—*Cont'd*
Imposition of U.S. and Canadian tariffs, mitigation of harmful effects, government policy and programs, 2567
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1632
Canadian identity, 1635
Cost of being Canadian, 1635
Canadian Broadcasting Corporation
International service, possible cancellation, qu, 194
Cultural organizations
Relationship to government, qu, 222
Environment
Wildlife, effect of budgetary cuts, qu, 299
Family Allowances, 1973 bill C-70, 1943
Industry and Humanity, Mackenzie King, quotes, 1944
Justice
Capital punishment, government policy, qu, 740
National Finance Committee
6th report, estimates year ending Mar. 31/86, supplementary (A), 1007
Official report
Quality of translation, question of privilege, 2362
Parliament buildings
Centre block, removal of portraits of British Prime Ministers, 1934
Prime Minister
Criticism of appointments, request for apology, qu, 660
Reform of the Senate, 626
Royal Commission on Economic Union and Development Prospects for Canada
Request for inquiry into leak, qu, 925
Request for tabling of report, 925
Senate
Question Period, request for answers, 1112
Social Affairs, Science and Technology Committee
8th report, National Film Board, "The Kid Who Couldn't Miss", 2330, 2359
Social programs
Universality, government policy, qu, 338, 350
Standing Rules and Orders Committee
4th report, Royal Assent ceremony changes, 1482

Lévesque, Hon. René, contribution to national life, 1295, 1330

Lewis, Hon. P. Derek
Criminal Code (prostitution) bill C-49, 1561
Adverse consequences, 1561
Fraser report, 1562
Proposed provision a breach of rights under Charter, 1563
Prostitution not defined, 1562
Stop-gap action, 1563
Wide discretionary powers for police, 1562
Judges and related Acts bill C-128, 2740
Judicial salary adjustments, 2741
Legal and Constitutional Affairs Committee—*Cont'd*
Reports
21st, parole and penitentiaries, subject matter of Bill C-67, interim report, 2473
See appendix p. 2484
22nd, parole and penitentaries, subject matter of Bill C-67, interim report 2598
See appendix p. 2606

Lewis, Hon. P. Derek—*Cont'd*
Legal and Constitutional Affairs Committee—*Cont'd*
Reports—*Cont'd*
23rd, young offenders, Criminal Code, penitentiary, prisons and reformatories, subject matter of Bill C-106, 2665
24th, Employment Equity bill C-62, rep with observations and recommendations, 2676
25th, Judges and related Acts bill C-128, rep without amdt, 2768
26th, Parliamentary Employment and Staff Relations bill C-45, rep without amdt but with comments, 2776
Smoking Prohibition bill S-8, study of subject matter by committee, 2790
Young Offenders, Criminal Code, Penitentiary, Prisons and Reformatories bill C-106, 2687
Acceptance of evidence of disturbed children, 2688
Prohibition of reporting of proceedings, 2688

Library of Parliament
Annual report of Parliamentary Librarian 1983-84, tabled, 2529

Library of Parliament, Standing Joint Committee
Frequency of meetings and composition, 62
Report of Librarian tabled, 207, 1496

Libya
Canadian nationals
Evacuation, 2304
Safety, government position, 2305, 2327
Reported incidents in Tripoli, 2281
United States air strike
Consultations between Canada and United States and between Canada and western allies, 2261, 2323, 2343
Clarification of statement in official record, 2366, 2381
Consultation with allies, 2281
Government attitude, 2280
Government policy, 2270
Identification of special envoy, 2286
Legality under international law, 2281
Position of Canadian nationals, 2268
Request for answers, 2277

Lithuania
Sixty-eighth anniversary of proclamation of independence, 2032

Lucier, Hon. Paul
Aboriginal peoples
Yukon economic development program, delay in implementation, government policy, qu, 2095
Budget
Impact on firefighting personnel at airports, qu, 2112, 2223
Condominium Ordinance Validation bill C-73, 1408
Expo 86
Attendance of members of Parliament, qu, 2090
Government of Canada
Visit of Deputy Prime Minister to Yukon, use of government aircraft, qu, 896
Industry
Yukon, Cyprus Anvil Mine
Closing, qu, 927
Re-opening of mine, status of negotiations, qu, 1392
Reform of the Senate, 631
Government attitude, qu, 1233
Tax Rebate Discounting bill C-83, 1828
Child Tax Credit, 1828
Freedom of choice, 1830

Lucier, Hon. Paul—*Cont'd*
Transport
Airport tax, reported restructuring, qu, 1111, 1434

Lutheran Church in America (Canada Section) and the Evangelical Lutheran Church of Canada
Presentation of petition, 1405

MacDonald, Hon. Finlay (Introduced in the Senate Jan. 22/85), 416
Aeronautics bill C-36, 1119
Civil aviation security, 1120
Dubin Commission, 1119
Medical reporting provision, 1120
Regulatory powers, 1120
Aging, justice for the elderly, 1442
Referenda and plebiscites, 1443
Banking, Trade and Commerce Committee
Proceedings, authority to televise, 1492
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1627
Competition Tribunal bill C-91, 2577, 2617, 2620
Abuse of market power, 2578
Bank and crown corporation mergers, 2579
Conspiracy, 2579
Membership, 2578
Mergers and impact on competition, 2578
Criminal Code bill C-49, 1538
Fraser report, 1539
Juvenile prostitution, 1539
Street soliciting, 1539
Federal-provincial relations
First ministers' conference, Regina, February 1985, failures and shortcomings, 939
Income Tax and related Statutes bill C-84, 1871, 1892, 1989
Availability of committee proceedings, 1953
Capital gains exemption, 1872
Response to Cape Breton Advisory Committee, 1872
Restrictions on investment tax credits, 1872
Legal and Constitutional Affairs Committee
6th report, Marriage (prohibited degrees) bill S-2, 1749
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to report, 569
Report
6th, estimates year ending Mar. 31/86, supplementary (A), 1005
Parliament buildings
Centre block, removal of portraits of British Prime Ministers, 1934
Parliamentary secretaries
Suggested appointment of senators, qu, 842
Prohibited Degrees of Marriage bill S-2, 1749
Representation, 1985 bill C-74, 2073
Senate
Proceedings, authority to broadcast, 2374
Cost, 2376
Senate image, 2375
Social Affairs, Science and Technology Committee
National Film Board, "The Kid Who Couldn't Miss", authority to examine, 1292
Toronto Harbours Commissioners', 1985 bill C-76, 1911, 2012, 2112

Macdonald, Hon. John M.
Beaubien, Hon. Louis-Philippe, the late, 732

Macdonald, Hon. John M.—*Cont'd*
Marine Atlantic Inc. Acquisition Authorization bill C-88, 2686, 2722, 2770
CN Marine to become crown corporation, Marine Atlantic Inc., 2687
Constitutional guarantee of ferry services, 2687
Terms of union, 2722
User fees, 2723
Remembrance Day, 11
Senate
Expressions of welcome and appreciation, 11
Twenty-fifth anniversary of appointment, felicitations, 1114, 1126
Unemployment Insurance, 1971 bill C-52, 946
Abuses, 947
Proposed special committee, 947
Variable entrance requirement, 946

MacEachen, Hon. Allan Joseph, P.C., Leader of the Opposition (Introduced in the Senate Nov. 5/84), 1
Access to information
Government guidelines for public servants, qu, 188, 196, 427
Address in reply to Speech from the Throne, 29
Auditor General
Cabinet documents, access to information, qu, 320
Aviation disasters
Air-India aircraft loss, Tokyo Airport explosion, possible acts of terrorism, qu, 1108, 1237
Banking
Canadian Commercial Bank
Collapse, qu, 1226
Alleged existence of document indicating difficulty, qu, 1255
Committee study, qu, 1230, 1256
Priority of creditors, qu, 1256
Canadian Commercial Bank and Northland Bank
Compensation of depositors, referral of subject matter of bill to committee, qu, 1295
Senate study, qu, 1234
Status of proposed joint committee, qu, 1221
Mercantile Bank, possibility of merger, government involvement, qu, 1379
Northland Bank, status, qu, 1256
Benidickson, Hon. William M., the late, 416
Borrowing Authority, 1984-85 (No. 2) bill C-11, 459
Deficit, 460
Economic policy, 461
Non-lapsing contingent, 460
Social programs, 461
Borrowing Authority, 1985-86 (No. 2) bill C-51, 1200
Budget, 1201
Deficit, 1202
Tax burden, 1201
Unemployment, 1203
Borrowing Authority, 1986-87, bill C-99, 2309
Budgetary deficits, 2309
Dollar value, 2311
Tax increases, 2310
Bretton Woods Agreements bill C-30, 913
Bonn Economic Summit, 914
International Development Agency, 914
International Finance Corporation, 915
United States, 915
World Bank, 913
Budget
Date of presentation, qu, 494, 509, 637, 677
De-indexation of pension benefits
Government position, qu, 1013

MacEachen, Hon. Allan Joseph, P.C.,—*Cont'd*
Budget—*Cont'd*
De-indexation of pension benefits—*Cont'd*
Government statement, qu, 1169
Version of budget paper sent to Canadian embassies, qu, 2149, 2272
Budget, impact on senior citizens, 993, 1086
Minister of External Affairs, statement, government position, qu, 781
Tax incentive for investment in Cape Breton, qu, 951
Tax increases, government policy, qu, 929
Canada-United States Inter-parliamentary Group
Twenty-fifth meeting, report of Canadian delegation, 2275
Canada-United States relations, 33
American countervail on Atlantic groundfish, government attitude, qu, 1853
Bilateral trade negotiations
Benefits accruing to other trading partners, qu, 2464, 2495
Canadian use of lobbyist
Canadian testimony before congressional committee or special prosecutor, government policy, qu, 2426, 2537
Cultural industries, qu, 1651
Effect on Canadian lumber industry, qu, 1853
Government policy, qu 1535, 2267
Items for negotiation, qu, 2666
Participation of provinces, qu, 1552
Statement by Premier of Ontario, qu, 2045, 2222
Request for amplification of delayed answer, 2505
United States ambassador's comments, qu, 1308
Cultural heritage and national identity, 2769
Extraterritorial jurisdiction, qu, 648
Fish, alleged subsidization of Canadian exports, qu, 1063
Free trade arrangements, impact on employment in Canada, qu, 1518
Government policy, 243
Prime Minister and President of United States, meeting
Acid rain, government objectives, qu, 2160
Scope of agreement, 2200
Status of document, 2155, 2272
Prime Minister's speech in Chicago
"Joint tenancy" and "constructive internationalism", definition, qu, 1655
Summit meeting in Quebec City,
Absence of Governor General, qu, 657, 814
Declaration on international security, qu, 674, 814, 833, 937
Trade
Commitment to halt protectionism, qu, 2700
Imposition of U.S. and Canadian tariffs, mitigation of harmful effects, government policy and programs, qu, 2566, 2572, 2582
Imposition of U.S. tariff on Canadian shakes and shingles, qu, 2489
Compensation, qu, 2502
New approaches, government policy, qu, 62
Trans-border pollution problems, qu, 608
Mandate of special envoys, qu, 671
U.S. weapons testing in Canada, cruise mishap, qu. 1871, 2039
Canada's International Relations Committee
Reports
1st, bilateral trade with United States and Canada's participation in research on Strategic Defense Initiative, 1319, 1508
Final, "Independence and Internationalism", 2697
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1610
Trade negotiations, 1610
Canadian Commercial Bank Financial Assistance bill C-37, 747

MacEachen, Hon. Allan Joseph, P.C.,—*Cont'd*
Canadian Commercial Bank Financial Assistance bill C-37—*Cont'd*
Impact on depositors and shareholders, 747
Inspector General of Banks, 747
Stability of Canadian financial institutions, 747
Canadian Institute for International Peace and Security bill C-69, 1302, 1314, 1328, 1364
Canadian information, 1303
East-West relations, 1303
International members of the board, 1304
Strategic Defense Initiative, 1304
Cape Breton
Provincial status, qu, 2790
Cape Breton Development Corporation
Appointment of president, qu, 726, 1023
Corrections
Daniel Hawe Report, motions Nos. 3, 4, 5 and 6, for production of service contracts and statement of expenditures, 2339
Crown corporations
Disposal, qu, 297
Crown Corporations Dissolution Authorization bill C-60, 1260
Cultural heritage and national identity, qu, 1433
Customs Tariff bill C-38, 763
Deficit, 30
de Havilland Aircraft of Canada Limited
Possible negotiation of sale, government position, qu, 813
Disarmament
Deployment of nuclear weapons, government policy, qu, 472, 636
Space-based defensive weapons, government policy, qu, 421
Douglas, Hon. T.C., P.C., the late, tribute, 2078
Economic Development
Nova Scotia
Cape Breton Advisory Committee report, government action, qu, 1354
Economic Summit
Bonn, West Germany
Securing of third window, Prime Minister's statement, qu, 851
United States embargo on Nicaragua, Canadian position, qu, 852
United States interest rate policy, qu, 811
Economy, 31
Canadian dollar, value
Government action, qu, 1970, 2085
Market intervention, role of Governor of Bank of Canada, qu, 1968, 2599
Timing and extent of market intervention, qu, 1999
Fiscal outlook, updated economic projections, qu, 47
National conference, qu, 689, 710
Energy
Canada-Newfoundland Offshore Oil and Gas Agreement, 335
East coast exploration, replacement of petroleum incentive grants, government policy, 1363
Oil pricing
Government policy, qu, 1868
Effect on Hibernia development, qu, 1852
Petroleum Incentive Program, reduction in grants, 60
Estimates
Date of tabling, qu, 494, 535, 542
Excise Tax and Excise bill C-80, 2055
Assessment provisions inequities for Revenue Canada and taxpayer, 2057
Closure, 2056
Consultative process, 2056
Energy conservation and prefabricated construction goods tax, 2057
Frazee, Rowland, comments, 2059
Expressions of welcome and appreciation, 10

MacEachen, Hon. Allan Joseph, P.C.,—*Cont'd*
External Affairs
Ambassador to Ireland, appointment
Alleged partisanship of appointee, qu, 1940, 2102
Application of code of conduct, qu, 2163
Clarke, Mr, Victor, Special Adviser to Canadian High Commission in London, appointment, qu, 1670
Visit by minister to U.S.S.R., qu, 792
Family Allowances, 1973 bill C-70, 2175
Child tax credit, 2177
Child tax exemption, 2176
De-indexation, 2176
Federal sales tax, 2176
Minister of National Health and Welfare, quotes, 2176
National Council of Welfare, 2177
Prime Minister, quotes, 2175
Finance
Deputy Minister, meetings, government policy, qu, 1500
Ministerial aide, payment, qu, 782
Protection of bondholders against inflation, reported statement by minister, qu, 969
Fisheries
West German fleet, overfishing in waters under Canadian jurisdiction, qu, 835, 870
Fisheries and oceans
Fishing vessel support program, cancellation, qu, 1986
Fisheries Committee
Authority to publish and distribute report on marketing of fish in Canada, 2674
Foreign affairs
Afghanistan
Possibility of political settlement, qu, 1740
Refugees, government policy, qu, 1740
Canadian Parliamentary delegation, visit to Federal Republic of Germany, 1728
Berlin Wall, 1729
Central America, use of military forces, government policy, qu, 2162, 2272
Forthcoming visit of government leader to southern Africa, correction of press report, qu, 1869
Honduras and Nicargua, U.S. military assistance to Contra forces, government position, qu, 792
India
Aid for victims of industrial accident at Bhopal, qu, 263
Detention of Canadian national, qu, 56
Namibia, proposed establishment of interim administration, government position, qu, 791, 936
Organization of American States, government policy, qu, 61
Philippines presidential election
Attitude of Canadian government, qu, 2066
Canada-Philippines relations, status, qu, 2049
Shooting down of South Korean aircraft, Soviet compensation for next-of-kin of Canadian victims, qu, 761, 815
South Africa
Apartheid, Canadian position at Commonwealth Conference, qu, 1386, 1520
United States, imposition of economic sanctions against Nicaragua, qu, 837, 842, 974
Government policy, 855, 872, 937
Visit of President Reagan to cemetery at Bitburg, West Germany, Prime Minister's views, 813
Foreign Extraterritorial Measures bill C-14, 388, 397
American Law Institute, Restatement of U.S. Foreign Relations Law, 390
Attorney General, 391
Blocking mechanism, 391

MacEachen, Hon. Allan Joseph, P.C.,—*Cont'd*
Foreign Extraterritorial Measures bill C-14—*Cont'd*
Canadian sovereignty, infringement, 391
Export Administration Act, 390
NATO, 389
OECD, 390
United States, 389
Francophone summit
Famine relief, reported breach of agreement between Government of Canada and Government of Quebec, qu, 2033, 2069
Premier of New Brunswick, status, 2034, 2104
Government of Canada
Remuneration of senior officials and others, qu, 704, 899
House of Commons bill C-63, 1215
Board of Internal Economy, 1215
Income Tax and related Statutes bill C-84
Point of order, availability of committee proceedings, 1952, 1975, 1990
Industry
Armaments, possible manufacture and export by West German company from proposed Canadian factory, qu, 2038
Footwear, importation quotas, government policy, qu, 1362
International Centre for Ocean Development
Board of directors, replacement of members, qu, 794
International relations
Proposed parliamentary committee, qu, 215
International terrorism
Seizure of Egyptian aircraft, qu, 1498
International trade
Footwear, removal of import quotas, qu, 1518, 1519, 1718
Japanese automobiles, importation, government action, qu, 982
Justice
Capital punishment, government policy, qu, 238, 411
Unlicensed cable television operators, stay of prosecutions, 222
Legal and Constitutional Affairs Committee
19th report, Representation, 1985 bill C-74, 2020
Libya
United States air strike
Consultations between Canada and United States and between Canada and western allies, qu, 2261, 2323, 2343
Clarification of statement in official record, 2366
Consultations with allies, qu, 2281
Government attitude, qu, 2280
Government policy, qu, 2270
Identification of special envoy, qu, 2286
Request for answers, 2277
Murray, Hon. Lowell P.C., tribute to new Leader of the Government in the Senate, 2786
National Aeronautics and Space Administration of the United States
Space shuttle "Challenger" disaster, expression of condolences, 1880
National Defence, 33
Canadian forces
Increase in contingent in western Europe
Budgetary provision, qu, 724
Effect on establishment, qu, 651, 972
Uniforms, qu, 283
Departmental budget, government policy, qu, 282, 430
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to report, 534, 542, 545
Meeting, 602
Reports
6th, estimates year ending Mar. 31/86, supplementary (A), 1000
10th, estimates 1985-86, supplementary (B), 1699, 1720

MacEachen, Hon. Allan Joseph, P.C.,—*Cont'd*
Newfoundland
Ochre Pit Cove, Conception Bay, request to U.S. for "third world" treatment and financial aid, qu, 1985
North Atlantic Treaty Organization
Strategic defence initiatives research, Canadian participation, qu, 723
The Netherlands, removal of nuclear weapons from aircraft, attitude of government, qu, 1573
Old age security
Government policy, qu, 376
Parliamentary Employment and Staff Relations bill C-45, 2696
Employee consultation, 2696
Parole and Penitentiary bill C-67, 2791, 2803, 2823, 2826, 2830
Commons disagreement with Senate amdt, 2839, 2950
Gating, 2852
Roles of Parole Board and courts, 2804
Senate responsibility, 2819
Prime Minister
Broadcast speech on free trade, availability of text in advance, qu, 2653
Reform of the Senate, qu, 625
Request for information, qu, 655
Regional Industrial Expansion
Government assistance to industry, United States intervention, qu, 606
Nova Scotia, heavy water plants, government policy, qu, 893
Representation, 1985 bill C-74, 2070
Amalgam method, 2070
Impact on smaller provinces, 2071
Timing, 2072
Robichaud, Hon. Louis-J., P.C., felicitations on 25th anniversary of becoming Premier of New Brunswick, 1177
Roblin, Hon. Duff P.C., tribute to former Leader of the Government in the Senate, 2786
Selection Committee, 6th report, 2700
Senate
Adjournment, 1100, 1217, 1398, 1650, 1864, 2303, 2705
Allocation of rooms, 2017
Business, 620, 737, 1676, 1680, 2788, 2838
Wallenberg, Raoul, resolution approving conferring of honorary Canadian citizenship, 1683, 1685, 1695
Motion re second distinct sitting, 1761
Point of order, 1683
Expressions of welcome and appreciation, 10
Leader of the Opposition, statement, qu, 13
Legislative program, qu, 482
Official report, point of order, 1648, 2208
Orders of the Day, point of order, 1439
Prime Minister, comments, question of privilege, 396
Proceedings, authority to broadcast, motion in amendment, 1876
Question Period
Delayed answers, 502
Requests for answers, qu, 302, 1174, 1521, 1855, 1988, 2330
Smoking Prohibition bill S-8, 2416
Modified motion in amendment, 2512
Social programs
Universality, government policy, qu, 347, 402, 470, 501
Sparrow, Hon. Herbert O.
United Nations award, felicitations, 1011
Standing Rules and Orders Committee
6th report, government responses to committee reports, 1759
Sydney Steel Corporation
Request for answer, 1235
Terrorism

MacEachen, Hon. Allan Joseph, P.C.,—*Cont'd*
Terrorism—*Cont'd*
Tokyo Summit statement, government policy re Libyan nationals, qu, 2425, 2554
Transport
Canadian airports, security, qu, 1108, 1433
Unemployment, 30
Wallenberg, Raoul
Resolution approving conferring of honorary Canadian citizenship
Notification of U.S.S.R., qu, 1717, 1987, 2103
Request for answers, 1926
Youth, Special Senate Committee
2nd report, "Youth: A Plan of Action", 2337

Macquarrie, Hon. Heath
Address in reply to Speech from the Throne, 14
Agriculture
Potato industry, stabilization assistance, 1974
Cabinet, access to information, 290
Canada-Europe Parliamentary Association, meeting in Italy, 2479
See appendix p. 2486
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1601
Canada-Europe Parliamentary Association
Meeting in Italy, 2363
Canadian Commercial Bank Financial Assistance bill C-37 (Chairman, Committee of the Whole), 747
Canadian Institute for International Peace and Security bill C-69, 1260, 1305, 1313, 1327
Currency bill C-118, 2654
Customs Tariff bill C-38 (Chairman, Committee of the Whole), 773
External Affairs, 18
Federal-Provincial Fiscal Arrangements, Federal Post-Secondary Education, Health Contributions, 1977 bill C-96, 2683, 2718, 2766
EPF entitlements escalator amendment, 2684
Foreign affairs
Bangladesh, aid to disaster victims, qu, 945
Canadian Parliamentary delegation, visit to Federal Republic of Germany, 1727
Prosperity and problems, 1727
Speaker, ambassador of goodwill, 1727
Foreign Affairs Committee
Canadian relations with countries of the Middle East and North Africa, authority to study, 188, 233, 368
Report
1st, expenses incurred during 2nd Session, 32nd Parliament, 236
See Journals of the Senate
Health, ill effects of smoking, 766
Effects on others, 767
Injurious effects on smoker, 766
Inman, Hon. Florence Elsie, the late, tribute, 2529
International Centre for Ocean Development bill C-22, 588, 611
Programs, 589
Wasting of sea products, 589
Mexico
Earthquake disaster, Province of Alberta action, qu, 1268
National defence, 18
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to report, 580
Report
17th, federal-provincial fiscal arrangements, subject matter of Bill C-96, 2604

Macquarrie, Hon. Heath—*Cont'd*
Order of Canada
Appointment of former members of federal cabinet and former provincial premiers, qu, 2288
Revised reply, 2449
Parliament Hill
"Fairyland of beauty and excitement", qu, 1716
Prince Edward Island, Legislative Assembly members, visitors, 1496
Quebec, 17
Senate
Business
Wallenberg, Raoul, resolution approving conferring of honorary Canadian citizenship, 1693
Motion re second distinct sitting, 1761
Foreign Affairs Committee, meeting, qu, 2069
Transport
Ottawa International Airport, proposed change of name, qu, 869
Wallenberg, Raoul
Proposed conferring of honorary Canadian citizenship, message from Commons, 1668

Malone, Richard Sankey, the late, 1102

Manitoba
Clerk of Legislative Assembly and parliamentary interns, visit, 1999
Winnipeg, future of St. Paul's College site building, 300, 383

Marchand, Hon. Leonard Stephen, P.C. (Introduced in the Senate Nov. 5/84), 1
Aboriginal peoples
Goose Bay, Labrador
Barring of Inuit from meeting addressed by Minister of Justice, request for report and apology, qu, 2547
Request for answer, 2581
Proposed NATO base, funding of interest groups, qu, 2582
Queen Charlotte Islands, logging dispute, Haida Indian rights, qu, 1517, 1560
Agriculture
Sugar-beet industry crisis, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1883
Western Canada
Drought and other conditions, government assistance, qu, 1737
Motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1460
Canada-United States relations
Summit meeting in Quebec City, trans-border pollution problems, qu, 669
Constitution
First Ministers' Conference, aboriginal rights, request for Senate representation, qu, 692
Environment
Government policy re employment, qu, 79
Pollution, Niagara River and Great Lakes, qu, 264
Fonyo, Steve, "Journey for Lives" across Canada, 866
Indian Act
Reinstatement of Indian women to membership of Indian bands, qu, 525, 1836
Indian Affairs and Northern Development
Departmental staff reductions, government policy, qu, 1322
Indian bill C-31, 1045, 1139
Band control of membership, 1047
Enfranchisement, 1046
Self-government, 1046
Sexual discrimination, 1046, 1140
National Housing Program
Effect of cutbacks on native population, qu, 692, 815

Marchand, Hon. Leonard Stephen, P.C.—*Cont'd*
Native Economic Development Program
Government policy, qu, 240, 428
Native peoples
Funding of programs, rumoured government cuts, qu, 871
Sechelt Indian Band Self-Government bill C-93, 2507, 2622
Legal entity, 2508, 2623
Need for constitutional recognition of self-government, 2508
Senate
Allocation of rooms, question of privilege, 2018
Business
Wallenberg, Raoul, resolution approving conferring of honorary Canadian citizenship, question of privilege, 1693
Question Period
Request for answers, 2667
Sparrow, Hon. Herbert O.
United Nations award, felicitations, 1011

Marine Atlantic Inc. acquisition authorization
CN Marine to become crown corporation, Marine Atlantic Inc., 2687
Constitutional guarantee of ferry services, 2687
Errors to be rectified, 2721
Speakers: Senators
LeBlanc, Roméo, 2687
Macdonald, John M., 2686, 2722
Rowe, Frederick W., 2721

Marine Atlantic Inc. Acquisition Authorization bill C-88. 1r, 2678; 2r, 2686, 2721; 3r, 2770; r.a., 2783

Marriage (prohibited degrees)
Adoptive relationships, 394, 1748
Speakers: Senators
Flynn, Jacques, 394, 1748, 1776, 2004
Neiman, Joan, 394
Stanbury, Richard J., 1776

Marriage (prohibited degrees) bill S-2. 1r, 332; 2r, 394; ref to com, 395; rep with amdts, 1496, 1744; 3r, 1776, m in amdt, 1776, 2004, 2367;

Marsden, Hon. Lorna
Address in reply to Speech from the Throne, 89
Canada-United States relations
Bilateral trade negotiations
Cultural industries, qu, 1652
Items for negotiation, qu, 1352
Prime Minister's speech in Chicago
"Cultural sovereignty", definition, qu, 1656
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1641
Symbols and values, nation's survival, 1641
Canadian National Railways
Board of directors, replacement of chairman, qu, 779
Census 1986, 93
Economic Council of Canada
Rumoured dissolution, qu, 483, 637
Economic Summit
Bonn, West Germany
Technology, growth and employment working group report, qu, 1281
World drug trade, government position, qu, 850, 974

Marsden, Hon. Lorna—*Cont'd*
Economy
National conference, qu, 659, 691
Employment
Effect of budgetary cuts on female employees, qu, 407, 433
Royal commission, report, government response, qu, 635
Summer Youth Employment Program, qu, 505, 2493, 2669
Employment and Immigration
Government policy, possible changes, qu, 759
Employment Equity bill C-62, 2417
Canadian Human Rights Commission, 2419
Employer discretion, 2418
Enforcement, 2418
Federal Public Service exemption, 2418
Process, 2418
Voluntary compliance, 2419
End of Decade Women's Conference
Composition of Canadian delegation and agenda, qu, 652, 899, 912, 970
Environment
Toxicology research and development, government policy, qu, 1715, 2101
Equal pay for work of equal value, 91
External relations
Family planning promotion, government support and policy, qu, 1696
Family Allowances, 1973, bill C-70, 1975, 2156
"Child and Family Benefits" consultation paper, 1976
Child Tax Credit, 1976, 2158
Conservative, Liberal philosophical differences, 2159
Interaction between federal and provincial benefits, 1977
Symbolic importance, 2157
"Total financial resources" income concept, 1977
Family allowances
De-indexation, petitions against Bill C-70, number and disposition, qu, 1923
Fitness and Amateur Sport
Appointment of females to advisory council, qu, 2121
Government of Canada
Remuneration of senior officials and others, 705
Indian Act
Status of women, removal of discriminatory provisions, qu, 870
Old Age Security bill C-26, 1144
Never-married women, 1144
Spouse's Allowance Program, 1144
Public Works
Cleaning services
Placement of laid off employees aged fifty and over, qu, 2117
Possible layoff of employees, qu, 1941, 2102
Research and development, support and government policy, 804, 824, 1366
Budget measures, 1367
Instability and uncertainty of funding, 825
Interference in research, 826
Lack of commitment to future, 827
Lack of understanding of scientific standards and quality, 826
Ontario, 828
Private sector role, 1366
Privatization, 827
Wastage of public funds, 827
Rights and freedoms, Canadian forces, spouses of members, 1386, 1510
Public behaviour on basis of marriage, 1511
Science and humanities
Research councils, funding, budget proposal implementation, qu, 2569

Marsden, Hon. Lorna—*Cont'd*
Science and Technology
Research and development, government funding, qu, 911
Senate
Question Period, request for answer, 408, 1112, 2668
Sexual abuse of children
Badgley committee report, government action, qu, 1671
Social justice, 89
Social programs
Universality, government policy, qu, 370, 375, 470
Statistics Canada
1986 census
Cancellation, qu, 98, 99
Restoration, qu, 425, 679
Status of women
Affirmative action legislation, government policy, qu, 1950
Armed forces personnel, restriction of spouses' activities, government policy, qu, 1379, 1906, 2134
Association of spouses of military members, status of government grant, qu, 2134
Broadcasting task force, remuneration of women members, qu, 1224, 1325
Economic equality , government policy, qu, 1558, 1852
Equal pay for work of equal value, government policy, qu, 213, 428, 472
Funding of groups, government policy, qu, 1654
Senior government appointments
Bird, Hon. Florence, qu, 833, 936, 954
Franklin, Dr. Ursula, qu, 806, 900
Replacement of female appointees, qu, 789, 811, 867, 881, 938, 955, 1237
Supply and Services
University of Hawaii, contract for survey research, qu, 1437
Technological development and employment
Ministerial conference report, qu, 1281
Transport
Airport security
Remuneration of guards, qu, 2446
Testing of guards, qu, 2446, 2600
Wallenberg, Raoul
Resolution approving conferring of honorary Canadian citizenship, motion, 1679
Inspiration and symbol, 1679
Youth
Cancellation of programs, government policy, qu, 1923
Government assistance, qu, 2116
Report of Special Senate Committee, government response, qu, 2493
Youth Committee
2nd report, "Youth: A Plan of Action", 2231

Marshall, Hon. Jack
Agriculture, Fisheries and Forestry Committee
Fish marketing in Canada, authority to study, 388, 476, 492
Freshwater Fish Marketing Corporation, authority to examine annual report, 478, 490
International Cheese Council of Canada, authority to receive presentation, 1221
Orders of reference, 2598
Proposed splitting of committee, 2446, 2447
Reports
1st, expenses incurred during 2nd Session, 32nd Parliament, 236
See Journals of the Senate
2nd, agricultural stabilization (Bill C-25), 1134

Marshall, Hon. Jack—*Cont'd*
Agriculture, Fisheries and Forestry Committee—*Cont'd*
Reports—*Cont'd*
4th, "Herbicide Pricing", result of study of "Soil at Risk, Canada's Eroding Future", 2018, 2091
"Soil at Risk", authority to print additional copies, 291
Army Benevolent Fund and related Acts bill C-100, 2251
Children of veterans assistance extension, 2252
Elimination of "100 per cent rule", 2252
Hong Kong and Dieppe prisoners of war, 2252
Spousal right of appeal, 2253
Veterans Land Act, 2253
Canadian Pension Commission, Pension Review Board
Vacancies, qu, 807
Condominium Ordinance Validation bill C-73, 1394, 1409
Housing costs, 1394
Land Titles Act, 1394
Need for housing, 1394
Energy, Mines and Resources
Hibernia drilling platforms, construction site location criteria, qu, 1696
Environment
Air pollution on Parliament Hill and public education campaign, 1674
Newfoundland, integration of weather services, 609
Fisheries bill C-32, 1145
Consultation requirement, 1146
Fisheries management, 1145
Native rights, 1146
Scope of the act, 1146
Fisheries Committee
Authority to publish and distribute interim report on marketing of fish in Canada, 2652
Report
1st, 2698
See appendix p. 2745
Fisheries Improvement Loans bill C-57, 1152
Guaranteed loans program, 1152
Security, 1152
Freshwater Fish Marketing bill C-5, 386
Health and Welfare
Guaranteed Income Supplement, 502
National Defence Committee
2nd report, "Canada's Territorial Air Defence", 681
Old Age Security bill C-26, 1114, 1144
Canada Pension Plan, 1145
Common-law spouses, 1115
Spouse's allowance, 1114, 1145
War Veterans Allowance, 1145
Pension bill C-28, 531, 541
Annual increase in basic rate of pension, 531
Continuation of married rate extension, 531
Pension Entitlement Boards, 532
Pension Review Board, 532
Prisoners of war, 541
Residence requirements, 541
Spouses of severely disabled veterans, 532
Veterans exposed to radiation, 541
Remembrance Day, 1484
Robichaud, Hon. Louis-J., P.C., felicitations on 25th anniversary of becoming Premier of New Brunswick, 1177
Rules of the Senate
Rule 67 (1), motion to amend, 2459, 2477
Saltfish bill C-6, 286, 305
Borrowing limit, 286
Canadian Saltfish Corporation, 286
Senate

Marshall, Hon. Jack—*Cont'd*
Senate—*Cont'd*
Adjournment, 1413
Business, 620
Motion to authorize broadcasting of proceedings, 2112
Costs, 2113
Criticism by media, 2114
Lack of public interest, 2113
Sherwood, Hon. Cyril B.
Felicitations on induction into Dairy Hall of Fame, 1521
Small craft harbours projects
Humber-Port au Port-St. Barbe, 1194
Social Affairs, Science and Technology Committee
Authority to meet during Senate sitting, 804
National Film Board, "The Kid Who Couldn't Miss", authority to examine, 1291
Report
8th, National Film Board, "The Kid Who Couldn't Miss," 2317
They Served - We Care, authority to review, 76, 228
See appendix p. 235
Veterans affairs, authority to adjourn from place to place in Canada, 1012, 1300
Veterans Affairs Subcommittee, notice of meeting, 1403
United Nations
World Conference on Women, Canadian delegation, breakdown by sex, qu, 1407
Veterans Affairs
Aging Veterans Program applications, qu, 1407
World War II
D-Day, forty-first anniversary of invasion of Europe by allied forces, 964

McBride, Captain Ronald G.
Unveiling of memorial sculpture and visit of industrial mission from Fruili, Italy, 1649, 1700
History, 1701
Speaker: Senator
Bosa, Peter, 1700

McDougall, Hon. Barbara Jean P.C., Minister of State (Finance)
Canadian Commercial Bank Financial Assistance bill C-37, 743
Native business summit, comments, 2790

McElman, Hon. Charles
Air Canada
Board of directors, replacement of members, qu, 659
Budget
Atlantic provinces, impact of measures, qu, 1020
Canada-United States relations
Summit meeting in Quebec City
Absence of Governor General, qu, 657
Trans-border pollution problems, qu, 670, 2050
Economy
Point of order, 2205
Taxation and unemployment, government policy, 212
Employment
CN shops, layoffs at Moncton, government policy, qu, 2552
Fisheries and Oceans
Parliamentary secretary, whereabouts, qu, 2070
Product inspection standards, qu, 1363
Francophone summit
Canadian Head of State, reported statement by Prime Minister, qu, 2048
Hatfield, Hon. Richard B.

McElman, Hon. Charles—*Cont'd*
Hatfield, Hon. Richard B.—*Cont'd*
Fifteenth anniversary of becoming Premier of New Brunswick, 2012
Internal Economy, Budgets and Administration Committee
30th report, 2404
International terrorism
Seizure of Italian cruise ship, request for information, 1363
Investment Canada bill C-15, 1056
National Film Board, "The Kid Who Couldn't Miss", 2437
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to report, 556
Meeting, 603
Report
6th, estimates year ending Mar. 31/86, supplementary (A), 1006
Order of Canada
Appointment of former members of federal cabinet and former provincial premiers, point of order, 2364
Revised reply, expression of thanks, 2470
Pension Benefits Standards, 1985 bill C-90, 2737, 2771
Excess credit "stripping", 2771
Pioneer Trust Payment Continuation bill C-50, 864
Public Pensions Reporting bill C-255, 2030
Reform of the Senate, qu, 626, 631
Riley, Hon. Daniel A., the late, 24
Robichaud, Hon. Louis-J., P.C., felicitations on 25th anniversary of becoming Premier of New Brunswick, 1177
Rules of the Senate
Rule 77 (7), motion to amend to prohibit smoking at committee meetings, 1995, 2169
Motion in amendment, 2170
Senate
Business, 1681
Committees authorized to examine subject matter of Bills C-27, C-41, C-44, C-24 and C-36, 999
Wallenberg, Raoul, resolution approving conferral of honorary Canadian citizenship, 1690
Minutes of Proceedings, recording of choosing of Acting Speaker, 1966
Question Period, request for answers, 1112, 1951
Simard, Hon. Jean-Maurice, 1128
Social Affairs, Science and Technology Committee
National Film Board, "The Kid Who Couldn't Miss", authority to examine, 1307
Standing Rules and Orders Committee
3rd report, Rules of the Senate, suggested amendment, 1241
Transport
CN shops, Moncton layoffs, government policy, qu, 2470
VIA Rail, resumption of "Atlantic Limited" service, qu, 726

Meat Import Act
Tabling of reports, 1887, 2023

Meat inspection
Features of bill, 913, 917
Inspection of imported meat products, 903
Meat inspection legends, 918
Registered establishments, 917
Speakers: Senators
Frith, Royce, 923
Robertson, Brenda, 903, 918
Roblin, Duff, 923
Stewart, John B., 917, 922

Meat Inspection bill C-33. 1r, 881; 2r, 903, 917; ref to com, 918; rep without amdt, 922; 3r, 922; r.a., 928

Metric conversion
Government policy, 196, 281, 302, 338, 1407, 2003

Mexico
Earthquake disaster
Government action, 1268
Province of Alberta action, 1268
See Foreign Affairs

Middle East
See Foreign Affairs Committee

Miller, Hon. Billie, Minister of Education , Barbados, visit, 1948

Missen, Senator Alan, the late, of Commonwealth of Australia
Tribute, 2326

Molgat, Hon. Gildas L.
Agriculture
Sugar-beet industry
Crisis, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1884
Canadian industry, 1885
National policy, 1985
Government policy, qu, 771
1983 stabilization payment, qu, 1093, 1174, 1313, 1537, 1738, 2048
1986 crop year, government policy, qu, 2090
Western Canada, drought conditions, government assistance programs, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1452, 1464
Agriculture, Fisheries and Forestry Committee
Fish marketing in Canada, authority to study, 476, 491
Freshwater Fish Marketing Corporation, authority to study annual report, 490
Proposed splitting of committee, qu, 2446
Report
4th, "Herbicide Pricing", 2139
"Soil at Risk - Canada's Eroding Future", authority to study impact of report, 717
Sugar-beet industry, government policy, qu, 760, 771
Banking, Trade and Commerce Committee
Committee proceedings, television, 1449
Canada-United States Inter-Parliamentary Group, Twenty-sixth meeting, Niagara-on-the-Lake, Ontario, 1361
Canada-United States relations
Bilateral trade negotiations
Individual negotiators for specialized areas, qu, 2668
Canadian hog export embargo, qu, 953
Garrison Dam project, diversion unit legislation enactment, 2449
Northern waters, sovereignty, qu, 1092
Summit meeting in Quebec City
Absence of Governor General, qu, 669
Availability of background information, qu, 762
Canadian Wheat Board
Mission to China, composition of delegation, qu, 2585, 2669
Economy
Manitoba
Construction of Winnipeg research centre, qu, 472
Cancellation, 44, 239
Employment
Job creation, qu, 910

Molgat, Hon. Gildas L.—*Cont'd*
Employment—*Cont'd*
Summer Youth Employment Program, qu, 409
Energy
Petroleum and Gas Revenue Tax, government policy, qu, 469
Price of Canadian crude oil, qu, 483, 637
Farm Debt Review bill C-117, 2756
Federal-Provincial Fiscal Arrangements, Federal Post-Secondary Education, Health Contributions, 1977 bill C-96, 2716
Importance of research, 2716
Financial Institutions Depositors Compensation bill C-79, 1814
Confidentiality, 1815
Foreign affairs
Forthcoming visit of government leader to southern Africa, correction of press report, qu, 1870
Philippines presidential election, possible recall of Canadian Ambassador, qu, 2068
Freshwater Fish Marketing bill C-5, 384
Health and Welfare
Social assistance programs, universality, government policy, qu, 2037, 2049
Industry
Aerospace, allocation of service contracts, qu, 2051, 2068
Railways, Winnipeg, Manitoba, Transcona shops and east yards, qu, 935
Inter-Parliamentary Conference on the Environment, Nairobi, Kenya, 515
Manitoba, Clerk of Legislative Assembly and parliamentary interns, visit, 1999
McDougall, Hon. Barbara Jean, P.C.
Native business summit, comments, qu, 2790
National Defence
Management of real property, qu, 1717
White paper, status, 2365
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to meet forthwith withdrawn, 526
Excise tax and excise, authority to study subject matter of Bill C-80 prior to receipt of legislation, 1477
National Soil Conservation Week, 738
Parliament Buildings, Centre Block, removal of portraits of British Prime Ministers, 1468
Parole and Penitentiary bill C-67, 2747, 2799, 2821
Senate amendments, precedents, 2821
Representation, 1985, bill C-74, 1804
Rules of the Senate
Distribution of revised edition, 2326
Rule 67 (1), motion to amend, 1904, 1997
Rule 77 (7), motion to amend to prohibit smoking at committee meetings, 2437
Suggested amendments, qu, 758
Senate
Adjournment, 2785
Business
Wallenberg, Raoul, resolution approving conferral of honorary Canadian citizenship, point of order, 1687
Cabinet ministers in the Senate, committee membership, 1376
Committees, authority to invite provincial representations, 662
Official report, printing of appendices, 708
Prime Minister, comments, qu, 409
Question Period
Form, suggested referral to Standing Rules and Orders Committee, 2554
Request for answers, 1177, 1792, 2572, 2668, 2789
Referral of bills to committee before second reading, 2571
Senate Reform Committee

Molgat, Hon. Gildas L.—*Cont'd*
Senate Reform Committee—*Cont'd*
1st report, expenses incurred during 2nd Session, 32nd Parliament, 279
See Journals of the Senate
Social Affairs, Science and Technology Committee
8th report, National Film Board, "The Kid Who Couldn't Miss", 2332
Standing Rules and Orders Committee
Reports
1st, invitation to provinces to appear before Senate committees, 892, 919
2nd, audio recording and broadcasting of Senate committee proceedings, 929, 956
3rd, Rules of the Senate, suggested amendment, 1168, 1244
4th, Royal Assent ceremony changes, 1448, 1480
See appendix p. 1469
5th, Rules of the Senate, use of male and female genders, 1448, 1569, 1570
Use of "sénatrice" and "sénateur", 1570
See appendix p. 1470
6th, government response to committee reports, 1449, 1571, 1760, 1783
Point of order, 1760
Proposed rule as in House of Commons requesting government response within 4 months, 1571
Referred back to committee, 1783
See appendix p. 1475
7th, procedural guidelines for financial operation of committees, 2093, 2123, 2254
See appendix p. 2108
8th, Rule 77 (7), amendment to prohibit smoking at committee meetings, 2381
9th, Rule 67 (1), suggested amendment, 2411, 2433
See appendix p. 2424
10th, "Register of Senators' Interests", 2425, 2455
11th, membership of cabinet ministers on Senate committees, 2575
12th, on government response to committee reports, 2768
Time limit for government response to reports of Senate committees, request for consideration by committee, 1365
Supply and Services
"How Canadians Govern Themselves", unavailability of booklet, qu, 2002, 2222
Ukraine
Sixty-seventh anniversary of the proclamation of independence, 436

Molson, Hon. Hartland de M.
Deschatelets, Hon. Jean-Paul, P.C., tributes on resignation from the Senate, 1833
External Affairs
Passports, issuance at Hull, qu, 851, 937
Interprovincial trade
Barriers, qu, 1392
Ontario
Tornado damage, government action, qu, 986, 1258
Pioneer Trust Payment Continuation bill C-50, 858
Senate
Business
Orders of the Day, 1442
Jurisdiction over services, qu, 806
Social Affairs, Science and Technology Committee
National Film Board, "The Kid Who Couldn't Miss", authority to examine, 1221, 1247, 1358
Report

Molson, Hon. Hartland de M.—*Cont'd*
Social Affairs, Science and Technology Committee—*Cont'd*
Report—*Cont'd*
8th, "The Kid Who Couldn't Miss", 2332, 2452, 2515

Muir, Hon. Robert
Air Canada
Strike of ticket agents, qu, 831
Argentina, His Excellency the Hon. Francesco Jose Pulit, Ambassador and delegation, visit, 2197, 2495
Banking
Regulation of banks, qu, 1288
Cape Breton Development Corporation
Board of directors, appointment, qu, 1235
President, appointment, qu, 725, 726, 1023
Prompt delivery of copies of tabled reports to senators' offices, 2159
Cape Breton, labour relations, qu, 2789
Crown Corporations
Qualifications of officials, qu, 1737
Economic Development
Nova Scotia
Cape Breton Advisory Committee report, request for copies, 1289
Economy
National conference, 710
Education
Toronto school, change of name, qu, 1289
Foreign affairs
Mexico, reported nuclear pact with Canada, qu, 450
Internal Economy, Budgets and Administration Committee
Parliamentary employment and staff relations, authority to examine subject matter of Bill C-45 prior to receipt of legislation, 940
Northern Transportation Company Limited Disposal Authorization bill C-53, 1181
History of company, 1181
Nuclear energy
Safety of Canadian reactors, qu, 2386
Official languages
RCMP, recruiting practices, qu, 2097, 2585
Parliamentary Employment and Staff Relations bill C-45, 2723, 2781
Canada Labour Code, 2724
Collective bargaining framework, 2724
Compulsory arbitration, 2725
Public Service Staff Relations Act, 2724
Right to grieve, 2724
Senate
Debates, treatment of speeches, qu, 409
Transport
CN Marine and CN Rail, reductions in service, qu, 47, 241
Transportation and Communications Committee
Report
7th, Toronto Harbour Commissioners', 1985 bill C-76, 2093
Unemployment Insurance, 1971 bill C-52, 948
Youth
Katimavik, cancellation of program, government policy, 2132

Multiculturalism, 106
Federal-provincial conference, request for observer status for interested parties, 873
Government policy, 2269
Minister's communiqué, disparity between French and English versions, 1377

Multiculturalism—*Cont'd*
Refugee determination, government policy, 2285
Status of minority groups, government policy, 869
Suggested joint committee, 1313

Murray, Hon. Lowell, P.C., Leader of the Government and Minister of State for Federal-Provincial Relations (from June 30/86)
Address in reply to Speech from the Throne, 117
Atlantic fishery, 125
Banking, Trade and Commerce Committee
Authority to meet during Senate sitting, 388, 680, 1251, 1363, 1371, 1573, 2411
Committee proceedings, televising, 1448, 1449, 1489
Competition tribunal, authority to study subject matter of Bill C-91 prior to receipt of legislation, 2302
Finance, restructuring of financial institutions, authority to study discussion paper, 958, 1107
Financial institutions depositors compensation, authority to study subject matter of Bill C-79 prior to receipt of legislation, 1352
Financial institutions, authority to study subject matter of Bill C-103 prior to receipt of legislation, 2670
Notice of committee meetings, 715, 1398
Reports
1st, expenses incurred during 2nd Session, 32nd Parliament, 279
See Journals of the Senate
2nd, Customs and Customs Tariff bill C-9, 332
3rd, Income Tax bill C-7, 396
5th, Small Businesses Loans bill C-23, 733
6th, Investment in Canada (Bill C-15), 835
See appendix p. 848
7th, Canadian Patent No. 855, 255 bill S-4, 964
8th, Income Tax and Tax Court of Canada bill C-73, 1398
9th, Customs bill C-59, rep with amdts, 1669, 1705
10th, estimates year ending Mar. 31/86, supplementary (B), 1573
See appendix p. 1646
11th, tax rebate discounting, subject matter of Bill C-83, 1704
12th, income tax and related statutes, subject matter of Bill C-84, 1713
13th, financial institutions depositors' compensation, subject matter of Bill C-79, 1767
14th, Income Tax and related Statutes bill C-84, 1938
Availability of proceedings, 1955
15th, Canadian Arsenals Limited divestiture authorization, subject matter of Bill C-87, 2362
16th, Restructuring of financial institutions, 2403
17th, Competition Tribunal bill C-91, rep without amdt, but with observations, 2614
Cabinet, access to information, 309
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1575
Cape Breton
Labour relations, 2789
Provincial status, 2790
Corrections
Request for tabling of documents, 2787
Customs bill C-59, 1706
Customs and Customs Tariff bill C-9, 266, 285
Civil aircraft trade, 267
Liberalization of world trade, 285
"Made in Canada" items, 267
Ministerial prescription, 267

Murray, Hon. Lowell, P.C., —*Cont'd*
Customs and Customs Tariff bill C-9—*Cont'd*
Valuation code, 266, 285
Deficit, 119
Economy
Canadian dollar, value
Request for statements of Chairman of Economic Council of Canada and Michael McCracken of Infometrica Ltd., qu, 1970
Interest rates, qu, 2204, 2329
Mortgages, effect of bank rate on interest rates, qu, 2205
Excise Tax and Excise bill C-17, 450
Air transportation tax, 451
Appeals system, 455
Federal tax on motor vehicles, 451
Fuel tax rebate, 451
Fuel tax rebate program for upstream oil and gas sector, 456
Removal of sales tax from primary producers, 456
Federal-provincial consultation, 123
Federal-provincial relations
Establishment of cross-party caucus committees, 2790
Foreign Affairs Committee
International financial system and institutions, Canada's participation, authority to adjourn to Toronto, New York and Washington D.C. to study, 2235
Government cuts, 121
Human rights
Japanese-Canadians, government apology and compensation, 2789
Income Tax Conventions Interpretation bill C-10, 357
Immovable property, 358
Non-residents who carry on business through a permanent establishment, 458
Real property, 358
Internal Economy, Budgets and Administration Committee
30th report, 2403
McDougall, Hon. Barbara P.C.
Native business summit, comments, 2790
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to report, 553
Petroleum and gas revenue tax and income tax, authority to study subject matter of Bill C-82 prior to receipt of legislation, 1477
Report
6th, estimates year ending Mar. 31/86, supplementary (A), 1008
North-South Institute, 130
Old age security
De-indexation of pensions, presentation of petitions, 1104
Official development assistance, 127
Official Languages Committee
Quorum, 465
Parliamentary secretaries
Suggested appointment of senators, 2789
Parole
Release of dangerous inmates, 2838
Parole and Penitentiary bill C-67, 2823, 2828
Amendment implications, 2815
Public concern, 2816
Penitentiary and related Statutes bill C-68, 2825
Regional development, 127
Regional Industrial Expansion
Government assistance to industry, United States intervention, qu, 607
Roblin, Hon. Duff P.C., tribute to former leader of the Government in the Senate, 2786

Murray, Hon. Lowell, P.C., —*Cont'd*
Senate
Adjournment, 1413, 1650
Business, 2788
Disposition of Bills C-67 and C-68, 2826
Hébert, Senator Jacques, hunger strike, point of order, 2211
Orders and Customs of the Senate and Privileges of Parliament
Motion to constitute immediately in Committee of the Whole, 2243
Tribute to departing pages, 2833
Social policy, 124
Standing Rules and Orders Committee
7th report, procedural guidelines for financial operation of committees, 2256
Youth Committee
2nd report, "Youth: A Plan of Action", 2333
Yuzyk, Hon. Paul, the late, tribute, 2837

Nakasone, His Excellency Yasuhiro, Prime Minister of Japan
Address to both houses, 1833
See Appendix p. 1843

National Aeronautics and Space Administration of the United States
Space shuttle "Challenger" disaster, expression of condolences, 1880

National Defence, 18, 33
Canadian forces
Future role, 257, 429
Increase in contingent in western Europe
Budgetary provision, 724
Effect on establishment, 651, 972
Uniforms, 283, 430
Departmental budget, government policy, 282, 430
Management of real property, 1717
New Brunswick, layoff of civilian personnel at Canadian forces bases, 2047
White paper, status, 2203, 2365

National Defence, Special Senate Committee
Appointment, 26, 71, 94, 112, 203
Reports
1st, expenses incurred during 2nd Session, 32nd Parliament, 236
2nd, "Canada's Territorial Air Defence", 445, 681, 1059
Commitment to the Allied Command Europe Mobile Force, 681
Military space program, 682
Modernization of surveillance system around North America, 682
3rd, "Military Air Transport", 2065, 2456
Availability of civilian equipment and personnel resources, 2457
Canadian defence position among nations, 2459
Committee recommendations, 2458
Equipment obsolescence, 2457
Globe and Mail, quote, 2458
Overdue white paper, 2458
Winnipeg *Free Press*, editorial quote, 2458

National Energy Program, 88
See Energy and Natural Resources Committee

National Film Board
Possibility of budget in Ontario, 525, 679

National Film Board—*Cont'd*
"The Kid Who Couldn't Miss", 1221, 1247, 1261, 1269, 1291, 1305, 1315, 1358, 2261, 2291, 2317, 2330, 2350, 2367, 2398, 2408, 2437, 2452, 2473, 2514
See Social Affairs, Science and Technology Committee

National Finance, Standing Senate Committee
Authority to engage services, 478
Authority to meet during Senate sitting, 850, 2737
Borrowing authority, authority to examine subject matter of Bill C-51 prior to receipt of legislation, 965, 998
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to meet forthwith, 497, 526
Instruction to report, 534, 535, 542, 543, 592
Budgetary deficits, authority to study, 347, 395, 639
Estimates ref to com
Year ending Mar. 31/85
Supplementary (B), 76
Supplementary (C), 625
Year ending Mar. 31/86, 612
Supplementary (A), 942
Supplementary (B), 1476
Supplementary (C), 2093
Year ending Mar. 31/87, 2084
Excise tax and excise, authority to study subject matter of Bill C-80 prior to receipt of legislation, 1477
Federal-provincial fiscal arrangements, authority to study subject matter of Bill C-96 prior to receipt of legislation, 2381
Meeting, 602, 2061
Petroleum and gas revenue tax and income tax, authority to study subject matter of Bill C-82 prior to receipt of legislation, 1477
Post-secondary education and training, authority to study government activities, 1251, 1274, 1276, 1293
Reports
1st, expenses incurred during 2nd Session, 32nd Parliament, 207
See Journals of the Senate
2nd, estimates year ending Mar. 31/85, supplementary (B), 279, 312
See appendix p. 293
3rd, Borrowing Authority, 1984-85 (No. 2) bill C-11, rep without amdt but with recommendation, 618
4th, estimates year ending Mar. 31/85, supplementary (C), 666, 696
Canadair and de Havilland Corporation, 696
Petro-Canada, 696
See appendix p. 684
5th, estimates year ending Mar. 31/86, 951, 975, 999, 1033
Federal transfers, 975
Post-secondary education, 976, 1034
See appendix p. 960
6th, estimates year ending Mar. 31/86, supplementary (A), 964, 1000
Atomic Energy of Canada Ltd., 1001
Cape Breton, 1001
Closure of heavy water plants, 1001
de Havilland Aircraft of Canada, 1000
Energy requirements of the future, 1005
Labrador Linerboard Limited, 1004
See appendix p. 980
7th, supplementary fiscal equalization payments, subject matter of Bill C-39, 1088
8th, borrowing authority, subject matter of Bill C-51, 1088
9th, estimates year ending Mar. 31/86, supplementary (A), 1405, 1483
See appendix p. 1416

National Finance, Standing Senate Committee—*Cont'd*
Reports—*Cont'd*
10th, estimates year ending Mar. 31/86, supplementary (B), 1573, 1699, 1719
Feasibility of monthly availability of Treasury Board decisions affecting funding, 1720
See appendix p. 1646
11th, petroleum and gas revenue tax and income tax, subject matter of Bill C-82, 1695
12th, Canada Development Corporation Reorganization bill C-66, rep without amdt but with recommendations, 1713
13th, Excise Tax and Excise bill C-80, rep without amdt but with observations and recommendation, 2065
14th, estimates year ending Mar. 31/86, supplementary (C), 2174, 2208, 2228
See appendix p. 2187
15th, Borrowing Authority 1986-87, rep without amdt, 2327
16th, estimates year ending Mar.31/87, 2501, 2540
Annual accounting of tax expenditures, 2540
Enormity of accounts receivable, 2589
Regular effectiveness evaluation, 2540
Secret reductions of departmental budgets, 2589
See appendix p. 2522
17th, federal-provincial fiscal arrangements, subject matter of Bill C-96, 2565, 2603, 2657
Implications for Atlantic Canada, 2659
Progressive reduction to health services and post-secondary education, 2657
Reduction of federal visibility, 2658
18th, Federal-Provincial Fiscal Arrangements, Federal Post-Secondary Education, Health Contributions, 1977 bill C-96, rep without amdt but with comments, 2765
Supplementary fiscal equalization payments, authority to examine subject matter of Bill C-39 prior to receipt of legislation, 965, 998

National Housing Program
Effect of cutbacks on native population, 692, 815

National Parole Board
Appointment of members, 1500, 1672, 1718
Federal Court decision, 223, 301
Parole provisions, administration, government policy, 1669

National Postal Museum
Advisory committee, 2363, 2410
Membership, 2700
Order for return, 2571, 2653

National Research Council
Closing of research facilities, loss of jobs, 407

National Revenue
Abandonment of Petroleum and Gas Revenue Tax, 353, 375
Definition of "partnership", tax avoidance, 1284
Suggested consumption tax, 115
Suggested increase in corporate taxes, 353
Tax evasion and avoidance, 711

National Soil Conservation Week, 738, 777, 798, 808, 892
Erosion, 809
"Soil at Risk", 798

National unity, 249

Native Economic Development Program
Government policy, 240

Native peoples
Funding of programs
Rumoured government cuts, 867, 871
Task force report, 870
Treatment of Louis Riel and Métis, government position, 1480

Natural resources, 49

Neiman, Hon. Joan
Customs Tariff bill C-38, 764, 771
Criminal Code, 775
Regulations and instructions for customs officers, 771
Foreign Extraterritorial Measures bill C-14, 363
Indian bill C-31, 1142
Indian women, 1142
Judges bill C-61, 1213
Legal and Constitutional Affairs Committee
Authority to engage services, 1251
Indian Act, authority to study subject matter of Bill C-31 prior to receipt of legislation, 647
Reports
1st, Criminal Law bill C-18, 990
2nd, Statute law (Canadian Charter of Rights and Freedoms) amendment (Bill C-27), 1105
3rd, Indian bill C-31, 1106
4th, Criminal Code (pari-mutuel betting) bill C-77, 1377
6th, Marriage (prohibited degrees) bill S-2, rep with amdts, 1496, 1744
7th, divorce, subject matter of Bill C-46, 1534
8th, divorce and corollary relief, subject matter of Bill C-47/3, 1535
Notice of inquiry, 1535
See appendix p. 1549
9th, family orders enforcement assistance, subject matter of Bill C-48, 1535
Notice of inquiry, 1535
See appendix p. 1551
10th, Governor General's and Governor General's Retiring Annuity and Salaries and Judges, bill C-78, rep without amdt, 1649
11th, Criminal Code (prostitution) bill C-49, rep without amdt but with recommendations, 1733
12th, Criminal Code (lotteries) bill C-81, rep without amdt but with recommendations, 1789
13th, Pine Hill Divinity Hall bill S-7, rep without amdt, 1863
14th, Representation, 1985 bill C-74, rep without amdt, 1863
19th, Representation 1985 bill C-74, rep without amdt but with comments, 2018
20th, Royal Canadian Mounted Police bill C-65, rep without amdt, 2148
Marriage (prohibited degrees) bill S-2, 394, 2005
Adoptive relationships, 394
Representation, 1985 bill C-74, 1803
Restaurant of Parliament
Joint committee membership, qu, 322
Standing Rules and Orders Committee
6th report, government responses to committee reports, 1571

Newfoundland
Ochre Pit Cove, Conception Bay, request to U.S. for "third world" treatment and financial aid, 1985

North Africa
See Foreign Affairs Committee

North Atlantic Treaty Organization
Strategic defence initiatives research, Canadian participation, 723
The Netherlands, removal of nuclear weapons from aircraft, attitude of government, 1573

North-South Institute, 130

Northern Transportation Company Limited Disposal authorization
History of company, 1181
Oil exploration and activity around the Beaufort Sea, 1182
Speakers: Senators
Adams, Willie, 1182
Muir, Robert, 1181
Steuart, D.G., 1182

Northern Transportation Company Limited Disposal Authorization bill C-53. 1r, 1166; 2r, 1181; 3r, 1183; r.a., 1217

Northland Bank
See Banking

Nuclear disaster
Ukraine, effects of radiation, 2366, 2537
Government advice to Canadian travellers, 2427
Government knowledge and action, 2385, 2387
Health and safety of Canadian nationals, 2385

Nuclear energy
Safety of Canadian reactors, 2385, 2386

Nurgitz, Hon. Nathan
Address in reply to Speech from the Throne, 67
Agriculture
Sugar-beet industry crisis, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1886
National policy, 1886
Canadian Patent No. 855, 255 bill S-4, 938
Canadian Oxygen Limited and BOC Inc., 938
Corrections system, 68
Criminal Code, 68
Criminal Code (lotteries) bill C-81, 1503, 1525, 1825
Authority to operate sports pool betting, 1503
Definition of "lottery scheme", 1505
Manufacture and export of gaming equipment, 1505
Repeal of authority to operate sports pool betting, 1503
Restrictions, 1505
Uncertainties in law, 1503
Criminal Code (pari-mutuel betting) bill C-77, 1355
Criminal Law, 1985 bill C-18, 846
Air safety, 846
Drugs, 846
Protection for medical doctors, 847
Seizure of vehicles, 846
War crimes, 846
Currency bill C-21, 438, 458
Olympic Coins, 438
Customs Tariff bill C-38, 762, 772

Nurgitz, Hon. Nathan—*Cont'd*
Customs Tariff bill C-38—*Cont'd*
Child pornography, 772
Criminal Code, 763, 774
Holding of the material, 773
Importation of obscene material and hate literature, 762
Treason and sedition, 764
Customs Tariff bill C-71, 1355
Horse racing, 1355
Divorce, Divorce and Corollary Relief, Family Orders and Agreements Enforcement Assistance bills C-46, C-47 and C-48, 1930, 1964, 1989
Barriers to remarriage, 1932
Custody and support, 1931
Garnishment, 1932
Grounds, 1931
Jurisdiction, 1930
Employment Equity bill C-62
Motion re message to House of Commons, 2706
Foreign Affairs Committee
2nd report, Canada's relations with countries of Middle East and North Africa, 1133
Foreign Extraterritorial Measures bill C-14, 359, 392
Attorney General, 362
Bank of Nova Scotia, 360
COCOM, 361
Canada and U.S. relations, 359
Canadian governmental responses to foreign governmental measures, 362
Control of Canadian exports to other countries, 361
Foreign antitrust judgments, 362
NATO, 361
Production of evidence, 360
Strategic exports, 361
U.S. antitrust laws, 360
United Kingdom and Australia, 361
Governor General's and Governor General's Retiring Annuity and Salaries and Judges bill C-78, 1540
Judicial allowances, 1541
Relativity factor, 1541
Income Tax and Tax Court of Canada bill C-72, 1356
Amounts in dispute, 1357
Safeguards, 1357
Technical amendments, 1356
Indian bill C-31, 1038, 1142
Band control of membership, 1039
Broadening of access to Indian status and band membership, 1041
Enfranchisement, 1038
High impact bands, 1041
Regulation of use of intoxicants on reserves, 1040
Restoration of rights, 1039
Sexual discrimination, 1038
International terrorism
Motion for appointment of Special Senate Committee, 2126
Adequacy of existing policy, 2127
Canadian Security Intelligence Service, 2127
RCMP, 2127
Solicitor General, quote, 2128
Special emergency response team, 2128
Judges and related Acts bill C-128, 2740
P.E.I. and Newfoundland courts reorganization, 2740
Legal and Constitutional Affairs Committee
Postponement of meeting, 2175
Reports

Nurgitz, Hon. Nathan—*Cont'd*
Legal and Constitutional Affairs Committee—*Cont'd*
Reports—*Cont'd*
5th, Evangelical Lutheran Church in Canada, rep without amdt, 1476
15th, parole and penitentiaries, subject matter of Bill C-67 and parole, penitentiaries, prisons and reformatories, subject matter of Bill C-68, request for authority to adjourn from place to place in Canada to study, 1920, 1948
16th, Divorce bill C-46, rep without amdt, 1967
17th, Divorce and Corollary Relief bill C-47, rep without amdt, 1968
18th, Family Orders and Agreements Enforcement Assistance bill C-48, rep without amdt, 1968
Parliamentary Employment and Staff Relations bill C-45, 2780
Parole and Penitentiary bill C-67, 2791, 2809, 2822, 2826, 2832, 2841
Commons disagreement with Senate amdt, 2841
Day parole, 2792, 2802
Federal/provincial responsibilities, 2813
Mandatory supervision, 2791, 2792
Point of order, 2822
Retroactivity, 2799
Parole and related Statutes bill C-68, 2800, 2832
Calculation of sentences, 2800
Correctional Service of Canada, new designation, 2800
Regulations and other Statutory Instruments Committee
Authority to examine subject matter of clauses of certain bills, 614
Reports
1st, Statutory Instruments No. 28, 333, 366
2nd, Statutory Instruments No. 29, 463, 495
3rd, Statutory Instruments No. 30, 1405, 1483
See appendix p. 1417
4th, Statutory Instruments No. 31, 1406, 1483
See appendix p. 1424
5th, Statutory Instruments No. 32, 2195, 2230, 2322
See appendix p. 2210
6th, Statutory Instruments No. 33, 2277
See appendix p. 2300
7th, Statutory Instruments No. 34, 2698
See Journals of the Senate
Expenses incurred during 2nd Session, 32nd Parliament, 296
Standing Rules and Orders Committee
7th report, procedural guidelines for financial operation of committees, 2256
Statute Law (Canadian Charter of Rights and Freedoms) bill C-27, 1116
Canadian Human Rights Act, 1117
Canadian Shipping Act, 1118
Discussion paper on equality rights, 1116
Examination of bills and regulations, 1118
Fisheries Act, 1118
Indian Act, 1116
National Defence Act, 1117
Search and seizure provisions, 1116
Transport and Communications Committee
Car rental outlets at airports, authority to study policy, 485
Wallenberg, Raoul
Conferring of honorary Canadian citizenship
Proposal, 1668
Resolution of approval, 1678
History, 1678
International Human Rights Day, 1678

Official development assistance, 127

Official Languages
Department of the Solicitor General, policy, 758
RCMP, recruiting practices, 2097, 2585
Report of Commissioner tabled, 703, 1129, 2261, 2614
Referred to committee, 723, 2261
Message from Commons, 2302

Official Languages Policy and Programs, Standing Joint Committee (until Feb.24/86)
Authority to meet during sittings and adjournments of the Senate, 466
Estimates, 1985-86
Privy Council Vote 15 referred, 621, 2083, 2224
Message from Commons, 621, 2083
Estimates 1986-87
Privy Council Vote 15 referred, 2083
Message from Commons, 2083
Quorum, 464
Message from Commons, 481
Reports
1st, authority to adjourn from place to place in Canada, 942, 1008, 1156
2nd, annual reports of Commissioner of Official Languages, 1134
See appendix p. 1163
3rd, authority to adjourn from place to place in Canada, 1284
4th, authority to adjourn from place to place in Canada, 1967
Report of Commissioner of Official Languages
Message from Commons, 733
Referral to committee, 723
See also Official Languages, Standing Joint Committee

Official Languages, Standing Joint Committee (from Feb. 24/86)
Privy Council Vote 15 referred, 2238
Report
5th, tabled, 2488
Report of Commissioner tabled, 2261
Message from Commons, 2302
Referred to committee, 2261
See also Official Languages, Policies and Programs

Official report, 1793
Correction of translation, 1128
Correction, quality of translation, 1495
Point of order, 1793
Quality of translation, question of privilege, 2362

Oil substitution and conservation and Canadian Home Insulation Program
Alternative energy options, 1124
Conservation, 1123
Cost-effectiveness of programs, 1124
Speakers: Senators
Kelly, William M., 1123
Olson, H.A., 1124

Oil Substitution and Conservation and Canadian Home Insulation Program bill C-24. 1r, 1103; 2r, 1123; 3r, 1144; r.a., 1217

Old age security
De-indexation of pensions
Government monitoring, 1063
Position of Canadian Petroleum Association, 1064
Presentation of petitions, 1035, 1062, 1088, 1103, 1130, 1166

Old age security—*Cont'd*
De-indexation of pensions—*Cont'd*
Press release by president of National Advisory Council on Aging, 1064
Government policy, 376, 399, 407, 501

Old age security (Bill C-26)
Canada Pension Plan, 1145
Common-law spouses, 1115
Never-married women, 1144
Spouse's allowance, 1114, 1144
War Veterans Allowance, 1145
Speakers: Senators
Bonnell, M. Lorne, 1115
Marsden, Lorna, 1144
Marshall, Jack, 1114, 1144

Old Age Security bill C-26. 1r, 1101; 2r, 1114, 1144; 3r, 1178; r.a., 1217

Olson, Hon. H.A., P.C.
Agriculture
Discussion paper "Tax Issues in Agriculture", 667
Suggested referral to committee, qu, 606
Fertilizer supplement, possible legal action, qu, 693, 973
Potato industry, government assistance, qu, 2131
Prairie provinces, deteriorating situation, government action, qu, 967
Sugar-beet industry
Future prospects, qu, 933, 1173
Government policy, qu, 934, 1089, 1237, 1834, 1905, 2117
Producer and government representatives, meeting, qu, 2094
Stabilization payment, 1983, government policy, qu, 1311, 1738, 2023, 2048, 2152
1986 crop year, government policy, qu, 2091
Western Canada
Drought and other conditions
Availability of application forms, qu, 1870
Government assistance, qu, 1223, 1325, 1431, 1479, 1559, 1670, 1671, 1714, 1736, 2023, 2283
Government assistance programs, motion to adjourn under rule 46 (g) to consider matter of urgent public importance, 1451
Government policy, qu, 1834
Effect on harvest of adverse climatic conditions, government assistance, qu, 1374, 1376, 1380
World grain prices, initial payment for wheat, qu, 2171
Agriculture, Fisheries and Forestry Committee
Proposed splitting of committee, 2447
Air Canada
Board of directors, replacement of members, qu, 658
Alberta
Economy, government assistance, qu, 2308
Banking
Canadian Commercial Bank and Northland Bank
Deposit insurance, government policy, qu, 1266, 1276
Replies to questions, qu, 1374
Green paper on regulation of financial institutions, status, qu, 1310
Northland Bank
Compensation of depositors, government policy, qu, 1297
Regulation of banks, qu, 1287
Banking, Trade and Commerce Committee
Finance, restructuring of financial institutions, authority to study discussion paper, 1107
Report

Olson, Hon. H.A., P.C.—*Cont'd*
Banking, Trade and Commerce Committee—*Cont'd*
Report—*Cont'd*
13th, financial institutions depositors' compensation, subject matter of Bill C-79, 1805
Borrowing Authority, 1986-87, bill C-99, 2315
Budget
Agriculture, impact of cuts, qu, 1134
De-indexation of pension benefits, request for reply to petitions, qu, 1037
Preparation, use of consultants, qu, 447, 635
Tax increases, government policy, qu, 932
Budget, impact on senior citizens, 997
Budget, proposals, 2140
Commodity exchanges, 2141
Downstream/upstream oil revenue, 2142
Energy deregulation, 2141
Farm financing and debt servicing, 2141
National sugar policy, 2140
New oil reference price, 2142
Nielsen report, 2143
Petro-Canada lay-offs, 2143
Canada-United States relations
Bilateral trade negotiations, qu, 1388, 1399
Government policy, qu, 2265
Position of United States, qu, 2303, 2472
Provincial participation, qu, 1557
Prime Minister and President of United States, meeting, agenda, qu, 2130, 2151
U.S. agriculture policy as agenda item, 2273
Acid rain, scope of agreement, 2201
Oil import tax, agenda item, qu, 2174
Trade
Imposition of U.S. tariff on Canadian shakes, shingles and steel products, mitigation of harmful effects, government policy and programs, 2533
Tariff discussions, request for information, qu, 2542, 2702
Criminal Code (lotteries) bill C-81, 1826
de Havilland Aircraft of Canada Limited
Sale to Boeing Corporation
Off-the-record private briefings, job security, qu, 1716, 1855
Economy
Canadian dollar
Decline in value, qu, 1926, 1939
Value, qu, 2492, 2503
Interest rates
Government policy, qu, 2121
Increase, qu, 2001, 2561, 2568, 2703
Energy
Gas pricing policy, advisory committee, qu, 471,
International oil pricing, agenda item at economic summit, 2023
New pricing agreement, progress of negotiations, qu, 423, 501, 631
Oil and gas industry layoffs, government policy, qu, 2445, 2494
Oil and gas pricing, government policy, qu, 2584
Oil pricing, qu, 2001, 2022, 2034, 2046, 2217
Government action, qu, 2087
Government policy, qu, 1866, 1923
Request for answers, 1904
Protection of interests of producers, government action, qu, 1850
Petroleum Gas Revenue Tax, government policy, qu, 467, 501
Pricing, deregulation of industry, government policy, qu, 2464, 2538
Energy Administration bill C-112, 2732, 2771
Deregulation, 2732
TransCanada Pipelines, 2732

Olson, Hon. H.A., P.C.—*Cont'd*
Energy and Natural Resources Committee
5th report, "Oil Marketing: 1986", 2744
Evangelical Lutheran Church in Canada bill S-5, 1414, 1476
Farm Debt Review bill C-117, 2756
Rural transition program, 2756
Farm Improvement Loans bill C-56, 1154
Debt service charge, 1154
Financial Institutions Depositors Compensation bill C-79, 1818
Foreign affairs
Africa, famine relief, qu, 524, 638
Green paper on competitiveness and security, qu, 897, 908
Mexico, reported nuclear pact with Canada, correction to statement by Leader of the Government, qu, 467
Government of Canada
Alleged freeze on programs, qu, 523, 680
Industry
Layoffs at Calgary and Regina IPSCO plants, government action, 2119
Petro-chemical feedstocks, cost, qu, 45
International terrorism
Seizure of Egyptian aircraft, expression of outrage, expression of condolences, 1503, 1531
International trade
Beef imports from European Economic Community, qu, 983
Inter-Parliamentary Conference on the Environment, Nairobi, Kenya, 333, 514
See appendix p. 517
Libya
United States air strike, request for answers, 2277
Lutheran Church in America (Canada Section) and the Evangelical Lutheran Church of Canada
Presentation of petition, 1405
National Revenue
Suggested increase in corporate taxes, qu, 353
Oil Substitution and Conservation and Canadian Home Insulation Program bill C-24, 1124
Cost-effectiveness of programs, 1124
Old age security
De-indexation of pensions, presentation of petitions, 1088, 1104
Parliamentary secretaries
Suggested appointment of senators, qu, 842
Parole and Penitentiary bill C-67
Commons disagreement with Senate amendment, 2853
Petroleum and Gas Revenue Tax bill C-8, 392
Petroleum Incentives Program bill C-85, 2226, 2247
Canadianization, 2250
"Farm-in" arrangements, 2249
Grandfathering, 2227
Ministerial discretion, 2227, 2249
"Specified portion", 2227
Prairie Farm Assistance bill C-41, 1094
Crop insurance, 1094
User-pay philosophy, 1095
Rules of the Senate
Rule 20, oral questions, suggested amendment, qu, 114, 426
Rule 67 (1), motion to amend, 2460
Science and Technology
Canada-Alberta memorandum of understanding, qu, 780, 813
Senate
Adjournment, 2197
Availability of information in absence of government leader, qu, 1869
Business, 1680
Christmas recess, 1793

Olson, Hon. H.A., P.C.—*Cont'd*
Senate—*Cont'd*
Business—*Cont'd*
Wallenberg, Raoul, resolution approving conferring of honorary Canadian citizenship, 1686
Expressions of welcome and appreciation, 11
Question Period
Request for answers, 1050, 1951, 1986, 2555
Social programs
Universality, government policy, qu, 399
Sparrow, Hon. Herbert O.
United Nations award, felicitations, 1011
Transport
Canadian airports, security, qu, 1109
Travel to Ukraine, refund of reservation deposits, request for action, 2581, 2770
Unemployment insurance
Benefits, proposed cutbacks, qu, 97

Ontario
Tornado damage, government action, 986, 1258

Ontario and Manitoba Courts amendment
Speakers: Senators
Flynn, Jacques, 365
Frith, Royce, 365

Ontario and Manitoba Courts Amendment bill C-3. 1r, 332; 2r, 365; 3r, 384; r.a., 403

Opening of Parliament
Speech from the Throne by Her Excellency the Governor General, 3

Order of Canada
Appointment of former members of federal cabinet and former provincial premiers, 2288
Point of order, 2364
Revised reply, 2449
Expression of thanks, 2470

Order, point of
Budget, impact on senior citizens, 991
Speaker's ruling, 1051
Income Tax and related Statutes bill C-84, availability of committee proceedings, 1952
Senate
Availability of explanatory background notes from Commons on receipt of bills for first reading, 1984
Business
Orders of the Day, 1439
Wallenberg, Raoul, resolution approving conferral of honorary Canadian citizenship, 1686
Hébert, Senator, hunger strike, 2211
Minutes of the Proceedings
Recording of choosing of Acting Speaker, 1966
Recording of points of order, 1967
Official report, 2208
Question Period, "Order for Return", 1324
Tabling of documents in bilingual form in compliance with Official Languages Act, 2565
Youth Committee
2nd report, "Youth: A Plan of Action", 2336
Speaker's ruling, 2342

Orders and Customs of the Senate and Privileges of Parliament, Standing Senate Committee
Appointment, 8

Parliament
Address to both houses
De Cuellar, His Excellency Javier Perez, Secretary General, United Nations, 624
See appendix p. 640
Nakasone, His Excellency Yasuhiro, Prime Minister of Japan, 1833
See appendix p. 1843
Caucus rooms, electronic eavesdropping
Apology by Deputy Prime Minister, 1941
Prime Minister's reaction, 1926
Caucus rooms and members' offices, electronic eavesdropping, 1925
Estimates, 1986-87, Parliament vote 10 referred to proposed Standing Joint Committee, 2083
Report of commission to review salaries of members of Parliament and senators, definition of "members of Parliament" and "salaries", question of privilege, 921
Staff relations, denial of right to strike, 832
Standing joint committees,
Message from Commons, 2082
Propriety of Commons referrals, 2128, 2195
Speaker's statement, 2223

Parliament buildings
Centre Block, removal of photographs of British Prime Ministers, 1383, 1435

Parliament Buildings, Centre Block, removal of photographs of British Prime Ministers, 1468, 1489, 1527, 1933
Westminster heritage, 1933
Speakers: Senators
Corbin, Eymard, 1527, 1934
Hicks, Henry D., 1489, 1933

Parliament Hill
Air pollution, message from Commons, 1495
Public education campaign, 1649, 1673
Canadian flag at half-staff, 647
Cost of relocation of tourist tent, 1433
"Fairyland of beauty and excitement", 1716
Landscaping east of Centre Block, 909
Suggested relocation of tourist reception tent, 946, 974

Parliamentary Affairs Commission of the International Association of French-Speaking Parliamentarians
Meeting in Brazil, 2489, 2592
See appendix p. 2595

Parliamentary employment and staff relations
Canada Labour Code, 2724
Collective bargaining framework, 2724
Compulsory arbitration, 2725
Employee consultation, 2696
Implications for independence of Parliament, 2778
Parliamentary privileges and traditions, 2781
Public Service Staff Relations Act, 2724
Right to grieve, 2724
Speakers: Senators
Corbin, Eymard G., 2781
Frith, Royce, 2777
MacEachen, Allan J., 2696
Muir, Robert, 2723, 2781
Nurgitz, Nathan, 2780

Parliamentary Employment and Staff Relations bill C-45. 1r, 2696; 2r, 2723; ref to com, 2725; rep without amdt but with comments, 2776; 3r, 2777; r.a., 2783

Parliamentary secretaries
Suggested appointment of senators, 841, 1224

Parole
Release of dangerous inmates, 2838

Parole and penitentiary
Amendment, 2813, 2828
Amendment implications, 2815
Chronology of events, 2848
Dangerous Offenders Act, 2849
Day parole, 2792, 2802
Earned remission, 2795, 2843, 2846
Federal Court of Canada, decision citation, 2798
Federal/provincial responsibilities, 2813
Freedom of the individual, 2798
Gating, 2797, 2806, 2852
Howard vs Stoney Mountain Pententiary, 2846
Laskin, Chief Justice Bora, quote, 2796
"Mandatory supervision: A Discussion Paper", 2797
Number of mentally ill and dangerous inmates, 2842
One-Chance mandatory supervision, 2791, 2792
Parole Board credibility, 2807
Parole Board decision statistics, 2844
Point of order, 2822
Potential for abuse, 2849
Precedents for Commons non-concurrence, 2840
Public concern, 2816
Public safety, 2794, 2805, 2807
Regional representation on Parole Board, 2812
Retroactivity, 2799
Roles of Parole Board and courts, 2804, 2847
Senate responsibility, 2819
Speakers: Senators
Doody, C. William, 2839
Fairbairn, Joyce, 2846
Frith, Royce, 2828, 2849
Hastings, Earl A., 2793, 2805
Hicks, Henry D., 2820
MacEachen, Allan J., 2803, 2839, 2850
Molgat, Gildas L., 2821
Murray, Lowell, 2815, 2823
Nurgitz, Nathan, 2791, 2798, 2822, 2826, 2841, 2854
Olson, H.A., 2853
Tremblay, Arthur, 2827
also
Kelleher, Hon. James, Solicitor General, 2802

Parole and Penitentiary bill C-67. 1r, 2747; 2r, 2790, 2800; ref to Committee of the Whole, 2801; considered in Committee of the Whole, Hon. Rhéal Bélisle in the Chair, Hon. James Kelleher P.C., Solicitor General, taking part in the debate, 2802; rep with amdt, 2822; 3r, m in amdt, 2830; message from Commons of disagreement with Senate amdt, 2839; m for non-insistance on Senate amdt, 2839; r.a., 2857

Parole and related statutes
Calculation of sentences, 2800
Correctional Service of Canada, new designation, 2800
Speakers: Senators
Hastings, Earl A., 2801
Nurgitz, Nathan, 2800

Parole and related Statutes bill C-68. 1r, 2749; 2r, 2800; ref to Committee of the Whole, 2801; considered in Committee of the Whole, Hon. Rhéal Bélisle in the Chair, 2822; rep without amdt, 2824; 3r, 2832; r.a., 2857

Patronage appointments, 66, 109

Penitentiaries
Canada-Alberta agreement and memorandum of intent
Effect on employees, 1852, 1988
Request for tabling, 1849, 1927
Tabled, 1988
Conditions, government study, 1836
Stoney Mountain, construction of doghouse, 1869, 1988

Pension (Bill C-28)
Annual increase in basic rate of pension, 531
Continuation of married rate extension, 531
Pension Entitlement Boards, 532
Pension Review Board, 532
Prisoners of war, 540
Residence requirements, 541
Spouses of severely disabled veterans, 532
They Served - We Care recommendations, 539
Veterans exposed to radiation, 540
Speakers: Senators
Bonnell, M. Lorne, 539
Gigantès, Philippe Deane, 539
Marshall, Jack, 531, 541

Pension bill C-28. 1r, 529; 2r, 531, 539; 3r, 588; r.a., 617

Pension benefits standards
Availability to part-time workers, 2735
Early vesting and locking-in, 2735
Excess credit "stripping", 2771
Inflation protection, 2736
Portability, 2735
Survivors share, 2736
Speakers: Senators
Doyle, Richard J., 2734
McElman, Charles, 2771

Pension Benefits Standards, 1985 bill C-90. 1r, 2734; 2r, 2734, 2771; 3r, 2772; r.a., 2783

People's Republic of China
Delegation, visit, 1220

Perrault, Hon. Raymond J., P.C.
Canada-United States relations
Trade
Imposition of U.S. tariff on Canadian shakes, shingles and steel products, mitigation of harmful effects, government policy and programs, qu, 2530, 2542
Imposition of U.S. and Canadian tariffs, mitigation of harmful effects, government policy and programs, qu, 2543, 2560
Canadian Broadcasting Corporation
Cutbacks in service, qu, 100
Staff reductions, 944
Criminal Code (lotteries) bill C-81, 1522
Currency bill C-21, 456
Calgary Winter Olympics, 457
Olympic Coins, 457
Program to help smaller communities to build facilities, 457
Energy
Oil pricing, government policy, qu, 1864
Expo 86
Attendance of members of Parliament, 2090
Film industry
Identification of Canadian production locales, qu, 2097
Fonyo, Steve
"Journey for Lives" across Canada, 941
Foreign investment
Minister of Regional Industrial Expansion, reported statement, qu, 102

Forestry and Fisheries
Government policy, qu, 45
Human rights
Discriminatory hiring practices, government policy, qu, 2095
International trade
European Economic Community, proposed export of agricultural products to Canada, qu, 987
Metric conversion, government policy, qu, 2003
National Film Board, "The Kid Who Couldn't Miss", 2350
Restaurant of Parliament
Availability of French apples, qu, 59
Social Affairs, Science and Technology Committee
National Film Board, "The Kid Who Couldn't Miss", authority to examine, 1249
Sports Pool and Loto Canada Winding-up bill C-2, 1096
Calgary Winter Olympics, 1097
Loto Canada, 1097
Provincial commitment, 1099
Sports Pool, 1098

Petitions, 1789

Petroleum and Gas Revenue Tax
Annual tax credit, 364
Major measures, 364
Technical amendments, 364
Speakers: Senators
Olson, H.A., 392
Phillips, Orville H., 364, 393

Petroleum and Gas Revenue Tax bill C-8. 1r, 347; 2r, 364, 392; 3r, 398; r.a., 403

Petroleum and Gas Revenue Tax and Income Tax
Canadianization, 1929
Multinational promises, 1929
PGRT phase-out, 1912
Security of supply, 1929
Speakers; Senators
Doody, C. William, 1912
Hastings, Earl A., 1928

Petroleum and Gas Revenue Tax and Income Tax bill C-82. 1r, 1881; 2r, 1912, 1928; 3r, 1943; r.a., 2031

Petroleum Compensation Charge, 37

Petroleum Incentives Program
Canadianization, 2226, 2250
Commitments, 2226
Exploration Tax Credit, 2225
"Farm-in" arrangements, 2249
Framework, 2224
Frontier exploration, 2225
Grandfathering, 2227, 2248
Ministerial discretion, 2227, 2248, 2249
PIP phase-out, 2225
"Specified portion", 2248
Speakers: Senators
Barootes, Efstathios, 2224, 2247
Hastings, Earl A., 2225
Olson, H.A., 2227, 2249

Petroleum Incentives Program bill C-85. 1r, 2214; 2r, 2224; 3r, 2247; r.a., 2258

Petten, Hon. William J.
Beaubien, Hon. Louis-Philippe, the late, 732
Christmas greetings, 415
Cook, Hon. Eric, tributes, 24
Divorce and Corollary Relief and Family Orders and Agreements Enforcement Assistance bills C-47 and C-48, notice of inquiry withdrawn, 1997
Health, ill effects of smoking, 1935
Petitions, 1789

Phillips, Hon. Orville H.
Address in reply to Speech from the Throne, 250
Agricultural Stabilization bill C-25, 1195
Hog production in P.E.I., 1198
Potato industry, 1198
Top-loading, 1195
Tripartite stabilization plans/, 1195
Budget speech
Accommodation for senators in Senate gallery of House of Commons, 924
Cabinet, access to information, 287
Canadian Patent No. 855, 255 bill S-4, 921
Commercial Arbitration bill, C-108, 2444, 2451, 2462
Deficit, 253
Duties Relief bill C-98, 2654, 2670
Machinery program, 2655
Streamlining of procedures, 2655
Environment
Air pollution on Parliament Hill and public education campaign, 1675
Federal-Provincial Fiscal Arrangements, Federal Post-Secondary Education, Health Contributions, 1977 bill C-96, 2720
Foreign affairs, gift of war planes to Turkey, 442
Balance of power between Turkey and Greece, 443
NATO, 443
Possibility of Greek airforce receiving aircraft, 443
House of Commons bill C-63, 1213
Committee on Internal Economy, 1213
Inman, Hon. Florence Elsie, the late, tribute, 2528
Internal Economy, Budgets and Administration Committee
Senate estimates for 1986-87/, 1711
Korea, Committee on Economics and Science of National Assembly, visit, 2065
Legal and Constitutional Affairs Committee
Authority to meet during sittings of the Senate, 2542
Library of Parliament Committee
Frequency of meetings and composition, 28, 62
National Finance Committee
Authority to meet during Senate sitting, 850
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to report, 560
Meeting, 2061
Petroleum and Gas Revenue Tax bill C-8, 364, 393
Annual tax credit, 364
Major measures, 364
Technical amendments, 364
Pioneer Trust Payment Continuation bill C-50, 860
Printing of Parliament Committee
Frequency of meetings and composition, 28, 62
Regulations and other Statutory Instruments Committee
Frequency of meetings and composition, 28
Rules of the Senate
Rule 77 (7) motion to amend to prohibit smoking at committee meetings, 1917, 1993
"Ginger-ale" research, 1993
Motion in amendment, 1993

Phillips, Hon. Orville H.—*Cont'd*
Selection Committee
Reports
1st, Speaker *pro tempore*, 25, 54
2nd, committee members, 25, 54
3rd, committee members, 220, 225
4th, committee members, 504, 533
5th, committee members, 2566
6th, committee members, 2699
Senate
Adjournment, 2022, 2077, 2441
Allocation of rooms, question of privilege, 2016
Business, 96, 592, 647, 924, 2015, 2463, 2530
Committees, authority to invite provincial representations, 801
Meetings of committees, 1009
Official report, request for revision of statement, 279
Proceedings, authority to broadcast, 906, 1245
Social Affairs, Science and Technology Committee
"Employment Opportunities: Preparing Canadians for a Better Future", authority to study consultation paper, 1409
Social welfare, 253
Sports Pool and Loto Canada Winding-up bill C-2, 1048
Calgary Olympics, 1048
Losses, 1048
Medical research, 1048
Standing Rules and Orders
11th report, 2463
Terrorism, appointment of special Senate committee, 2539
Unemployment, 252
United Nations Arbitral Awards Convention bill C-107, 2449, 2461
Youth Committee
Authority to meet during Senate sitting, 1467

Pine Hill Divinity Hall
History, 1782
Speaker: Senator
Hicks, Henry D., 1781

Pine Hill Divinity Hall bill S-7. 1r, 1733; 2r, 1781; ref to com, 1783; rep without amdt, 1863; 3r, 1863; message from Commons that bill passed without amdt, 2614; r.a., 2623

Pioneer Trust payment continuation
Canadian Deposit Insurance Corporation, 857
Downturn in real estate market, 875
Government of Saskatchewan, 857
Income Averaging Annuity Certificates, 857, 876
Operations of company, 861
Payment of interest, 862, 874
Setting of precedent, 862
Speaker's ruling, 873
The Fifth Estate, 882
"The Regulation of Canadian Financial Institutions: Proposals for Discussion", 877
Unprotected depositors, 857
Speakers: Senators
Argue, Hazen, 858, 874
Barootes, Efstathios, 857, 874
Everett, Douglas D., 859
Roblin, Duff, 877
Steuart, D.G., 861, 879, 882

Pioneer Trust Payment Continuation bill C-50. 1r, 850; 2r, 857, 873; 3r, 882; r.a., 928

Point of Order
See Order, point of

Pornography, 50, 111

Post-secondary education
See National Finance Committee

Poverty
Secretary of State for External Affairs, reported statement on "elementary conditions", 1716

Poverty in Canada
Poverty Line Update 1983, 73
Poverty Line Update, 1984, 1495
See appendix p. 1513

Prairie farm assistance
Crop insurance, 1072, 1094
Prairie Farm Emergency Fund, 1058
User-pay philosophy, 1095
Western Grains Research Foundation, 1058
Speakers: Senators
Argue, Hazen, 1072
Balfour, R. James, 1057, 1095
Olson, H.A., 1094

Prairie Farm Assistance bill C-41. 1r, 1035; 2r, 1057, 1072; 3r, 1094; r.a., 1101

Press releases, 67

Prime Minister
Broadcast speech on free trade, availability of text in advance, 2653
Criticism of appointments, request for apology, 660
Newspaper advertisement, 769
Request for clarification of statements, 197
United Nations, fortieth anniversary, speech, 1405, 1430
See appendix p. 1445

Prince Edward Island
Economy, government assistance, 2304, 2328
Legislative Assembly members, visit, 1496

Printing of Parliament, Standing Joint Committee
Frequency of meetings and composition, 28, 62

Privacy
Reported giving of information re unemployed, 2094, 2600
Tabling of documents, 75

Privacy Commissioner
Report tabled, 2838

Privilege, 1096
Foreign affairs
Green paper on competitiveness and security, 921
Parliament
Report of commission to review salaries of members of Parliament and senators, definition of "members of Parliament" and "salaries", 921
Rowe, Hon. Frederick W., omission from attendance record, 1226
Senate
Office of Speaker, newspaper report, 900
Prime Minister, comments, 396
Statement by Senator Roblin on alleged conflict of interest, 2444

Property Qualification of Senators
Renewal, 303
Report tabled, 396
Supplementary return authorized, 396

Public pensions reporting
Speakers: Senators
McElman, Charles, 2030
Robertson, Brenda M., 2030

Public Pensions Reporting bill C-255. 1r, 1985; 2r, 2030; ref to com, 2030; rep without amdt, 2084; 3r, 2104; r.a., 2258

Public Service
Alleged requirement for ministerial approval of job applications, 224
Placement of former ministerial assistants, 214, 224, 428

Public Works
Cleaning services
Placement of laid-off employees aged fifty and over, 2117
Possible layoff of employees, 1941, 2102
Prince Albert, Saskatchewan, awarding of contract for federal building, 2388
United States Embassy property, possible acquisition by Government of Canada, 316, 432

Public Works and Public Lands Grants
Department of Public Works, 437
Speakers: Senators
LeBlanc, Roméo, 437
Walker, David, 357

Public Works and Public Lands Grants bill C-13. 1r, 347; 2r, 357, 437; 3r, 456; r.a., 617

Publishing industry
Canadian share of market, 2428, 2494

Quebec, 17, 53
National Assembly, parliamentary interns, visit, 504
Provincial election results, 1557

Queen Elizabeth II, Her Majesty
Thirty-third anniversary of accession to Throne, felicitations, 492

Questions (oral)
Aboriginal peoples
Goose Bay, Labrador
Barring of Inuit from meeting addressed by Minister of Justice, 2546
Request for report and apology, 2547
Request for answer, 2581
Proposed NATO base, funding of interest groups, 2582
Queen Charlotte Islands, logging dispute, Haida Indian rights, 1517, 1560
Yukon economic development program, delay in implementation, government policy, 2095
Access to information
Government guidelines for public servants, 188, 195, 214, 427, 428
Adams, Right Honourable John, the late, Prime Minister of Barbados
Representation at funeral, 647
Advertising
Source of funds for material in magazine, 1111
Agricultural products producers, availability of financial assistance, 1943, 2680
Agriculture
Discussion paper "Tax Issues in Agriculture", 667

Questions (oral)—*Cont'd*
Agriculture—*Cont'd*
Discussion paper 'Tax Issues in Agriculture'—*Cont'd*
Government attitude, 608
Suggested referral to committee, 606
Farm credit crisis, request for meeting of ministers of agriculture, 985
Farm debt legislation, government policy, 2571
Farm debt review, 1267
Role of panels, 2096
Fertilizer supplement, possible legal action, 693, 973
Grain
Grasshopper threat in prairie provinces, request for assistance, 2547
Request for response, 2570
Plight of producers, deficiency payments and two-price system for wheat, government policy, 2285
Inspection fees, government policy, 695
Marketing of potatoes, 80, 242, 510, 537, 638
National strategy, 1558
National sugar policy, 1654
Potato industry
Government assistance, 2037, 2095, 2130
Re-establishment of commission of inquiry, 1971
Stabilization assistance, 1974
Stabilization or diversion program, 1970, 2099
Stabilization policy, 2154, 2173
Prairie provinces, deteriorating situation, government action, 967
Sugar-beet industry
Future prospects, 933, 1173
Government policy, 760, 770, 934, 1089, 1173, 1176, 1237, 1834, 1852, 1870, 1905, 1923, 1943, 1974, 2117, 2133
Meeting between producers and government representatives, 2094
1983 Stabilization payment, 1093, 1174, 1313, 1400, 1433, 1502, 1537, 1559, 1737
Government policy, 1311, 1987, 2003, 2023, 2036, 2048, 2067, 2152
1986 crop year, government policy, 2090
Request for answer, 1324, 1354
United States and EEC subsidies, Canadian position at Tokyo, 2428
Western Canada
Drought and other conditions, government assistance, 1223, 1231, 1280, 1325, 1362, 1406, 1430, 1479, 1501, 1536, 1559, 1670, 1671, 1714, 1735, 1854, 2023, 2283
Availability of application forms, 1870
Government policy, 1834
Grain producers and beef producers, disparity in criteria for payments, 1942, 2101
Effect on harvest of adverse climatic conditions, government assistance, 1374, 1376, 1380
Western Grain Stabilization Act, suggested amendment, 2269
Wheat
Domestic price, 2667
Exports to Republic of China, 2173, 2679
Two-price system
Effect of price increase, 2382, 2387
Effect on baking industry, 2667
Possible influx of subsidized American bakery products, 2286
World grain prices, initial payment for wheat, 2161, 2171
Agriculture, Fisheries and Forestry Committee
Proposed splitting of committee, progress of debate, 2446
Air Canada
Board of Directors, replacement of members, 658, 660
Strike of ticket agents, 831, 856
Alberta

Questions (oral)—*Cont'd*
Alberta—*Cont'd*
Economy, government assistance, 2308
Appropriations
Bill C-54, urgency of passage, 1066, 1091
Bill C-115, request for information, 2770
Auditor General
Cabinet documents, access to information, 320
Aviation disasters
Air-India aircraft loss
Tokyo Airport explosion, possible acts of terrorism, 1108, 1237
Treatment of insurance claims, 1113
Banking
Canadian Commercial Bank
Bad loans, 1373
Collapse, 1226
Alleged existence of document indicating difficulty, 1255
Committee study, 1230, 1256
Request for answers, 1377
Leader of the Government, correction of statement, 1265
Offer of chartered banks to assist in examination of loan portfolio, 1252
Priority of creditors, 1256
Protection of pension funds, 1280
Role of independent auditors, 1254
Government assistance, 705
Judgment of Inspector General as to solvency, 1230
Memorandum of intent, request for information, 1252, 1266, 1436
Request for answers, 1322, 1353
Salvage recommendation, 1285
Canadian Commercial Bank and Northland Bank
Availability of names of uninsured depositors, 1373
Compensation of depositors, referral of subject matter of bill to committee, 1295
Delay in instituting inquiry, 1376
Deposit insurance, government policy, 1266, 1276
Replies to questions, 1374
Senate study, 1234
Wording of resolution, 1235
Status of proposed joint committee, 1221
Confidence in system, 1372
Estey Commission of Inquiry, 1295
Green paper on regulation of financial institutions
Status, 1310
Suggested withdrawal, 1312
International banking centres, promotion, 2089, 2471
Loans to aid-receiving countries, alleged restriction, 871, 953, 974
Mercantile Bank, possibility of merger, government involvement, 1379
Northland Bank
Compensation of debenture holders, 1311
Compensation of depositors, government policy, 1297
Status, 1235, 1256
Payments to uninsured depositors, government policy, 1374
Regulation of banks, 1286
Board of Grain Commissioners
Termination of appointment of member, status of Chief Commissioner, 1950
Broadcasting
Caplan task force report, 2504, 2586
Task force, qualifications of co-chairman, 942
Threatened jamming of U.S. radio station by Cuba, possible interference with radio station CFRB, Toronto, 945, 1023
Budget
Agriculture, impact of cuts, 1134

Questions (oral)—*Cont'd*
Budget—*Cont'd*
Atlantic provinces, impact of measures, 986, 1020
Date of presentation, 494, 509, 637, 677
De-indexation of pension benefits
Government position, 1013, 1021
Government statement, 1169
Request for reply to petitions, 1037
Farm Credit loan provisions, impact on farmers, 2086
Impact of measures, 1016
Impact on employment, 932
Impact on firefighting personnel at airports, 2112, 2223
Minister of External Affairs, statement, government position, 781
Oil pricing, loss of revenue, 2112, 2222
Preparation
Alleged negotiations between government and Independent Petroleum Association of Canada, 446
Use of consultants, 447, 635, 1090
Proposed business transfer tax, 2112
Request for briefing, 925
Tax incentive for investment in Cape Breton, 951
Tax increases, government policy, 929
Timing of implementation of budgetary measures, 1020
Version of budget paper sent to Canadian embassies, 2149, 2272
Cabinet
Access to information, 113
Conflict-of-interest guidelines, government policy, 2384, 2387, 2388, 2405
Senator's arm's length relationship, 2386
Leader of the Government in the Senate, responsibilities, 28, 41, 213
Canada Council
Effect of budget reductions, 46
Canada Development Corporation
Sale of shares, government policy, 945, 975
Canada Post Corporation
Closing of post office at Forget, Saskatchewan, 2584
Closing of post office at Springhill, Nova Scotia, 2704
Door-to-door delivery service, limited cancellation, 831, 937
Prospective strike, government policy, 530
Replacement of board members, 2569
Canada-United States relations
American countervail on Atlantic groundfish, government attitude, 1853
Bank of Nova Scotia, appeal to Supreme Court of United States, 478, 504
Bilateral trade negotiations, 1388, 1392, 1399, 1431, 1521
Agricultural products, 1309
Marketing boards, 2207
Agriculture, consultations with Canadian producers, 2364, 2472
Benefits accruing to other trading partners, 2464, 2495
Canadian publishing and Canadian magazines, 2769
Canadian use of lobbyist, 2304
Canadian testimony before congressional committee or special prosecutor, government policy, 2426, 2537
Government position, 2383
Cultural industries, 1651
Effect on Canadian lumber industry, 1853
Export of fresh water, 1851
Fisheries, imposition of U.S. tariff, government attitude, 2386
Government policy, 1236, 1535, 1538, 2265, 2328, 2342
Government position on United States undertakings, 2282
Individual negotiators for specialized areas, 2668

Questions (oral)—*Cont'd*
Canada-United States relations—*Cont'd*
Bilateral trade negotiations—*Cont'd*
Items for negotiation, 1352, 2665
Items not for negotiation, 1353
Participation of provinces, 1552, 1557
Statement by Premier of Ontario, 2045, 2222
Position of United States, 2303
Remuneration of Canadian negotiator, 1852
Request for amplification of delayed answer, 2505
Role of lobbyist, 2268
Position of U.S., 2472
United States countervailing duties, government action, 2467
United States ambassador's comments, 1308, 1310
User fees on Great Lakes, 1517, 1718
Canadian advertising in United States media, 651
Canadian content rules, effect on U.S. trade into Canada, 2503
Canadian hog export embargo, 953
Canadian hog production, United States import duty, 738, 971
Canadian potatoes, United States import duty, 727, 740, 973
Cultural heritage and national identity, government policy, 2769
Extraterritorial jurisdiction, 648
Fish, alleged subsidization of Canadian exports, 1063
Free trade
Impact on auto pact, availability of report to Province of Ontario, 2493
Free trade arrangement, impact on employment in Canada, 1518
Garrison Dam project, 46, 82, 102, 214, 497, 795
Diversion unit legislation enactment, 2448, 2555
United States study of bill, 2342
Georges Bank, World Court judgment, 298
Government policy, 81, 243
Investment restrictions, 650
Japanese automobile plants, effect of establishment in Canada, 2493
Kidnapping of Canadian citizen by bounty hunters from United States, 529
Northern waters, sovereignty, 1092
Prime Minister and President of United States, meeting
Acid rain, government objectives, 2160
Status of agreement, 2382, 2472
Scope of agreement, 2197
Agenda, 2130, 2151
Oil import tax, agenda item, 2174
Status of document, 2155, 2272
U.S. agriculture policy as agenda item, 2207, 2273, 2389
Request for answer, 2365
Prime Minister's speech in Chicago
"Cultural sovereignty", definition, 1656
"Joint tenancy" and "constructive internationalism", definition, 1655
Request for amplification of delayed answer, 2505
Summit meeting in Quebec City
Absence of Governor General, 657, 669, 671, 674, 677, 814, 1174, 2494
Agenda, 648
Availability of background information, 762
Declaration on international security, 674, 814, 833, 937
Effect on employment in Atlantic provinces, 678, 1023
Invitations to gala performance, request for answer, 2221
Newspaper article, 652
Press release, 652
Request for texts of agreements, 673
Trade
Commitment to halt protectionism, 2770
Imposition of tariff on publications and computer parts, 2536, 2545, 2546

Questions (oral)—*Cont'd*
Canada-United States relations—*Cont'd*
Trade—*Cont'd*
Imposition of U.S. tariffs and Canadian tariffs, mitigation of harmful effects, government policy and programs, 2542, 2560, 2562, 2566, 2572, 2582, 2702, 2703
Imposition of U.S. tariff on Canadian shakes and shingles, 2489
Compensation, 2502
Compensation for workers in industry, 2547
Imposition of U.S. tariff on Canadian shakes and shingles and steel products, mitigation of harmful effects, government policy and programs, 2530
New approaches, government policy, 62, 242, 259
Policy, 648
Tariff discussions, request for information, 2542, 2702
Trans-border pollution problems, 608, 669, 1951, 2050, 2102, 2156
Mandate of special envoys, 671
U.S. weapons testing in Canada
Cruise missile mishap, 1868, 1869, 1871, 2039
Canadian Broadcasting Corporation
Effect of budget reductions, 46, 1479
Funding, government policy, 318
Independence, government policy, 99, 318
International service, possible cancellation, 194, 427
Mandate, parliamentary committee study, 318, 322
Rumoured sale, 299
Staff reductions, 944
Canadian National Railways
Board of Directors
Replacement of chairman, 779, 812
Replacement of members, 833, 2023
Canadian Pension Commission
Replacement of Wing Commander MacKenzie, DFC, 1066, 1174
Canadian Wheat Board
Alleged absence of minister from advisory committee meetings, 1172, 1238
Appointment of commissioner, 2173
Criticism contained in study team report to task force on program review, 2149
Dwarf wheat, marketing, 741
Mission to China, composition of delegation, 2585, 2669
Cape Breton
Labour relations, 2789
Provincial status, 2790
Cape Breton Development Corporation
Board of directors, appointment, 1235
President, appointment, 725, 726, 1023
Chernenko, Konstantin, the late, President of U.S.S.R.
Government representation at funeral 677
Citizenship
Increase in fees, 98
Communications
Museum of Man, change of name, 1971, 1973, 2103
Concentration camps, 2100
Constitution
First ministers' conference, aboriginal rights, request for Senate representation, 692, 761
Quebec's opting out, government policy, 281
Consumer and Corporate Affairs
Combines and trust companies legislation, 1255
Patent Office closing, 954, 975
Sale of canned tuna unfit for human consumption
Alleged wrongdoing in inspection process, suggested prosecution, 1382
Labour union action at processing plant, 1382

Questions (oral)—*Cont'd*
Consumer and Corporate Affairs—*Cont'd*
Sale of canned tuna unfit for human consumption—*Cont'd*
Responsibility of processor's parent company, government policy, 1381
Sale as pet food, 1382, 1436
Trademark legislation, 479, 679, 771
Correctional service
Commissioner's office, increased cost of administration, 2284, 2389
Corrections
Daniel Hawe report, production of service contracts and statement of expenditures, 2539
Request for tabling of documents, 2669, 2704
Crown corporations
Composition of boards of directors, 672
de Havilland Aircraft of Canada Limited and Canadair Limited, government policy, 336, 432
Disposal, 297
Petro-Canada, possible privatization, 1280
Qualifications of officials, 1737
Cultural heritage and national identity
Government policy, 1278, 1381, 1432, 2701, 2769
Cultural organizations
Relationship to government, 222
Customs and excise
Prime Minister's wife, alleged non-declaration of gifts, 2560
de Havilland Aircraft of Canada Limited
Possible negotiation of sale, government position, 813
Sale to Boeing Corporation, 1559, 1738, 1854
Burns Fry prospectus, 1854
Off-the-record private briefings, job security, 1715, 1855
Tabling of memorandum of agreement, 1654
Use of de Havilland technology, 1715, 1854
Department of the Environment
Research scientists, termination of employment, 214, 382
Diplomatic missions
Security, 652
Disarmament
Deployment of nuclear weapons, government policy, 472, 636
Space-based defensive weapons, government policy, 421, 424
Economic Council of Canada
Rumoured dissolution, 483, 637
Economic Development
Nova Scotia
Cape Breton Advisory Committee report
Government action, 1354
Request for copies, 1289
Economic Summit
Bonn, West Germany
Securing of third window, Prime Minister's statement, 851
United States embargo on Nicaragua, Canadian position, 852
United States interest rate policy, 811
World drug trade, government position, 850, 974
Economy
Canadian dollar
Decline in value, 508, 509, 543, 604, 1926, 1939, 2068
Government action, 1969, 1970, 2085, 2471
Market intervention, role of Governor of Bank of Canada, 1968, 2599
Request for statements of Chairman of Economic Council of Canada and Michael McCracken of Infometrica Ltd., 1970
Timing and extent of market intervention, 1999
Appearance of Governor of Bank of Canada before Senate, 2004
Value, 2492, 2503

Questions (oral)—*Cont'd*
Economy—*Cont'd*
Fiscal outlook, updated economic projections, 47
Foreign investment, competition, 355
Government policy, 781
Interest rates, 2203, 2283, 2329
Government policy, 238, 257, 428, 429, 676, 2121
Increase, 2001, 2561, 2568, 2703
Leader of the Government in the Senate, statement, request for clarification, 42, 76
Manitoba
Construction of Winnipeg research centre, 472
Cancellation, 44, 239
Mortgages, effect of bank rate on interest rates, 2205
National conference, 659, 689, 703, 709, 815
Availability of information, 660
Senate opposition representation, 693
Suggested follow-up, 694
Pioneer Trust
Closing, 506
Status, 528
Taxation and unemployment, government policy, 211
United States investment in Canada, 1651
Wage and price controls, 377
Education
Post-secondary
Availability of report, 529, 814
Government assistance, 258, 284, 430
Ministerial meetings, 529
Toronto school, change of name, 1288
Employment
Cape Breton, unemployment rate, 2552
CN shops, layoffs at Moncton, government policy, 2548, 2552
CN shops, Prince Edward Island, 2570
Disparity in treatment of displaced employees, 2585
Effect of budgetary cuts on female employees, 407, 433
Government policy, 376
Job creation, 898, 910
Government policy, 79
London, Ontario, status of CN computer express terminal, 2554, 2702
Nannies, remuneration, 354
Nova Scotia, decentralization program, 101, 426, 498, 637
Public service staff reductions, job creation, government policy, 2469
Royal Commission, report, government response, 635
Summer Youth Employment Program, 409, 505, 2493, 2669
Employment and Immigration
Government policy, possible changes, 759
Immigrant wife of Canadian citizen, status, 2052
Long-term Illegal Migrants Review Committee, possible investigation of conduct of chairman, 791, 806, 936
Maclean's magazine, prospective hiring of non-Canadians, 769
End of Decade Women's Conference
Composition of Canadian delegation and agenda, 652, 899, 912, 970
Energy
Canada-Newfoundland Offshore Oil and Gas Agreement, 334, 432
Canada-Nova Scotia Offshore Oil and Gas Development Agreement, 510, 638
Canadianization, government policy, 296
East coast exploration, replacement of petroleum incentive grants, government policy, 1363
Federal-provincial agreement, 741

Questions (oral)—*Cont'd*
Energy—*Cont'd*
Gasoline
Price reduction, 2154, 2329
Pricing, 2599
Pricing policy, proposed committee study, 280, 431, 470
Heavy oils, construction of upgrader at Lloydminster, Alberta, government policy, 2122
Higher cost producers, minister's statement, request for clarification, 2119
International oil pricing, agenda item at Economic Summit, 2022, 2156, 2222
Natural gas exports to U.S., representations by Alberta and British Columbia, 1987
Natural gas, proposed pipeline to Vancouver Island, 946
New pricing agreement, progress of negotiations, 423, 501, 631
Oil and gas industry
Application of tax incentives, 2119
Government policy, 2383
Layoffs, government policy, 2445, 2494
Pricing, government policy, 2583
Oil pricing, 2001, 2022, 2034, 2046, 2051, 2121, 2217, 2329
Government action, 2087, 2120
Government policy, 1864, 1923, 2004, 2134
Effect on Hibernia development, 1852
Request for answers, 1904
Protection of interests of producers, government action, 1850
Petroleum and Gas Revenue Tax, government policy, 467, 501
Petroleum Incentive Program, reduction in grants, 59, 301
Price of Canadian crude oil, 483, 637
Pricing, deregulation of industry, government policy, 2464, 2538
Energy, Mines and Resources
Articles sent to weekly newspapers, 2506
Director General of Communications, termination of employment, 381, 433
Environment
Government policy re employment, 79
Pollution, Niagara River and Great Lakes, 264, 382
Public Environment Group, 300, 319, 431
Soil conservation, 104
Toxicology research and development, government policy, 1715, 2101
Wildlife, effect of budgetary cuts, 299
World Commission on Environment and Development, submission, input of people of Canada, 2504
Estimates
Date of tabling, 494, 524, 535, 538, 542
Expo 86
Attendance of members of Parliament, 2090
External Affairs
Ambassador to Ireland, appointment
Alleged partisanship of appointee,1940, 2102
Application of code of conduct, 2163
Clarke, Mr. Victor, Special Adviser to Canadian High Commission in London, appointment, 1670
Overseas distribution of summary of *Globe and Mail* items, 380, 501
Parking tickets, payment by Canadian diplomats abroad, 805
Passports, issuance at Hull, 851, 937
Visit by minister to U.S.S.R., 792
Family Allowances
De-indexation, petitions against Bill C-70, number and disposition, 1923
Federal-provincial fiscal arrangements
Equalization payments, 208
Federal-provincial relations
Establishment of cross-party caucus committees, 2790

Questions (oral)—*Cont'd*
Federal-provincial relations—*Cont'd*
Government of Quebec, attitude to sovereignty, 1502
Health and education, effect of reduction in transfer payments, 1520, 1556, 1558
Film industry
Identification of Canadian production locales, 2097
Finance
Deputy Minister, meetings, government policy, 1498
Document entitled "John Turner as Minister of Finance: An Era of Economic Decline", 262, 319, 429
Financial institutions, restructuring, possible committee study of discussion paper, 783
Ministerial aide, payment, 782
Protection of bondholders against inflation, reported statement by minister, 969
Suggested impropriety of minister, 807
Financial institutions
Concentration of economic power, government policy, 2283
Discussion paper, "The Regulation of Canadian Financial Institutions: Proposals for Discussion", 893
Pioneer Trust failure, request for investigation, 894, 925, 1022
Takeovers by industrial conglomerates, government policy, 2282
Fisheries
West German fleet, overfishing in waters under Canadian jurisdiction, 835, 870
Fisheries and Oceans
Decision of minister re licence, 1171, 1238
Request for answer, 1236
Fishing vessel support program, cancellation, 1986
Independence of inspectors, 1298
Inspection function, consultation with industry, 1298
Parliamentary secretary, whereabouts, 2070
Product inspection standards, 1363, 1906, 1922
Reported fee for access to minister, 1170
Sale of canned tuna unfit for human consumption, 1230, 1236, 1258
Consumer confidence, future of Star-Kist plant, government policy, 1297, 1435
Request for answer, 1870
Members of the government, extent of knowledge, 1276
Prime Minister's Office, extent of knowledge, 1265, 1435
Request for answers, 1353
Suggested inquiry, 1308, 1384
Suggested method of disposal, 1254
Fitness and amateur sport
Appointment of females to advisory council, 2121
Foreign affairs
Afghanistan
Possibility of political settlement, 1740
Refugees, government policy, 1740
Soviet army defectors, government policy, 2327
Africa, famine relief, 524, 638
Bangladesh, aid to disaster victims, 945
Burkina-Faso, closing of Canadian diplomatic post, 57, 301
Central America, use of military force, government policy, 2162, 2272
Forthcoming visit of government leader to southern Africa, correction of press report, 1868, 1870
Gift of war planes to Turkey, 410
Green paper on competitiveness and security, 897, 908, 909, 912
Honduras and Nicaragua, U.S. military assistance to Contra forces, government position, 792
India
Aid for victims of industrial accident at Bhopal, 263
Detention of Canadian national, 56, 115
Iran

Questions (oral)—*Cont'd*
Foreign affairs—*Cont'd*
Iran—*Cont'd*
Diplomatic relations, re-establishment, 1257, 1435, 2068
Expulsion of Iranian nationals from Inter-Parliamentary Union Conference, 1311
Persecution of Baha'is, 480, 636
Lebanon, government aid, 99, 264
Mexico, reported nuclear pact with Canada, 450
Correction to statement by Leader of the Government, 467
Middle East
Gulf of Sidra, United States-Libya conflict, safety of Canadian nationals, 2221
Mission of Secretary of State for External Affairs, 2163
Namibia, proposed establishment of interim administration, government position, 791, 936
Nicaragua, absence of Canadian observers from election, 223, 382
Organization of American States, government policy, 60, 301
Overseas delegations, parliamentary representation, 760
Amplification of statement, 769
Philippines presidential election
Attitude of Canadian government, 2066
Possible recall of Canadian Ambassador, 2068
Status of Canada-Philippines relations, 2032, 2049
Sale of CF-104 aircraft to Turkey, 299, 431
Shooting down of South Korean aircraft, Soviet compensation for next-of-kin of Canadian victims, 761, 815
South Africa, apartheid
Canadian position at Commonwealth Conference, 1386, 1520
Government action to adopt United Nations convention, 2099
Third World, government aid, 934, 1173
U.S.S.R., treatment of Canadian journalist, government attitude, 770
United States, imposition of economic sanctions against Nicaragua, 837, 842, 974
Government policy, 855, 872, 881, 937
Visit of President Reagan to cemetery at Bitburg, West Germany, Prime Minister's views, 813
Zimbabwe, status of white farmers, 507
Foreign investment
Effect of Prime Minister's statements, 2151
Minister of Regional Industrial Expansion, reported statement, 102
President of the Treasury Board, reported statement, 472, 679, 694
Forestry and Fisheries
Government policy, 45
Francophone Commonwealth
Establishment, possible participation of government, 337
Francophone summit
Canadian Head of State, reported statement by Prime Minister, 2048
Famine relief, reported breach of agreement between Government of Canada and Government of Quebec, 2033, 2069
Premier of New Brunswick, status, 2034, 2104
Government advertising
Awarding of contracts, 794
Government of Canada
Agricultural programs, composition of task force, 524
Alleged freeze on programs, 523, 680
Appointments, 694
Policies and personality of former Prime Minister Trudeau, government attitude, 850
Remuneration of senior officials and others, 704, 899

Questions (oral)—*Cont'd*
Government of Canada—*Cont'd*
Visit of Deputy Prime Minister to Yukon, use of government aircraft, 896
Governor General
Visit to United Kingdom, 1517
Grain
Conference of ministers of exporting countries, 2448
International conference, government approach, 2504
Wheat pricing, terms of reference of House of Commons task force, 2468
Health
Communicable diseases, Canada's participation in world immunization program, 2036
Health and Welfare
Acquired immune deficiency syndrome, 284, 500
Government action, 1233, 1434
Canada-Belgium Social Security Agreement, delay in tabling, 483, 680
Consumption of alcohol, "A little of what you fancy...", 1312
Fitness of meat for Canadian consumption, 1653, 2039
Hazardous products, government policy, 1309
Health services, universality, government policy, 350, 373, 500
Palliative care, use of heroin, government policy, 258
Social assistance programs
Suggested review, 706
Universality, government policy, 2037, 2049
Social benefits, issuance of discussion paper, 236
House of Commons
Alleged remarks by Conservative M.P., 2112
Attitude of government, 2133
Disparaging remarks by Conservative M.P., 2308
Placement of former members' staffs, 408
Human rights
Afghanistan and Iran, United Nations resolutions, Canada's position, 1716, 1739
Berne meeting, absence of senators from membership of observer group, 2349, 2412
Discriminatory hiring practices against visible minorities, 425
Discriminatory hiring practices, government policy, 2095
Fate of Polish refugee, 2349
Japanese-Canadians, government apology and compensation, 27, 240, 673, 790, 1657, 1835, 2364, 2789
Government policy, 1905
Meeting of experts, suggested participation by Canadian parliamentarians, 856, 868
Saskatchewan, passage of Bill 144 imposing settlement on government employees, 1972, 2103
Immigration
Entry of Jews, government action, 2469, 2470
Entry of Soviet refugees, government policy, 43, 58, 241, 411
Proposed reduction in quotas, 78
Qualifications for entry, 97
Refugee determination, government policy, 2285, 2468
Indian Act
Reinstatement of Indian women to membership of Indian bands, 525, 1836
Status of women, removal of discriminatory provisions, 262, 376, 380, 537, 870
Indian Affairs and Northern Development
Departmental staff reductions, government policy, 1322
Frog Lake Indian Nation, self-government proposals, 2652
Industry
Aerospace, allocation of service contracts, 2051, 2068
Armaments, possible manufacture and export by West German company from proposed Canadian factory, 2038

Questions (oral)—*Cont'd*
Industry—*Cont'd*
Canadian Porcelain Company, offer to purchase by employee co-operative, 952
Government attitude, 989
Co-op Implements, proposed relocation from Winnipeg to Regina, 530, 899
Cornwall, establishment of American plant, 523, 524, 530, 712
Footwear, importation quotas, government policy, 1362
Layoffs at Calgary and Regina IPSCO plants, government action, 2119
New Brunswick, closure of Star-Kist plant, government action, 1393
Request for answer, 1400
Petro-chemical feedstocks, cost, 45
Railways, Winnipeg, Manitoba, Transcona shops and east yards, 935, 954
St. Thomas, Ontario, foundry, possible closing, 2307
Shipbuilding, government policy, 2111, 2679
VIA Rail maintenance centre location, 538, 713
Yukon, closing of Cyprus Anvil Mine, 927
Re-opening of mine, status of negotiations, 1392
Insurance
Bankruptcy of insurance companies, request for study by Banking, Trade and Commerce Committee, 2465, 2537
Bankruptcy of Northumberland General Insurance Company, compensation of insured victims, request for study by Banking, Trade and Commerce Committee, 2552
International Centre for Ocean Development
Board of directors, replacement of members, 793
International relations
Proposed parliamentary committee, 215
International terrorism
Seizure of Egyptian aircraft, 1497, 1717
Seizure of Italian cruise ship, request for information, 1355, 1363
Training sites, 1109
International trade
European Economic Community
Beef imports from, 983
Proposed export of agricultural products to Canada, 987
Exportation of grain to People's Republic of China, 78, 242
Footwear, removal of import quotas, 1518, 1519, 1718
Japanese automobiles, importation, government action, 982
Interprovincial trade
Barriers, 1392
Inuit
Status, government policy, 262, 411
Investment Canada
Foreign investment
Government policy, 316, 317, 319, 431
Terminology, 352
United Auto Workers Union, proposed independence of Canadian section, 317
June 24 celebrations
Saint-Jean-Baptiste Day, anniversary of landing of Giovanni Caboto, 1092
Justice
Canada Commission of Inquiry on War Criminals
Cost and scope, 1921, 2101
Destroyed files, government action, 1377
Extension of mandate and cost, 2507
Extension of time, budget, 1654
Scope of inquiry, 1323
Capital punishment, government policy, 238, 411, 740
Quebec, appeal of speeding conviction, decision of minister, 282, 336, 430, 432
Unlicensed cable television operators, stay of prosecutions, 221

Questions (oral)—*Cont'd*
Justice—*Cont'd*
Zundel, Ernst, conviction, 725
Labour
Canada-United States free trade, prospective agreement, possible effects on employment, 2035
Fair Wages and Hours of Labour Act, government attitude towards provisions, 1135, 1238
Law Reform Commission
Bigamy and polygamy, treatment, 1255
Library of Parliament Committee
Frequency of meetings and composition, 28, 62
Libya
Canadian nationals
Evacuation, 2304
Safety, government position, 2305, 2327
United States air strike
Consultations between Canada and United States and between Canada and western allies, 2261, 2323, 2343
Clarification of statement in official record, 2366
Consultations with allies, 2281
Government attitude, 2280
Government policy, 2270
Identification of special envoy, 2286
Legality under international law, 2281
Position of Canadian nationals, 2268
Reported incidents in Tripoli, 2281
Request for answers, 2277
Manitoba
Winnipeg, future of St. Paul's College site building, 300, 383
McDougall, Hon. Barbara P.C.
Native business summit, comments, 2790
Meat Import Act
Tabling of reports, 1887, 2023
Metric conversion
Government policy, 196, 281, 302, 338, 1407, 2003
Mexico
Earthquake disaster
Government action, 1268
Province of Alberta action, 1268
Multiculturalism
Federal-provincial conference, request for observer status for interested parties, 873
Government policy, 2269, 2285
Minister's communiqué, disparity between French and English versions, 1377
Status of minority groups, government policy, 869
Suggested joint committee, 1313
National Defence
Canadian forces
Future role, 257, 429
Increase in contingent in western Europe
Budgetary provision, 724
Effect on establishment, 651, 972
Uniforms, 283, 430
Departmental budget, government policy, 282, 430
Management of real property, 1717
New Brunswick, layoff of civilian personnel at Canadian forces bases, 2047
White paper, status, 2203, 2365
National Film Board
Possibility of budget cuts in Ontario, 525, 679
National Housing Program
Effect of cutbacks on native population, 692, 815
National Parole Board
Appointment of members, 1500, 1672, 1718
Federal Court decision, 223, 301

Questions (oral)—*Cont'd*
National Parole Board—*Cont'd*
Parole provisions, administration, government policy, 1669
National Postal Museum
Advisory committee
Membership, 2700
Order for return, 2571, 2653
National Research Council
Closing of research facilities, loss of jobs, 407
National Revenue
Abandonment of Petroleum and Gas Revenue Tax, 353, 375
Definition of "partnership", tax avoidance, 1284
Suggested consumption tax, 115
Suggested increase in corporate taxes, 353
Tax evasion and avoidance, 711
Native Economic Development Program
Government policy, 240, 428
Native peoples
Funding of programs
Rumoured government cuts, 867, 871
Task force report, 870
Treatment of Louis Riel and Métis, government position, 1480
Newfoundland
Ochre Pit Cove, Conception Bay, request to U.S. for "third world" treatment and financial aid, 1985
North Atlantic Treaty Organization
Strategic Defense Initiatives research, Canadian participation, 723
The Netherlands
Removal of nuclear weapons from aircraft, attitude of government, 1573
Nuclear disaster, Ukraine
Effects of radiation, 2366, 2537
Advice to Canadian travellers, 2427
Government knowledge and action, 2385, 2387
Safety and health of Canadian nationals, government action, 2385
Nuclear energy
Safety of Canadian reactors, 2385, 2386
Official Languages
Department of the Solicitor General, policy, 758
RCMP, recruiting practices, 2097, 2585
Old age security
De-indexation of pensions
Government monitoring, 1063
Position of Canadian Petroleum Association, 1064
Press release by president of National Advisory Council on Aging, 1064
Government policy, 376, 399, 407, 501
Ontario
Tornado damage, government action, 986, 1258
Parliament
Caucus rooms, electronic eavesdropping
Apology by Deputy Prime Minister, 1941
Prime Minister's reaction, 1926
Caucus rooms and members' offices, electronic eavesdropping, 1925
Staff relations, denial of right to strike, 832
Parliament buildings
Centre block, removal of photographs of British Prime Ministers, 1383, 1435
Parliament Hill
Canadian flag at half-staff, 647
Cost of relocating tourist tent, 1433
"Fairyland of beauty and excitement", 1716
Landscaping east of Centre Block, 909
Suggested relocation of tourist reception tent, 946, 974
Parliamentary secretaries

Questions (oral)—*Cont'd*
Parliamentary secretaries—*Cont'd*
Suggested appointment of senators, 841, 1224, 2789
Parole
Release of dangerous inmates, 2839
Penitentiaries
Canada-Alberta agreement and memorandum of intent
Effect on employees, 1852, 1988
Request for tabling, 1927, 1988
Conditions, government study, 1836
Stoney Mountain, construction of doghouse, 1869, 1988
Poverty
Secretary of State for External Affairs, reported statement on "elementary conditions", 1716
Prime Minister
Broadcast speech on free trade, availability of text in advance, 2653
Criticism of appointments, request for apology, 660
Newspaper advertisement, 769
Request for clarification of statements, 197
Prince Edward Island
Economy, government assistance, 2304, 2328, 2412
Printing of Parliament Committee
Frequency of meetings and composition, 28, 62
Privacy
Reported giving of information re unemployed, 2094, 2600
Public Service
Alleged requirement for ministerial approval of job applications, 224
Placement of former ministerial assistants, 214, 224, 428
Public Works
Cleaning services
Placement of laid-off employees aged fifty and over, 2117
Possible lay-off of employees, 1941, 2102
Prince Albert, Saskatchewan, awarding of contract for federal building, 2388
United States Embassy property, possible acquisition by Government of Canada, 316, 432
Publishing industry
Canadian share of market, 2428, 2494
Quebec
Results of provincial election, 1557
Reform of Parliament
Proposed joint committee, 213
Reform of the Senate, 625, 631
Appointments review committee, 660
Commons resolution
Consideration by joint committee, 867
Consideration by the Senate, 867
Election of members, statement of Minister of Justice, 910
Government attitude, 1233
Leader of the Government, views, 899
Parliamentary secretaries, suggested appointment of senators, 1233
Request for information, 655
Regional Development Incentives
Non-compliance by minister with act, 882, 1259
Regional Industrial Expansion
Atlantic provinces, government assistance to industry, 605, 814
United States intervention, 606
Minister, suggested appointment, 2570
Nova Scotia, heavy water plants, government policy, 893
Restaurant of Parliament
Availability of French apples 59
Joint committee membership, 322
Provision of services, 321
Rights and freedoms

Questions (oral)—*Cont'd*
Rights and freedoms—*Cont'd*
Canadian forces, spouses of members, committee action, 2411
Royal Assent
Alternative procedure, 607, 757
Royal Canadian Mounted Police
Alleged conduct of former corporal, 1064
Royal Commission on Economic Union and Development Prospects for Canada
Request for inquiry into leak, 925
Request for tabling of report, 925
Royal visit
State dinner, Vancouver, composition of guest list, 2427
Rules of the Senate
Rule 20, oral questions, suggested amendment, 61, 81, 114, 426
Suggested amendments, 757
Science and humanities
Funding for research councils, implementation of budget proposal, 2569
Science and Technology
Canada-Alberta memorandum of understanding, 780, 813
Research and development, government funding, 911
Senate
Absence of Leader of the Government, 805, 1221
Availability of information during absence, 1869
Business, 2788
Cabinet ministers in the Senate, committee membership, 1375
Debates, treatment of speeches, 409
Doyle, Hon. Richard J. appointment, 666
Party affiliation, 706
Foreign Affairs Committee, meeting, 2069
Journalist members, 728
Jurisdiction over services, 806
Leader of the Opposition, statement, 13
Legislative program, 481
Office of Leader of the Government, 28
Official report, printing of appendices, 708
Order paper question, request for answer, 1093, 1176
Prayer at commencement of sittings, 13, 27, 46
Prime Minister, comments, 401, 406, 409
Question Period
Answers to unasked questions, 2284
Delayed answers, 300, 426, 433, 500, 502, 635, 679, 936, 972, 1022, 1173, 1237, 1324, 1400, 1433, 1503, 1520, 1717, 1836, 1854, 1987, 2023, 2039, 2100, 2156, 2222, 2272, 2329, 2389, 2412, 2471, 2494, 2537, 2554, 2585, 2599, 2669, 2679, 2701, 2769
Form, suggested referral to Standing Rules and Orders committee, 2553
Government approach, 354
"Order for return", point of order, 1324
Requests for answers, 243, 302, 356, 381, 408, 638, 1050, 1112, 1173, 1174, 1290, 1384, 1394, 1521, 1792, 1855, 1951, 1974, 1986, 1988, 2089, 2273, 2330, 2472, 2555, 2572, 2653, 2667, 2789
Referral of bills to committee before second reading, 2571
Security service, staff reduction, 943
"Senate Bulletin", 1519
Televising of sittings, 424
Victoria Building, senators' parking, 1298
Sexual abuse of children
Badgley committee report, government action, 1671
Smoking Prohibition bill S-8
Study of subject matter by Legal and Constitutional Affairs Committee, 2790

Questions (oral)—*Cont'd*
Social programs
Universality, government policy, 338, 347, 370, 375, 377, 399, 402, 407, 409, 470, 501
Sport
Canadian Football League, future, 469
Toronto, proposed domed stadium, government assistance, 449, 712
Standing Rules and Orders
Time limit for government response to reports of Senate committees, request for consideration by committee, 1364
Statistics Canada
1986 census
Cancellation, 98, 99, 237, 298, 427
Restoration, 425, 679
Status of Women
Affirmative action legislation, government policy, 1950
Armed Forces personnel, restriction of spouses' activities, government policy, 1379, 1906, 2134
Association of spouses of military members, status of government grant, 2134
Broadcasting task force, remuneration of women members, 1224, 1325
Economic equality for women, government policy, 1558, 1852
Equal pay for work of equal value, government policy, 213, 428, 472
Government delay, 2002
Funding of groups, government policy, 1654
Role in Canadian armed forces, 2086
Senior government appointments
Bird, Hon. Florence, 805, 833, 936, 954
Franklin, Dr. Ursula, 791, 806, 900
Replacement of female appointees, 789, 811, 867, 881, 938, 955, 1237
Strategic Defense Initiative
Status of study, 1267, 1520
Summit meetings
Suggested return to former format, 856
Supply and Services
"How Canadians Govern Themselves", unavailability of booklet, 2002, 2222
Poll, awarding of contract, 1433, 1521, 1560, 1739, 2096
Publications, request for removal of permission fee, 2002
Sydney Steel Corporation
Request for answer, 1235
Symbolic apple, 339
Terrorism
Tokyo Summit statement, government policy re Libyan nationals, 2425, 2554
Toronto harbourfront
Public access, 868, 1023
Trade
Imports from Third World countries, government attitude, 836
Transport
Airport car rental service, 261
Parking, 322, 500
Airport security
Remuneration of guards, 2446
Testing of guards, 2446, 2600
Airport tax, reported restructuring, 1111, 1434
Atlantic provinces, freight rate increases, 499, 680
CN Marine and CN Rail, reductions in service, 47, 241
CN Marine, increase in ferry rates, 2094
CN Rail
Prince Edward Island, equipment department staff reductions, 2174

Questions (oral)—*Cont'd*
Transport—*Cont'd*
CN Rail—*Cont'd*
Reductions in service in Newfoundland and east of Montreal, 1833
CN Route, possible sale, government action, 2305, 2390, 2586
CN shops, Moncton layoffs, 2328
Government policy, 2470
Canadian airports, security, 1108, 1113, 1135, 1325, 1433
Fate of Moncton CN shops, regional development in Atlantic provinces, 2118
Freight rates, western grain, 192
Mirabel Airport, government policy, 706
Northumberland Strait ferry, delay in commencement of 1986 season, 2037, 2554
Ottawa International Airport, proposed change of name, 869
Port of Churchill, Manitoba
Continued operation, 1431
Grain car access, 869
Grain shipments to U.S.S.R. and availability of hopper cars, 1067, 1324
Prince Edward Island, proposed tunnel or causeway to mainland, 2095
Rail service, government policy, 195
Rail transportation of dangerous goods, regulations, 27, 240
Railways, shortfall in CN and CP expenditures on expansion, 1973
St. Lawrence Seaway, Welland Canal blockage, 1393, 1436
Task force report, elimination of Prince Edward Island ferry service, 2174
Transportation of dangerous goods regulations, 840
Travel to Ukraine, refund of reservation deposits, request for action, 2581, 2770
Use of government aircraft, 103
VIA Rail, resumption of "Atlantic Limited" service, 724, 726
Western Grain Stabilization Fund, government policy, 260
Unemployment
Adjusted statistics, 419
Armed forces, suggested recruitment, 426
Strategic defence research, Canadian participation, government policy, 705
Unemployment insurance
Benefits, proposed cutbacks, 96
Petition against calculation of severance pay as income, 708
Withdrawal of benefits of armed forces pensioners, 2468
UNESCO
Canada's participation, 1656
General conference, Sofia, Bulgaria, composition of Canadian delegation, 1375
United Nations
Food and Agriculture Organization, cancellation of appointment of Hon. Eugene Whelan, P.C., 479, 636
Government policy, 605, 712
Ratification of international convention against taking of hostages, 652
University of Toronto
Mock parliament election results, 479
Wallenberg, Raoul
Honorary Canadian citizenship, request for answers, 1926
Resolution approving conferring of honorary Canadian citizenship, notification of U.S.S.R., 1717, 1987, 2103
Welfare
Adequacy of payments, 191, 410, 412
World Cup soccer
Congratulations to television sponsor and networks, 2679
World War II

Questions (oral)—*Cont'd*
World War II—*Cont'd*
40th anniversary of surrender of German forces, 842, 973
Youth
Government policy, 2162, 2216, 2221
Katimivik, 1921, 1942
Cancellation of programs, government policy, 1921, 1923, 2131
Announcement of new program, 2202
Government knowledge of contents of Special Senate Committee report before tabling, 2205
Report of Special Senate Committee
Government policy, 2116
Government response, 2493

Questions (Order Paper)
Bonn Economic Summit, 1985
Technology, growth and employment working group report, 1281
Canada-Italy International Social Security Agreement
Pension applications, 2246
Canadian Pension Commission, Pension Review Board
Vacancies, 807
Communications
Cairo conference, participation of Parliamentarians, 2286
Energy, Mines and Resources
Hibernia drilling platforms, construction site location criteria, 1696
Environment
Newfoundland, integration of weather services, 609
External relations
Family planning promotion, government support and policy, 1696
Health and Welfare
Guaranteed Income Supplement, 502
Indian Affairs
Adoption of Indian children, 742
Interparliamentary Conference on the Environment
Canadian participation, 116
Order of Canada
Appointment of former members of federal cabinet and former provincial premiers, 2288
Point of order, 2364
Revised reply, 2449
Expression of thanks, 2470
Senate
Retirement of members, statistics, 450
Small craft harbours projects
Humber-Port au Port-St. Barbe, 1194
Supply and Services
University of Hawaii, contract for survey research, 1437
Technological Development and Employment
Ministerial conference report, 1281
United Nations
World Conference on Women, Canadian delegation, breakdown by sex, 1407
Veterans Affairs
Aging Veterans Program applications, 1407

Railways bill S-1 (pro forma). 1r, 8

Reform of Parliament
Proposed joint committee, 213

Reform of the Senate, 625, 631
Appointments review committee, 660
Commons resolution
Consideration by joint committee, 867
Consideration by the Senate, 867

Reform of the Senate,—*Cont'd*
Election of members, statement of Minister of Justice, 910
Government attitude, 1233
Leader of the Government, views, 899
Request for information, 655
Suggested appointment of senators as parliamentary secretaries, 1233

Regional Development Incentives
Non-compliance by minister with act, 882, 1259

Regional Industrial Expansion
Atlantic provinces, government assistance to industry, 605, 814
United States intervention, 606
Minister, suggested appointment, 2570
Nova Scotia, heavy water plants, government policy, 893

Register of senators' interests
Consideration by committee, 1666, 1726
Authority to consider related matters, 1726
Notice of motion, 1552
See Standing Rules and Orders Committee

Regulations and other Statutory Instruments, Standing Joint Committee
Authority to examine subject matter of clauses of certain bills, 207, 313, 614
Frequency of meetings and composition, 28, 62
Reports
1st, Statutory Instruments No. 28, 333, 366
2nd, Statutory Instruments No. 29, 463, 495
3rd, Statutory Instruments No. 30, 1405, 1483
See appendix p. 1417
4th, Statutory Instruments No. 31, 1406, 1483
See appendix p. 1424
5th, Statutory Instruments No. 32, 2195, 2230, 2274, 2322, 2360, 2500
See appendix p. 2210
6th, Statutory Instruments No. 33, 2277
See appendix p. 2300
7th, Statutory Instruments No. 34, 2698
Expenses incurred during 2nd Session, 32nd Parliament, 296
See Journals of the Senate

Remembrance Day, 11, 1485

Representation, 1985
Amalgam formula, 1777, 1795, 2055, 2070
American Review of Canadian Studies, R.K. Carty, quote, 2052
Closure, 2075
Courtney, Prof. John C., quote, 2054
Elected Senate solution, 2074
Fifteen per cent rule, 1794
Freeze on electoral map, 1778, 1798
Hnatyshyn formula, 1798, 2043
Impact on Alberta, 2074
Impact on smaller provinces, 2040, 2071, 2076
Lack of consideration for Senate amendments, 2043
Lack of public testimony, 2053
Motion in amendment, 1906
Regional disparities, 2052
Representation by population, 1801, 2043, 2074
Senate responsibility, 1907
Suggested amendments to Constitutional formula, 2042
Timetable, 1778, 1802, 2072

Representation, 1985—*Cont'd*
Workload of members of Parliament, 2075
Speakers: Senators
Corbin, Eymard G., 1781, 1797, 2052
Doody, C. William, 1780, 1907
Everett, Douglas D., 2074
Fairbairn, Joyce, 2073
Flynn, Jacques, 1750, 2075
Frith, Royce, 1779, 1906
Hicks, Henry D., 1781
MacEachen, Allan J., 2070
Molgat, Gildas, L., 1804
Neiman, Joan, 1803
Robertson, Brenda M., 2075
Roblin, Duff, 1779, 1800
Stanbury, Richard J., 1777
Stewart, John B., 1793, 2040
See appendices p. 1764-6

Representation, 1985 bill C-74. 1r, 1733; 2r, 1750, 1777, 1793; ref to com, 1804; rep without amdt, 1863; 3r, 1888; m in amdt, 1906; ref to com, 1908; rep without amdt but with comments, 2018; 3r, 2040, 2052, 2070; r.a., 2092

Republic of Rwanda
See Visitors

Research and development, 110, 127

Research and development, support and government policy, 804, 824, 1058, 1293, 1366
Budget measures, 1367
Capital gains exemption, 1058
Instability and uncertainty of funding, 825
Interference in research, 826
Lack of commitment to future, 827
Lack of understanding of scientific standards and quality, 826
Ontario, 828
Privatization, 827, 1366
Research Tax Credit Program, 1059
Wastage of public funds, 827
Speakers: Senators
Doody, C. William, 1058
Marsden, Lorna, 824, 1366

Restaurant of Parliament
Availability of French apples, 59
Joint committee membership, 322
Provision of services, 321

Riel, Hon. Maurice, P.C.
David, Hon. Paul, 803
Fisheries Committee
Authority to publish and distribute interim report on marketing of fish in Canada, 2675
Interparliamentary Conference on the Environment
Canadian participation, qu, 116
Privy Council appointment, felicitations, 244
Senate, office of Speaker, 26, 270, 324, 783, 883, 900, 904
Appointment to Senate of former premiers, 329
Authority, 273, 884
Deputy Speaker, 276
Ex officio appointment of senators, 783
Parliamentary restaurant, 277
Pope's visit, 326

Riel, Hon. Maurice, P.C.—*Cont'd*
Senate, office of Speaker—*Cont'd*
Prayers, 276
Protocol service of Secretary of State, 274, 325
Queen's visit, 326
Question of privilege, 900
Royal Assent, 277, 326
Senate integrity, 883
Use of Senate chamber, 273, 326
Visit to House of Lords, 327

Riel, Louis, 100th anniversary of hanging, 1430, 1486
Speaker: Senator
Guay, Joseph-Philippe, 1486

Rights and Freedoms, Canadian forces, spouses of members, 1386, 1510, 1526, 2014, 2235, 2411
Committee action, 2411
Motion in amendment, 1526
Public behaviour on basis of marriage, 1511
Referred to committee, 2235
Speakers: Senators
Flynn, Jacques, 2014, 2235
Frith, Royce, 1526, 2235
Marsden, Lorna, 1510

Riley, Hon. Daniel A. (Deceased Sept. 13/84), 22

Rizzuto, Hon. Pietro
Transport
Mirabel Airport, government policy, qu, 706

Robertson, Hon. Brenda M. (Introduced in the Senate Jan. 22/85), 416
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1619
Penetration of Canadian market by U.S. cultural industries, 1619
Employment Equity bill C-62, 2392, 2432
Use of Canadian Human Rights Commission, 2393
Grassy Narrows and Islington Indian Bands Mercury Pollution Claims Settlement bill C-110, 2497, 2510, 2539
Band and individual settlements, 2497
Social consequences of pollution, 2498
Meat Inspection bill C-33, 903, 918
Features of the bill, 903
Inspection of imported meat products, 903
Public Pensions Reporting bill C-255, 2030
Representation, 1985 bill C-74, 2075
Sechelt Indian Band Self-government bill C-93, 2496, 2508, 2622
Case-by-case basis, 2497
Constitutional self-government, 2622
Legal entity, 2496
New Approach, 2497
Social Affairs, Science and Technology Committee
4th report, Family Allowances, 1973, subject matter of Bill C-70, 1785
Young Offenders, Criminal Code, Penitentiary, Prisons and Reformatories bill C-106, 2672
Custody provisions, 2673
Police power to arrest, 2673
Streamlined "review" process, 2673

Robichaud, Hon. Louis-J., P.C.
Banking, Trade and Commerce Committee
Proceedings, authority to televise, 1491
Communications
Museum of Man, change of name, 1971, 1974, 2103
Cook, Hon. Eric, tributes, 23
Currency bill C-118, 2654
Donahoe, Hon. Richard A., tributes, 23
Douglas, Hon. T.C., P.C., the late, tribute, 2079
Felicitations on 25th anniversary of becoming Premier of New Brunswick, 1177
Justice
Zundel, Ernst, conviction, qu, 725
Legal and Constitutional Affairs Committee
11th report, Criminal Code (prostitution) bill C-49, 1735
National Defence
Canadian forces, uniforms, qu, 283, 430
Riley, Hon. Daniel A., the late, 23
Senate
Journalist members, 728
Proceedings, authority to broadcast
Lack of justification, 2115
Motion in amendment 2115
Social Affairs, Science and Technology
National Film Board, "The Kid Who Couldn't Miss", authority to examine, 1316
Standing Rules and Orders Committee
Audio recording and broadcasting proceedings of Senate committees, request to study, 654
Transport
Use of government aircraft, qu, 103

Roblin, Hon. Duff, P.C., Leader of the Government (until June 30/86)
Aboriginal peoples
Goose Bay, Labrador
Barring of Inuit from meeting addressed by Minister of Justice, 2546
Request for report and apology, 2548
Request for answer, 2581
Proposed NATO base, funding of interest groups, 2582
Queen Charlotte Islands, logging dispute, Haida Indian rights, 1517, 1560
Yukon economic development program, delay in implementation, government policy, 2095
Académie françcaise, 350th anniversary of founding, 1705
Access to information
Government guidelines for public servants, 189, 196, 214, 427, 428
Tabling of documents, 75
Adams, Rt. Hon. John, the late, 623
Representation at funeral, 648
Address in reply to Speech from the Throne, 35
Advertising
Source of funds for material in magazine, 1111
Agriculture
Agricultural products processors, availability of financial assistance, 2680
Discussion paper "Tax Issues in Agriculture", 667
Government attitude, 608
Suggested referral to committee, 606
Farm credit crisis, request for meeting of ministers of agriculture, 986
Farm debt legislation, government policy, 2571
Farm debt review, 1267
Role of panels, 2096
Fertilizer supplement, possible legal action, 694, 973

Roblin, Hon. Duff, P.C., —*Cont'd*
Agriculture—*Cont'd*
Grain
Grasshopper threat in prairie provinces, request for assistance, 2547
Request for response, 2570
Plight of producers, deficiency payments and two-price system for wheat, government policy, 2285
Inspection fees, government policy, 695
Marketing of potatoes, 80, 242, 510, 537, 638
National strategy, 1559
National sugar policy, 1654
Potato industry
Government assistance, 2037, 2095, 2130
Stabilization or diversion program, 2100
Stabilization policy, 2154, 2173
Prairie provinces, deteriorating situation, government action, 967
Sugar-beet industry
Future prospects, 933, 1173
Government policy, 760, 770, 934, 1090, 1173, 1176, 1237, 1852, 1870, 2117, 2132
Producers and government representatives, meeting, 2094
1983 stabilization payment, 1093, 1174, 1313, 1400, 1433, 1502, 1537, 1737
Government policy, 1311, 1834, 1987, 2004, 2023, 2036, 2048, 2067, 2152 1986 crop year, 2090
Request for answer, 1324, 1354
United States and EEC subsidies, Canadian position at Tokyo, 2428
Western Canada
Drought and other conditions
Government assistance, 1231, 1280, 1325, 1362, 1406, 1430, 1480, 1501, 1536, 1559, 1670, 1671, 1714, 1736, 1854, 2023, 2284
Availability of application forms, 1870
Grain producers and beef producers, disparity in criteria for payment, 2101
Government assistance programs, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1450
Effect on harvest of adverse climatic conditions, government assistance, 1374, 1377, 1379
Western Grain Stabilization Act, suggested amendment, 2269
Wheat
Domestic price, 2667
Exports to Republic of China, 2173, 2679
Two-price system
Effect of price increase, 2382, 2388
Effect on baking industry, 2667
Possible influx of subsidized American bakery products, 2286
World grain prices, initial payment for wheat, 2162, 2171
Agriculture, Fisheries and Forestry Committee
Proposed splitting of committee, 2447
"Soil at Risk", authority to print additional copies, 291
Air Canada
Board of directors, replacement of members, 658, 660
Strike of ticket agents, 831, 856
Alberta
Economy, government assistance, 2308
Auditor General
Cabinet documents, access to information, 320
Aviation disasters
Air-India aircraft loss
Tokyo Airport explosion, possible acts of terrorism, 1108, 1237
Treatment of insurance claims, 1114
Gander, Newfoundland, 1705

Roblin, Hon. Duff, P.C., —*Cont'd*
Banking
Canadian Commercial Bank
Bad loans, 1373
Collapse, 1226
Alleged existence of document indicating difficulty, 1255
Correction of statement by Leader of the Government, 1265
Committee study, 1230, 1256
Request for answers, 1377
Government assistance, 705
Offer of chartered banks to assist in examination of loan portfolio, 1252
Priority of creditors, 1256
Protection of pension funds, 1281
Role of independent auditors, 1254
Judgment of Inspector General as to solvency, 1230
Memorandum of intent, request for information, 1254, 1267, 1436
Request for answers, 1322, 1353
Salvage recommendation, 1285
Canadian Commercial Bank and Northland Bank
Availability of names of uninsured depositors, 1373
Compensation of depositors, referral of subject matter of bill to committee, 1295
Delay in instituting inquiry, 1376
Deposit insurance, government policy, 1266, 1277
Replies to questions, 1374
Senate study, 1234
Wording of resolution, 1235
Confidence in system, 1372
Estey Commission of Inquiry, 1295
Green paper on regulation of financial institutions, status, 1310
Suggested withdrawal, 1312
International banking centres, promotion, 2089, 2471
Loans to aid-receiving countries, alleged restriction, 872, 954, 974
Mercantile Bank, possibility of merger, government involvment, 1379
Northland Bank
Compensation of debenture holders, 1312
Compensation of depositors, government policy, 1297
Status, 1235, 1256
Payments to uninsured depositors, government policy, 1374
Regulation of banks, 1286
Banking, Trade and Commerce Committee
Authority to meet during Senate sitting, 620
Committee proceedings, televising, 1449
Beaubien, Hon. Louis-Philippe, the late, 731
Benidickson, Hon. William M., P.C., the late, 417
Borrowing Authority, 1985-86 (No. 2) bill C-51, 1205
Budget, 1206
Deficit, 1205
Interest rates, 1207
Unemployment, 1206
Borrowing Authority, 1986-87 bill C-99, 2312
Budgetary deficits, 2313
Dollar value, 2314
Progress, 2313
Tax increases, 2313
Broadcasting
Caplan task force report, 2504, 2586
Task force, qualifications of co-chairman, 942
Threatened jamming of U.S. radio station by Cuba, possible interference with radio station CFRB, Toronto, 945, 1023
Budget
Agriculture, impact of cuts, 1134
Atlantic provinces, impact of measures, 987, 1021
Date of presentation, 509, 637, 677

Roblin, Hon. Duff, P.C., —*Cont'd*
Budget—*Cont'd*
De-indexation of pension benefits, government position, 1013, 1021, 1169
Farm Credit loan provisions, impact on farmers, 2086
Impact of measures, 1017
Impact on firefighting personnel at airports, 2112, 2223
Impact on unemployment, 932
Minister of External Affairs, statement, government position, 781
Oil pricing, loss of revenue, 2112, 2222
Preparation
Alleged negotiations between government and Independent Petroleum Association of Canada, 447
Use of consultants, 635, 1090
Proposed business transfer tax, 2112
Request for briefing, 925
Tax incentive for investment in Cape Breton, 951
Tax increases, government policy, 930
Timing of implementation of budgetary provisions, 1020
Version of budget paper sent to Canadian embassies, 2149, 2272
Budget, impact on senior citizens, 992, 1081
Cabinet
Access to information, 114
Conflict-of-interest guidelines, government policy, 2384, 2387, 2388, 2405
Canada Council
Effect of budget reductions, 46
Canada Development Corporation
Sale of shares, government policy, 945, 975
Canada Post Corporation
Closing of post office at Forget, Saskatchewan, 2584
Door-to-door delivery, limited cancellation of service, 831, 937
Prospective strike, 530
Replacement of board members, 2569
Canada-United States relations, 35
American countervail on Atlantic groundfish, government attitude, 1853
Bank of Nova Scotia, appeal to Supreme Court of United States, 504
Bilateral trade negotiations, 1389, 1392, 1399, 1431, 1521
Agricultural products, 1309
Marketing boards, 2207
Agriculture, consultations with Canadian producers, 2364, 2472
Benefits accruing to other trading partners, 2464, 2495
Canadian publishing and Canadian magazines, 2769
Canadian use of lobbyist, 2304
Canadian testimony before congressional committee or special prosecutor, government policy, 2426, 2537
Government position, 2383
Cultural industries, 1651
Effect on Canadian lumber industry, 1853
Export of fresh water, 1851
Statement by government leader, 1864
Fisheries, imposition of U.S. tariff, government attitude, 2386
Government policy, 1237, 1535, 1538, 2266, 2328, 2342
Individual negotiators for specialized areas, 2668
Items for negotiation, 1352, 2666
Items not for negotiation, 1354
Participation of provinces, 1552, 1557
Statement by Premier of Ontario, 2045, 2222
Position of United States, 2303
Remuneration of Canadian negotiator, 1852
Request for amplification of delayed answer, 2505
Role of lobbyist, 2268
Position of United States, 2472
United States ambassador's comments, 1308, 1310

Roblin, Hon. Duff, P.C., —*Cont'd*
Canada-United States relations—*Cont'd*
Bilateral trade negotiations—*Cont'd*
United States countervailing duties, government action, 2467
United States undertakings, government position, 2282
User fees on Great Lakes, 1517, 1718
Canadian advertising in United States media, 651
Canadian content rules, effect on U.S. trade into Canada, 2503
Canadian hog export embargo, 953
Canadian hog production, United States import duty, 738, 971
Canadian potatoes, United States import duty, 727, 740, 973
Cultural heritage and national identity, 2769
Extraterritorial jurisdiction, 648
Fish, alleged subsidization of Canadian exports, 1063
Free trade, impact on auto pact, availability of report to Province of Ontario, 2493
Free trade arrangement, impact on employment in Canada, 1519
Garrison Dam project, 46, 82, 102, 214, 498, 795
Diversion unit legislation enactment, 2448, 2555
United States study of bill, 2343
Georges Bank, World Court judgment, 298
Government policy, 81, 243
Investment restrictions, 650
Japanese auto plants, effect of establishment in Canada, 2493
Kidnapping of Canadian citizen by bounty hunters from United States, 529
Northern waters, sovereignty, 1092
Prime Minister and President of United States, meeting
Acid rain, government objectives, 2160
Scope of agreement, 2197
Status of agreement, 2382, 2472
Agenda, 2130, 2151
Oil import tax, agenda item, 2174
Status of document, 2155, 2272
U.S. agriculture policy as agenda item, 2207, 2273, 2390
Request for answer, 2365
Prime Minister's speech in Chicago
"Cultural sovereignty", definition, 1656
"Joint tenancy" and "constructive internationalism", definition, 1655
Request for amplification of delayed answer, 2505
Summit meeting in Quebec City
Absence of Governor General, 657, 669, 671, 674, 677, 814, 1174, 2494
Agenda, 648
Availability of background information, 762
Declaration on international security, 675, 814, 833, 937
Effect on employment in Atlantic provinces, 678, 1023
Invitations to gala performance, request for answer, 2221
Newspaper article, 652
Press release, 653
Request for texts of agreements, 673
Trade
Commitment to halt protectionism, 2700
Imposition of tariff on publications and computer parts, 2536, 2545, 2547
Imposition of U.S. and Canadian tariffs, mitigation of harmful effects, government policy and programs, 2542, 2560, 2562, 2566, 2572, 2582, 2702, 2703
Imposition of U.S. tariff on Canadian shakes and shingles, 2489
Compensation, 2502
Compensation for workers in industry, 2547
Imposition of U.S. tariff on Canadian shakes, shingles and steel products, mitigation of harmful effects, government policy and programs, 2531
New approaches, government policy, 242, 260

Roblin, Hon. Duff, P.C., —*Cont'd*
Canada-United States relations—*Cont'd*
Trade—*Cont'd*
Policy, 648
Tariff discussions, request for information, 2542, 2702
Trans-border pollution problems, 609, 669, 2050, 2051, 2102, 2156
Mandate of special envoys, 671
U.S. weapons testing in Canada, cruise missile mishap, 1868, 1870, 1871, 2039
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1574, 1587
Books, movies, broadcasting, culture or economics, 1590
Canadian Broadcasting Corporation
Cutbacks in service, 100
Effect of budget reductions, 46, 1479
Funding, government policy, 318
Independence, government policy, 99, 318
International service, possible cancellation, 194, 427
Mandate, parliamentary committee study, 318, 322
Rumoured sale, 299
Staff reductions, 944
Canadian Commercial Bank Financial Assistance bill C-37, 743, 747
Depositors, 744
Shareholders, 744
Canadian Institute for International Peace and Security bill C-69, 1305
Canadian National Railways
Board of directors
Replacement of chairman, 779
Replacement of members, 812, 833, 2023
Canadian Pension Commission
Replacement of Wing Commander MacKenzie, DFC, 1066, 1174
Canadian Wheat Board
Alleged absence of minister from advisory committee meetings, 1172, 1238
Appointment of commissioner, 2173
Criticism contained in study team report to task force on program review, 2150
Dwarf wheat, marketing, 741
Mission to China, composition of delegation, 2585, 2669
Cape Breton Development Corporation
Board of directors, appointment, qu, 1235
President, appointment, 725, 726, 1023
Chernenko, Konstantin, the late, 622
Government representation at funeral, 678
Christmas greetings, 415
Citizenship
Increase in fees, 98
Communications
Museum of Man, change of name, 2103
Concentration camps, 2100
Constitution
First Ministers' Conference, aboriginal rights, request for Senate representation, 692, 743, 761
Quebec's opting out, government policy, 282
Consumer and Corporate Affairs
Combines and trust companies legislation, 1255
Patent Office closing, 954, 975
Sale of canned tuna unfit for human consumption
Alleged wrongdoing in inspection process, suggested prosecution, 1382
Labour union action at processing plant, 1383
Responsibility of processor's parent company, government policy, 1381

Roblin, Hon. Duff, P.C., —*Cont'd*
Consumer and Corporate Affairs—*Cont'd*
Sale of canned tuna unfit for human consumption—*Cont'd*
Sale as pet food, 1382, 1436
Trademark legislation, 679, 771
Cook, Hon. Eric, tributes, 22
Correctional service
Commissioner's office, increased cost of administration, 2284, 2389
Corrections
Correctional investigator, annual report, request for tabling, 2565
Daniel Hawe report, production of service contracts and statement of expenditures, 2539
Request for tabling of documents, 2669, 2704
Crown corporations
Composition of boards of directors, 672
de Havilland Aircraft Limited and Canadair Limited, government policy, 336, 432
Disposal, 298
Petro-Canada, possible privatization, 1280
Qualifications of officials, 1737
Cultural heritage and national identity
Government policy, 1279, 1381, 1432, 2701, 2769
Cultural organizations
Relationship to government, 222
Customs and Excise
Prime Minister's wife, alleged non-declaration of gifts, 2560
Deficit, 37
de Havilland Aircraft of Canada Limited
Possible negotiation of sale, government position, 813
Sale to Boeing Corporation, 1559, 1738, 1854
Burns Fry prospectus, 1854
Off-the-record private briefings, job security, 1715, 1855
Tabling of memorandum of agreement, 1654
Use of de Havilland technology, 1854
Denis, Hon. Azellus, P.C., fiftieth anniversary of election to Parliament, tributes, 1372
Department of the Environment
Research scientists, termination of employment, 215, 382
Deschatelets, Hon. Jean-Paul, P.C., tributes on resignation from the Senate, 1832
Diplomatic missions
Security, 652
Disarmament
Deployment of nuclear weapons, government policy, 473, 636
Space-based defensive weapons, government policy, 421, 424
Donahoe, Hon. Richard A., tributes, 22
Douglas, Hon. T.C., P.C., the late, tribute, 2078
Economic Council of Canada
Rumoured dissolution, 637
Economic Development
Nova Scotia
Cape Breton Advisory Committee report
Government action, 1354
Request for copies, 1289
Economic Summit
Bonn, West Germany
Securing of third window, Prime Minister's statement, 851
United States embargo on Nicaragua, Canadian position, 852
United States interest rate policy, 811
World drug trade, government position, 851, 974
Economy
Canadian dollar, decline in value, 508, 509, 543, 604, 2068
Government action, 2085, 2471
Timing and extent of market intervention, 1999
Appearance of Governor of Bank of Canada before Senate, 2004

Roblin, Hon. Duff, P.C., —*Cont'd*
Economy—*Cont'd*
Canadian dollar, decline in value—*Cont'd*
Value, 2493, 2503
Market intervention, role of Governor of Bank of Canada, government action, 2599
Fiscal outlook, updated economic projections, 47
Foreign investment, competition, 355
Government policy, 781
Interest rates, 2203, 2283, 2329
Government policy, 238, 257, 428, 429, 676, 2121
Increase, 2001, 2562, 2568, 2703
Leader of the Government in the Senate, statement, request for clarification, 43, 77
Manitoba, cancellation of construction of Winnipeg research centre, 44, 239, 472
Mortgages, effect of bank rate on interest rates, 2205
National conference, 659, 689, 703, 709, 815
Availability of information, 660
Senate opposition representation, 693
Suggested follow-up, 694
Pioneer Trust
Closing, 506
Status, 528
Taxation and unemployment, government policy, 211
United States investment in Canada, 1651
Wage and price controls, 377
Education
Post-secondary
Availability of report, 529, 814
Government assistance, 258, 284, 430
Ministerial meetings, 529
Toronto school, change of name, 1289
Employment
Cape Breton, unemployment rate, 2552
CN shops, layoffs at Moncton, government policy, 2549, 2553
CN shops, Prince Edward Island, 2570
Disparity in treatment of displaced employees, 2585
Effect of budgetary cuts on female employees, 408, 433
Government policy, 376
Job creation, 898, 911
Government policy, 79
London, Ontario, status of CN computer express terminal, 2554, 2702
Nannies, remuneration, 354
Nova Scotia, decentralization program, 101, 426, 498, 637
Public service staff reductions, job creation, government policy, 2469
Royal commission, report, government response, 635
Summer Youth Employment Program, 409, 505, 2493, 2669
Employment and Immigration
Government policy, possible changes, 759
Immigrant wife of Canadian citizen, status, 2052
Long-term Illegal Migrants Review Committee, possible investigation of conduct of chairman, 791, 936
Maclean's magazine, prospective hiring of non-Canadians, 769
Employment Equity bill C-62, 2432
Motion re message to House of Commons, 2682
End of Decade Women's Conference
Composition of Canadian delegation and agenda, 652, 899, 912, 970
Energy
Canada-Newfoundland Offshore Oil and Gas Agreement, 334, 432
Canada-Nova Scotia Offshore Oil and Gas Agreement, 510, 638
Canadianization, government policy, 297

Roblin, Hon. Duff, P.C., —*Cont'd*
Energy—*Cont'd*
Director General of Communications, termination of employment, 381
East coast exploration, replacement of petroleum incentive grants, government policy, 1363
Federal-provincial agreement, 741
Gas pricing, 2599
Policy, proposed committee study, 281, 431
Advisory committee study, 471
Gasoline prices, reduction, 2154, 2329
Heavy oils, construction of upgrader at Lloydminster, Alberta, government policy, 2122
Higher cost producers, minister's statement, request for clarification, 2119
International oil pricing, agenda item at economic summit, 2023, 2156, 2222
Natural gas exports to U.S., representations by Alberta and British Columbia, 1987
Natural gas, proposed pipeline to Vancouver Island, 946
New pricing agreement, progress of negotiations, 423, 501, 631
Oil and gas industry
Application of tax incentives, 2119
Government policy, 2384
Layoffs, government policy, 2445, 2494
Pricing, government policy, 2583
Oil pricing, 2001, 2022, 2034, 2046, 2051, 2121, 2217, 2329
Government action, 2087, 2120
Government policy, 1865, 2004, 2134
Effect on Hibernia development, 1853
Protection of interests of producers, government action, 1850
Petroleum Gas Revenue Tax, government policy, 467, 501
Petroleum Incentive Program, reduction in grants, 301
Price of Canadian crude oil, 637
Pricing, deregulation of industry, government policy, 2464, 2538
Energy and Natural Resources Committee
4th report, petroleum incentives program, subject matter of Bill C-85, 2214
Energy, Mines and Resources
Articles sent to weekly newspapers, 2506
Director General of Communications, termination of employment, 433
Environment
Government policy re employment, 79
Pollution, Niagara River and Great Lakes, 264, 382
Public Environment Group, 300, 319, 431
Soil conservation, 104
Toxicology research and development, government policy, 1715, 2101
Wildlife, effect of budgetary cuts, 299
World Commission on Environment and Development, submission, input of people of Canada, 2504
Estimates
Date of tabling, 524, 535, 538, 543
Question of privilege, 622
Excise Tax and Excise bill C-80, 2007
Expo 86
Attendance of members of Parliament, 2090
Expressions of welcome and appreciation, 9
External Affairs
Canadian Ambassador to Ireland, appointment
Alleged partisanship of appointee, 2102
Application of code of conduct, 2164
Clarke, Mr. Victor, Special Adviser to Canadian High Commission in London, appointment, 1670
Overseas distribution summary of *Globe and Mail* items, 380, 501
Passports, issuance at Hull, 851, 937
Visit by minister to U.S.S.R., 793

Roblin, Hon. Duff, P.C., —*Cont'd*
Farm Debt Review bill C-117, 2749
Farm Products Marketing Agencies bill C-4, 217
Canadian Wheat Board, 217
Canagrex, 217
Federal-provincial consultation, 38
Federal-provincial fiscal arrangements
Equalization payments, 208
Federal-Provincial Fiscal Arrangements, Federal Post-Secondary Education, Health Contributions, 1977 bill C-96, 2685
Federal-provincial relations
Government of Quebec, attitude to sovereignty, 1502
Health and education, effect of reduction in transfer payments, 1520, 1556, 1558
Film industry
Identification of Canadian production locales, 2098
Finance
Deputy Minister, meetings, government policy, 1498
Document entitled "John Turner as Minister of Finance: An Era of Economic Decline", 262, 319, 429
Financial institutions, restructuring, possible committee study of discussion paper, 783
Ministerial aide, payment, 782
Protection of bondholders against inflation, reported statement by minister, 969
Recording of ministerial discussions, 223
Financial institutions
Concentration of economic power, government policy, 2283
Discussion paper, "The Regulation of Canadian Financial Institutions: Proposals for Discussion", 893
Takeovers by industrial conglomerates, government policy, 2282
Financial Institutions Depositors Compensation bill C-79, 1821
Attitude of auditors, 1821
Confidentiality, 1823
Ministerial responsibility, 1824
Mismanagement, 1821
Reimbursement of the banks, 1823
Pioneer Trust failure, request for investigation, 894, 925, 1022
Fisheries
West German fleet, overfishing in waters under Canadian jurisdiction, 835, 870
Fisheries and Oceans
Decision of minister re licence, 1171, 1238
Request for answer, 1236
Fishing vessel support program, cancellation, 1986
Future of Star-Kist plant, government policy, request for answer, 1871
Independence of inspectors, 1298
Inspection function, consultation with industry, 1298
Parliamentary secretary, whereabouts, 2070
Product inspection standards, 1363
Reported fee for access to minister, 1170
Resignation of minister, tributes, 1265
Sale of canned tuna fish unfit for human consumption, 1231, 1236, 1258
Consumer confidence, future of Star-Kist plant, government policy, 1297, 1435
Members of the government, extent of knowledge, 1276
Prime Minister's Office, extent of knowledge, 1265, 1435
Request for answers, 1353
Suggested inquiry, 1308, 1384
Suggested method of disposal, 1255
Fitness and Amateur Sport
Appointment of females to advisory council, 2121

Roblin, Hon. Duff, P.C., —*Cont'd*
Foreign affairs
Afghanistan
Possibility of political settlement, 1740
Refugees, government policy, 1740
Soviet army defectors, government policy, 2328
Africa, famine relief, 524, 638
Bangladesh, aid to disaster victims, 945
Burkina-Faso, closing of Canadian diplomatic post, 301
Central America, use of military force, government policy, 2162, 2272
Forthcoming visit of government leader to southern Africa, correction of press report, 1868, 1870
Gift of war planes to Turkey, 410
Green paper on competitiveness and security, 897, 908, 910, 912
Question of privilege, 921
Honduras and Nicargua, U.S. military assistance to Contra forces, government position, 792
India
Aid for victims of industrial accident at Bhopal, 263
Detention of Canadian national, 116
Iran
Diplomatic relations, re-establishment, 1257, 1435, 2068
Expulsion of Iranian nationals from Inter-Parliamentary Union Conference, 1311
Persecution of Baha'is, 636
Lebanon, government aid, 99, 264
Mexico, reported nuclear pact with Canada, 450
Correction to statement, 467
Middle East
Gulf of Sidra, United States-Libya conflict, safety of Canadian nationals, 2221
Mission of Secretary of State for External Affairs, 2163
Namibia, proposed establishment of interim administration, government position, 792, 936
Nicaragua, absence of Canadian observers from election, 223, 382
Organization of American States, government policy, 301
Overseas delegations, parliamentary representation, 760
Amplification of statement, 769
Philippines presidential election
Attitude of Canadian government, 2066
Canadian Ambassador, possible recall, 2068
Status of Canada-Philippines relations, 2032, 2049
Sale of CF-104 aircraft to Turkey, 431
Shooting down of South Korean aircraft, Soviet compensation for next-of-kin of Canadian victims, 761, 815
South Africa, apartheid
Canadian position at Commonwealth Conference, 1386, 1520
Government action to adopt United Nations convention, 2099
Third World, government aid, 934, 1173
U.S.S.R., treatment of Canadian journalist, government attitude, 770
United States, imposition of economic sanctions against Nicaragua, 837, 843, 974
Government policy, 855, 872, 937
Visit of President Reagan to cemetery at Bitburg, West Germany, Prime Minister's views, 813
Zimbabwe, status of white farmers, 507
Foreign Affairs Committee
International financial system and institutions, Canada's participation, authority to adjourn to Toronto, New York and Washington, D.C. to study, 2237
Report
2nd, Canada's relations with countries of Middle East and North Africa, 1131
Foreign investment
Effect of Prime Minister's statements, 2152

Roblin, Hon. Duff, P.C., —*Cont'd*
Foreign investment—*Cont'd*
Minister of Regional Industrial Expansion, reported statement, 103
President of Treasury Board, reported statement, 472, 679, 695
Forestry and Fisheries
Government policy, 45
Francophone Commonwealth
Establishment, possible government participation, 338
Francophone summit
Canadian Head of State, reported statement by Prime Minister, 2049
Famine relief, reported breach of agreement between Government of Canada and Government of Quebec, 2033, 2069
Premier of New Brunswick, status, 2034, 2104
Government advertising
Awarding of contracts, 794
Government of Canada
Agricultural programs, composition of task force, 524
Alleged freeze on programs, 523, 680
Appointments, 694
Deputy Prime Minister, visit to Yukon, use of government aircraft, 896
Policies and personality of former Prime Minister Trudeau, government attitude, 850
Remuneration of senior officials and others, 704, 899
Government spending, 36
Governor General
Visit to United Kingdom, 1518
Grain
Conference of ministers of exporting countries, 2448
International conference, government approach, 2504
Wheat pricing, terms of reference of House of Commons task force, 2468
Grey Cup
Congratulations to Winnipeg Blue Bombers on winning Canadian professional football championship, 76
Health
Communicable diseases, Canada's participation in world immunization program, 2036
Health and Welfare
Acquired immune deficiency syndrome, 284, 500, 1234, 1434
Canada-Belgium Social Security Agreement, delay in tabling, 680
Consumption of alcohol, "A little of what you fancy...", 1312
Fitness of meat for Canadian consumption, 1653, 2039
Hazardous products, government policy, 1309
Health services, universality, government policy, 350, 373, 500
Palliative care, use of heroin, government policy, 258
Social assistance programs
Suggested review, 707
Universality, government policy, 2037, 2049
Social benefits, issuance of discussion paper, 237
House of Commons
Alleged remarks by Conservative M.P., 2112
Government attitude, 2133
Disparaging remarks by Conservative M.P., 2308
Placement of former members' staffs, 408
Human rights
Afghanistan and Iran, United Nations resolutions, Canada's position, 1717, 1739
Berne meeting, absence of senators from membership of observer group, 2349, 2412
Discriminatory hiring practices against visible minorities, 425
Discriminatory hiring practices, government policy, 2096
Fate of Polish refugee, 2349
Japanese Canadians, government apology and compensation, 27, 240, 673, 790, 1657, 1835, 2364

Roblin, Hon. Duff, P.C., —*Cont'd*
Human rights—*Cont'd*
Meeting of experts, suggested participation by Canadian parliamentarians, 856, 868, 869
Primate of Poland, expression of sympathy, 204
Saskatchewan, passage of Bill S-144 imposing settlement on government employees, 2103
Immigration
Entry of Soviet Jews, government action, 2469, 2470
Entry of Soviet refugees, government policy, 44, 241, 411
Proposed reduction in quotas, 78
Qualifications for entry, 97
Refugee determination, government policy, 2285, 2469
Income Tax and related Statutes bill C-84, availability of committee proceedings, 1990
Indian Act
Reinstatement of Indian women to membership of Indian bands, 525, 1836
Status of women, removal of discriminatory provisions, 262, 376, 380, 537, 870
Indian Affairs and Northern Development
Departmental staff reductions, government policy, 1322
Frog Lake Indian Nation, self-government proposals, 2652
Industry
Aerospace, allocation of service contracts, 2051, 2068
Armaments, possible manufacture and export by West German company from proposed Canadian factory, 2038
Canadian Porcelain Company, offer to purchase by employee co-operative, 952
Government attitude, 989
Co-op Implements, proposed relocation from Winnipeg to Regina, 530, 899
Cornwall, establishment of American plant, 523, 524, 530, 712
Footwear, importation quotas, government policy, 1362
Layoffs at Calgary and Regina IPSCO plants, government action, 2120
New Brunswick, closure of Star-Kist plant, government action, 1393
Request for answer, 1401
Petro-chemical feedstocks, cost, 46
Railways, Winnipeg, Manitoba, Transcona shops and east yards, 935, 954
St. Thomas, Ontario, foundry, possible closing, 2307
Shipbuilding, government policy, 2111, 2679
VIA Rail maintenance centre location, 538, 713
Yukon, Cyprus Anvil Mine
Closing, 927
Re-opening of mine, status of negotiations, 1393
Inman, Hon. Florence Elsie, the late, tribute, 2526
Insurance
Bankruptcy of insurance companies, request for study by Banking, Trade and Commerce Committee, 2467, 2537
Bankruptcy of Northumberland General Insurance Company, compensation of insured victims, request for study by Banking, Trade and Commerce Committee, 2552
Internal Economy, Budgets and Administration Committee
Parliamentary employment and staff relations, authority to study subject matter of Bill C-45 prior to receipt of legislation, 924
Report
30th, 2404
Senate estimates for 1986-87, 1708, 1721, 1757
International Centre for Ocean Development
Board of directors, replacement of members, 793
International relations
Proposed parliamentary committee, 215

Roblin, Hon. Duff, P.C., —*Cont'd*
International terrorism
Seizure of Egyptian aircraft, 1497, 1717
Seizure of Italian cruise ship, 1355, 1363
Training sites, 1109
International trade
European Economic Community
Beef imports from, 983
Proposed export of agricultural products to Canada, 988
Exportation of grain to People's Republic of China, 79, 242
Footwear, removal of import quotas, 1518, 1519, 1718
Japanese automobiles, importation, government action, 982
Interprovincial trade
Barriers, 1392
Inuit
Status, government policy, 263, 411
Investment Canada
Foreign investment
Government policy, 316, 319, 320, 431
Terminology, 353
United Auto Workers Union, proposed independence of Canadian section, 317
June 24 celebrations
Saint-Jean-Baptiste Day, anniversary of landing of Giovanni Caboto, 1092
Justice
Canada Commission of Inquiry on War Criminals
Cost and scope, 2101
Destroyed files, government action, 1377
Extension of mandate and cost, 2507
Extension of time, budget, 1654
Scope of inquiry, 1324
Capital punishment, government policy, 238, 411, 740
Quebec, appeal of speeding conviction, decision of minister, 282, 336, 430, 432
Unlicensed cable television operators, stay of prosecutions, 221
Zundel, Ernst, conviction, 725
Labour
Canada-United States free trade, prospective agreement, possible effects on employment, 2035
Fair Wages and Hours of Labour Act, government attitude towards provisions, 1135, 1238
Law Reform Commission
Bigamy and polygamy, treatment, 1255
Legal and Constitutional Affairs Committee
Reports
19th, Representation, 1985 bill C-74, 2019
24th, Employment Equity bill C-62, rep with recommendations and observations, 2677
Libya
Canadian nationals
Evacuation, 2304
Safety, government position, 2306, 2327
Reported incidents in Tripoli, 2282
United States air strike
Consultations between Canada and United States and between Canada and western allies, 2261, 2323, 2343
Clarification of statement in official record, 2366, 2381
Consultation with allies, 2281
Government attitude, 2280
Government policy, 2270
Identification of special envoy, 2286
Legality under international law, 2281
Position of Canadian nationals, 2268
Request for answers, 2277
Macdonald, Hon. John M.
25th anniversary of appointment, felicitations, 1114

Roblin, Hon. Duff, P.C., —*Cont'd*
Malone, Richard Sankey, the late, 1102
Manitoba
Clerk of Legislative Assembly and parliamentary interns, visit, 1999
Winnipeg, future of St. Paul's College site building, 300, 383
Meat Import Act, tabling of reports, 2023
Meat Inspection bill C-33, 923
Metric conversion
Government policy, 196, 281, 302, 339, 1407, 2003
Mexico
Earthquake disaster
Government action, 1268
Multiculturalism
Federal-provincial conference, request for observer status for interested parties, 873
Government policy, 2269, 2285
Minister's communiqué, disparity between French and English versions, 1377
Status of minority groups, government policy, 869
Suggested joint committee, 1313
Murray, Hon. Lowell P.C., felicitations on becoming Leader of the Government in the Senate, 2786
National Defence, 36
Canadian forces
Future role, 257, 429
Increase in contingent in western Europe
Budgetary provision, 724
Effect on establishment, 651, 972
Uniforms, 283, 430
Departmental budget, government policy, 283, 430
Management of real property, 1717
New Brunswick, layoff of civilian personnel at Canadian forces bases, 2048
White paper, status, 2203, 2365
National Defence Committee
Appointment, 94
National Film Board
Possibility of budget cuts in Ontario, 525, 679
National Film Board "The Kid Who Couldn't Miss", 2354
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to meet forthwith, 497, 526
Instruction to report, 534, 535, 542, 543, 593
Meeting, 602
Post-secondary education and training, authority to study government activities, 1274, 1276
Reports
6th, estimates year ending Mar. 31/86, supplementary (A), 1007
10th, estimates year ending Mar, 31/86, supplementary (B), 1720
National Housing Program
Effect of cutbacks on native population, 692, 815
National Parole Board
Appointment of members, 1500, 1672, 1718
Federal Court decision, 223, 301
Parole provisions, administration, government policy, 1669
National Postal Museum
Advisory committee
Membership, 2700
Order for return, 2571, 2653
National Research Council
Closing of research facilities, loss of jobs, 407
National Revenue
Abandonment of Petroleum and Gas Revenue Tax, 353, 375

Roblin, Hon. Duff, P.C., —*Cont'd*
National Revenue—*Cont'd*
Definition of "partnership", tax avoidance, 1285
Suggested consumption tax, 115
Suggested increase in corporate taxes, 353
Tax evasion and avoidance, 711
Native Economic Development Program, government policy, 240, 428
Native peoples
Funding of programs
Rumoured government cuts, 867, 871
Task force report, 870
Treatment of Louis Riel and Métis, government position, 1480
Newfoundland
Ochre Pit Cove, Conception Bay, request to U.S. for "third world" treatment and financial aid, 1985
North Atlantic Treaty Organization
Strategic Defense Initiative research, Canadian participation, 723
The Netherlands, removal of nuclear weapons from aircraft, attitude of government, 1573
Nuclear disaster
Ukraine, effects of radiation, 2366, 2537
Government advice to Canadian travellers, 2427
Government knowledge and action, 2385, 2387
Health and safety of Canadian nationals, 2385
Nuclear energy
Safety of Canadian reactors, 2385, 2386
Official Languages
Department of the Solicitor General, policy, 759
RCMP, recruiting practices, 2097, 2585
Old age security
De-indexation of pensions
Government monitoring, 1064
Position of Canadian Petroleum Association, 1064
Press release by president of National Advisory Council on Aging, 1064
Government policy, 376, 399, 407, 501
Ontario
Tornado damage, government action, 986, 1258
Order of Canada
Appointment of former members of federal cabinet and former provincial premiers, point of order, 2364
Revised reply, expression of thanks, 2470
Order, point of
Tabling of documents in Senate in bilingual form in compliance with Official Languages Act, 2565
Parliament
Report of commission to review salaries of members of Parliament and senators, definition of "members of Parliament" and "salaries", question of privilege, 921
Staff relations, denial of right to strike, 832
Parliament buildings
Centre block, removal of photographs of British Prime Ministers, 1383, 1435
Parliament Hill
Canadian flag at half-staff, 647
Cost of relocation of tourist tent, 1433
"Fairyland of beauty and excitement", 1716
Landscaping east of Centre Block, 909
Suggested relocation of tourist reception tent, 946, 974
Parliamentary Employment and Staff Relations bill C-45, 2777
Parliamentary secretaries
Suggested appointment of senators, 841
Parole and Penitentiary bill C-67, 2748
Penitentiaries
Canada-Alberta agreement and memorandum of intent
Effect on employees, 1852, 1988

Roblin, Hon. Duff, P.C., —*Cont'd*
Penitentiaries—*Cont'd*
Canada-Alberta agreement and memorandum of intent—*Cont'd*
Request for tabling, 1849
Tabled, 1988
Conditions, government study, 1836
Stoney Mountain, construction of doghouse, 1869, 1988
Petroleum Compensation Charge, 37
Pioneer Trust Payment Continuation bill C-50, 877
Poverty
Secretary of State for External Affairs, reported statement on "elementary conditions", 1716
Prime Minister
Broadcast speech on free trade, availability of text in advance, 2653
Criticism of appointments, request for apology, 660
Newspaper advertisement, 769
Request for clarification of statements, 197
United Nations, fortieth anniversary, speech, 1405, 1430
See appendix p. 1445
Prince Edward Island
Economy, government assistance, 2304, 2328, 2412
Privacy
Reported giving of information re unemployed, 2094, 2600
Tabling of documents, 75
Privilege
Statement on alleged conflict of interest, 2444
Public Service
Alleged requirement for ministerial approval of job applications, 224
Placement of former ministerial assistants, 214, 224, 428
Public Works
Cleaning services
Placement of laid-off employees aged fifty and over, 2118
Possible layoff of employees, 2102
Prince Albert, Saskatchewan, awarding of contract for federal building, 2388
United States Embassy property, possible acquisition by Government of Canada, 317, 432
Publishing industry
Canadian share of market, 2428, 2494
Quebec
Provincial election results, 1557
Reform of Parliament
Proposed joint committee, 213
Reform of the Senate, 625, 631
Appointments review committee, 660
Commons resolution
Consideration by joint committee, 868
Consideration by the Senate, 867
Election of members, statement of Minister of Justice, 910
Government attitude, 1233
Leader of the Government, views, 899
Parliamentary secretaries, suggested appointment of senators, 1233
Request for information, 655
Regional Development Incentives
Non-compliance by minister with act, 882, 1259
Regional Industrial Expansion
Atlantic provinces, government assistance to industry, 605, 814
United States intervention, 606
Minister, suggested appointment, 2570
Nova Scotia, heavy water plants, government policy, 893
Regulations and other Statutory Instruments Committee
5th report, Statutory Instrument No. 32, 2500
Representation, 1985 bill C-74, 1779, 1800
Representation by population, 1801

Roblin, Hon. Duff, P.C., —*Cont'd*
Representation, 1985 bill C-74—*Cont'd*
Timetable, 1802
Restaurant of Parliament
Joint committee membership, 322
Provision of services, 321
Riel, Hon. Maurice, P.C.
Privy Council appointment, felicitations, 244
Riley, Hon. Daniel A., the late, 22
Robichaud, Hon. Louis-J., P.C., felicitations on 25th anniversary of becoming Premier of New Brunswick, 1177
Royal Assent
Alternative procedure, 608, 757
Royal Canadian Mounted Police
Alleged conduct of former corporal, 1065, 2100
Royal Commission on Economic Union and Development Prospects for Canada
Request for inquiry into leak, 925
Request for tabling of report, 925
Royal visit
State dinner, Vancouver, composition of guest list, 2427
Rules of the Senate
Rule 20, oral questions, suggested amendment, 81, 114, 426
Rule 67(1), motion to amend, 2460
Rule 77(7), motion to amend to prohibit smoking at committee meetings, 2409
Saltfish bill C-6, 305
Science and humanities
Research councils, funding, budget proposal implementation, 2569
Science and Technology
Canada-Alberta memorandum of understanding, 780, 813
Research and development, government funding, 911
Selection Committee
2nd report, committee members, 55
Senate
Adjournment, 521, 1493
Allocation of rooms, question of privilege, 2017
Availability of information in absence of government leader, 1869
Bourassa, Paul, tribute on completion of term as page, 843
Business, 383, 592, 619, 736, 743, 1050, 1195, 1468, 1676, 1680
Christmas recess, 1792
Orders of the Day, 1440
Wallenberg, Raoul, resolution approving conferring of honorary Canadian citizenship, 1683, 1687, 1761
Committees, authority to invite provincial representations, 661, 801
Debates, treatment of speeches, 409
Doyle, Hon. Richard J., appointment, 667
Party affiliation, 706
Expressions of welcome and appreciation, 9
Griffith, Mr. Hubert, Editor of Debates, felicitations on 25 years of services, 1534
Hébert, Senator Jacques, hunger strike, 2212
Office of Leader of the Government, 29
Order paper question, request for answer, 1093
Orders and Customs of the Senate and Privileges of Parliament
Motion to constitute immediately in Committee of the Whole, 2242
Prayer at commencement of sittings, 13, 46
Prime Minister, comments, 401, 406, 410
Proceedings, authority to broadcast, motion in amendment, 2112
Question Period
Answers to unasked questions, 2284
Delayed answers, 300, 426, 433, 500, 502, 635, 679, 936, 972, 1022, 1173, 1237, 1258, 1324, 1400, 1433, 1520, 1717, 1836, 1854, 1987, 2023, 2039, 2100, 2156, 2222, 2272,

Roblin, Hon. Duff, P.C., —*Cont'd*
Senate—*Cont'd*
Question Period—*Cont'd*
2329, 2389, 2412, 2471, 2494, 2537, 2554, 2585, 2599, 2669, 2701, 2769
Distribution of delayed answers, 519
Form, suggested referral to Standing Rules and Orders Committee, 2553
Government approach, 354, 355
"Order for return", point of order, 1324
Requests for answers, 302, 356, 382, 408, 638, 1050, 1112, 1173, 1175, 1176, 1290, 1384, 1394, 1521, 1792, 1855, 1989, 2089, 2329, 2472, 2555, 2572, 2653, 2667
Security service, staff reduction, 943
"Senate bulletin", 1520
Televising of sittings, 424
Victoria Building, senators' parking, 1298
Senate, office of Speaker, 884
Sexual abuse of children
Badgley committee report, government action, 1671
Sinclair, Hon. Ian
Nomination to Business Hall of Fame, 604
Small craft harbours projects
Humber-Port au Port-St. Barbe, 1194
Smoking Prohibition bill S-8, 2415, 2431
Modified motion in amendment, 2512
Social Affairs, Science and Technology Committee
Authority for subcommittee to travel, 2040
Social programs
Universality, government policy, 338, 347, 371, 375, 377, 399, 402, 407, 409, 470, 501
Sparrow, Hon. Herbert O.
United Nations award, felicitations, 1010
Sport
Canadian Football League, future, 469
Toronto, proposed domed stadium, government assistance, 449, 712
Standing Rules and Orders Committee
Register of senators' interests, authority to study related matters, 1726
Reports
4th, Royal Assent ceremony changes, 1481
Motion in amendment, 1860
6th, government responses to committee reports, 1572, 1758, 1783
7th, guidelines for financial operation of committees, 2124
9th, message from House of Commons re amendments to their Standing Orders, 2435
11th, membership of cabinet ministers on Senate committees, 2575
Statistics Canada
1986 census
Cancellation, 98, 99, 238, 298, 427
Restoration, 425, 679
Status of women
Armed forces personnel, restriction of spouses' activities, government policy, 1379, 2134
Association of spouses of military members, status of government grant, 2134
Broadcasting task force, remuneration of women members, 1325
Economic equality, government policy, 1558, 1852
Equal pay for work of equal value, government policy, 213, 428, 472
Government delay, 2002
Funding of groups, government policy, 1654
Role in Canadian Armed Forces, 2086

Roblin, Hon. Duff, P.C., —*Cont'd*
Status of women—*Cont'd*
Senior government appointments
Bird, Hon. Florence, 833, 936, 955
Franklin, Dr. Ursula, 791, 900
Replacement of female appointees, 789, 811, 867, 881, 938, 955, 1237
Strategic Defense Initiative
Status of study, 1267, 1520
Sullivan, Hon. Joseph A.
Tributes on resignation, 623
Summit meetings
Suggested return to former format, 857
Supply and Services
"How Canadians Govern Themselves", unavailability of booklet, 2003, 2222
Poll, awarding of contract, 1433, 1521, 1560, 1739, 2097
Publications, request for removal of permission fee, 2002
Sydney Steel Corporation
Request for answer, 1235
Terrorism
Tokyo Summit statement, government policy re Libyan nationals, 2426, 2554
Toronto harbourfront
Public access, 868, 1023
Trade
Imports from Third World countries, government attitude, 836
Transport
Airport car rental service, 261
Parking, 322, 500
Airport security
Remuneration of guards, 2446
Testing of guards, 2446, 2600
Airport tax, reported restructuring, 1111, 1434
Atlantic provinces, freight rate increases, 499, 680
Canadian airports, security, 1108, 1113, 1135, 1325, 1433
CN Marine and CN Rail, reductions in service, 47, 241
CN Marine, increase in ferry rates, 2095
CN Rail
Prince Edward Island equipment department staff reductions, 2174
Reductions in service in Newfoundland and east of Montreal, 1834
CN Route
Possible sale, government action, 2305, 2390, 2586
CN shops, Moncton layoffs, 2329, 2470
Fate of Moncton CN shops, regional development in Atlantic provinces, 2118
Freight rates, western grain, 192
Mirabel Airport, government policy, 706
Northumberland Strait ferry, delay in commencement of 1986 season, 2037, 2554
Ottawa International Airport, proposed change of name, 870
Port of Churchill, Manitoba
Continued operation, 1431
Grain car access, 869
Grain shipments to U.S.S.R. and availability of hopper cars, 1067, 1324
Prince Edward Island, proposed tunnel or causeway to mainland, 2095
Rail service, government policy, 195
Rail transportation of dangerous goods, regulations, 27, 240
St. Lawrence Seaway, Welland Canal blockage, 1393, 1436
Task force report, elimination of Prince Edward Island ferry service, 2174
Transportation of Dangerous Goods Regulations, 840

Roblin, Hon. Duff, P.C., —*Cont'd*
Transport—*Cont'd*
Travel to Ukraine, refund of reservation deposits, request for action, 2581, 2770
Use of government aircraft, 103
VIA Rail, resumption of "Atlantic Limited" service, 724, 726
Western Grain Stabilization Fund, government policy, 261
Tribute on retirement as Leader of the Government in the Senate, 2786
Unemployment
Adjusted statistics, 420
Armed forces, suggested recruitment, 426, 448
Strategic defence research, Canadian participation, government policy, 706
Unemployment insurance
Benefits, proposed cutbacks, 97
Petition against calculation of severance pay as income, 708
Withdrawal of benefits of armed forces pensioners, 2468
UNESCO
Canada's participation, 1656
General conference, Sofia, Bulgaria, composition of Canadian delegation, 1375
United Nations
Food and Agriculture Organization, cancellation of appointment of Hon. Eugene Whelan, P.C., 636
Government policy, 605, 712
Ratification of international convention against taking of hostages, 652
Wallenberg, Raoul
Resolution approving conferring of honorary Canadian citizenship, notification of U.S.S.R., 1717, 1987, 2103
See Senate, business
Welfare
Adequacy of payments, 191, 410, 412
World Cup soccer
Congratulations to television sponsor and networks, 2679
World War II
40th anniversary of cessation of hostilities in Europe, 865
40th anniversary of surrender of German forces, 842, 973
Youth
Government assistance, 2116
Government policy, 2162, 2216, 2221
Katimavik, cancellation of program
Announcement of new program, 2202
Government knowledge of contents of Special Senate Committee report before tabling, 2207
Government policy, 2132
Report of Special Senate Committee
Government policy, 2116
Government response, 2494
Youth Committee
Appointment, 310
Report
2nd, "Youth: A Plan of Action," 2688
Yuzyk, Hon. Paul, the late, tribute, 2836

Rousseau, Hon. Yvette
Family Allowances Act, 1973 bill C-70, 1927
"Child and Elderly Benefits" consultation paper, 1928
Regressive legislation, 1927

Rowe, Hon. Frederick W.
Address in reply to Speech from the Throne, 48
Cook, Hon. Eric, tributes, 23
Donahoe, Hon. Richard A., tributes, 23
Education, 50

Rowe, Hon. Frederick W.—*Cont'd*
Energy
Canada-Newfoundland Offshore Oil and Gas Agreement, qu, 334, 432
Hollet, Hon. Malcolm Mercer, the late, 1321
Marine Atlantic Inc. Acquisition Authorization bill C-88, 2721
Errors to be rectified, 2721
Natural resources, 49
Pornography, 50
Public Works
United States Embassy property, possible acquisition by Government of Canada, qu, 316
Riley, Hon. Daniel A., the late, 23
Senate
Adjournment, 689
Omission from attendance record, question of privilege, 1226
Standing Rules and Orders Committee
4th report, Royal Assent ceremony changes, 1482
"The Smallwood Era", felicitations on publication, 445
Unemployment, 49

Royal Assent, 403, 616, 621, 756, 777, 927, 950, 1100, 1217, 1414, 1712, 1830, 2031, 2091, 2258, 2361, 2410, 2623, 2783, 2857
Alternative procedure, 607, 757
Dickson, Hon. Brian, Chief Justice of Canada, 927, 1414, 2091, 2623
Estey, Hon. Willard Z., Puisne Judge of the Supreme Court of Canada, 403
La Forest, Hon. Gérard V.J., Puisne Judge of the Supreme Court of Canada, 950, 1217, 1712, 2258, 2361, 2783
Lamer, Hon. Antonio, Puisne Judge of the Supreme Court of Canada, 616, 621, 1100, 1830, 2031, 2857
Le Dain, Hon. Gerald E., Puisne Judge of the Supreme Court of Canada, 756, 2410
Wilson, Hon. Bertha, Puisne Judge of the Supreme Court of Canada, 777

Royal Canadian Mounted Police
Alleged conduct of former corporal, 1064, 2100

Royal Canadian Mounted Police (bill C-65)
Definition of "complaint", 2025
Marin commission report, 2005, 2024
Privacy rights, 2006
Public Complaints Commission, limitation of powers, 2025
Public complaints process, 2006
Right to grieve, 2006
Speakers: Senators
Doyle, Richard J., 2005
Frith, Royce, 2024

Royal Canadian Mounted Police bill C-65. 1r, 1984; 2r, 2005, 2024; ref to com, 2026; rep without amdt, 2148; 3r, 2149; r.a., 2258

Royal Commission on Economic Union and Development Prospects for Canada
Request for inquiry into leak, 925
Request for tabling of report, 925

Royal visit
State dinner, Vancouver, composition of guest list, 2427

Rules of the Senate
Distribution of revised edition, 2326
Rule 20, oral questions, suggested amendment, 61, 81, 114, 426
Rule 67(1), motion to amend, 1904, 1997, 2459, 2477
Report of Standing Rules and Orders Committee, 2411
See appendix p. 2424
Rule 77(7), motion to amend to prohibit smoking at committee meetings, 1849, 1913, 1993, 2168, 2408, 2436, 2452
"Ginger-ale" research, 1993
Health and discomfort, 1914
May's Parliamentary Practice, 20th edition, 1916
Motions in amendment, 1995, 2170, 2408, 2436
Negatived, 1995
New York State Journal of Medicine, 1916
Precedent, 1916
Speakers: Senators
David, Paul D., 2168
Frith, Royce, 1913, 2170
McElman, Charles, 2169
Phillips, Orville H., 1993

Saltfish
Borrowing limit, 286
Canadian Saltfish Corporation, 286
Marketing system, 287
Speakers: Senators
De Bané, Pierre, 303
Godfrey, John M., 304
LeBlanc, Roméo, 304
Marshall, Jack, 286, 305
Thériault, L. Norbert, 287

Saltfish bill C-6. 1r, 244; 2r, 286, 303; 3r, 322; r.a., 403

Saskatchewan
Berntson, Hon. Eric, Deputy Premier, visit, 416

Sauvé, Rt. Hon. Jeanne, P.C., Her Excellency the Governor General of Canada
Speech from the Throne at Opening of First Session of Thirty-third Parliament, 3
See Governor General

Science and humanities
Research councils, funding, budget proposal implementation, 2569

Science and Technology
Canada-Alberta memorandum of understanding, 780, 813
Research and development, government funding, 911

Sechelt Indian band self-government
Case-by-case basis, 2497
Legal entity, 2496, 2508, 2623
Need for constitutional recognition of self-government, 2508, 2622
New approach, 2497
Speakers: Senators
Robertson, Brenda M., 2496, 2508, 2622
Marchand, Len, 2507, 2623

Sechelt Indian Band Self-Government bill C-93. 1r, 2488; 2r, 2496, 2507; 3r, 2622; r.a., 2623

Seeds and Canada grain
Protection against false advertising, 1506

Seeds and Canada grain—*Cont'd*
Role of Canadian Seed Growers Association, 1506
Speakers: Senators
Balfour, R. James, 1506, 1546
Steuart, D.G., 1546

Seeds and Canada Grain bill C-64. 1r, 1476; 2r, 1506, 1546; 3r, 1546

Selection Committee
Appointment, 8
Reports
1st, Speaker, *pro tempore*, 25, 54
2nd, committee members, 25, 54
3rd, committee members, 220, 225
4th, committee members, 504, 533
5th, committee members, 2566
6th, committee members, 2699

Senate
Absence of the Leader of the Government, 1221
Availability of information during absence, 1869
Adjournment, 13, 113, 220, 228, 334, 404, 466, 519, 688, 805, 959, 1012, 1100, 1217, 1371, 1398, 1403, 1413, 1478, 1492, 1649, 1704, 1831, 1864, 1920, 1968, 2022, 2111, 2149, 2197, 2302, 2342, 2404, 2441, 2521, 2530, 2560, 2599, 2665, 2704, 2769, 2783, 2833, 2856
Allocation of rooms, question of privilege, 2016
Bourassa, Paul, tribute on completion of term as page, 843
Business, 96, 383, 397, 398, 503, 592, 619, 620, 646, 647, 736, 743, 920, 924, 951, 1050, 1136, 1194, 1370, 1404, 1468, 1516, 1676, 1680, 1719, 2015, 2254, 2436, 2463, 2700, 2788, 2838
Christmas recess, 1792
Committee meetings, 1009
Committee pre-study of bills, 965
Committees, authority to examine subject matter of Bills C-27, C-41, C-44, C-24 and C-36, 999
Disposition of Bills C-67 and C-68, 2825
Orders of the Day, point of order, 1439
Wallenberg, Raoul, resolution approving conferring of honorary Canadian citizenship, 1677, 1683, 1695, 1703, 1761
Motion re second distinct sitting, 1680, 1761
Point of order and questions of privilege, 1687
Cabinet ministers in the Senate, committee membership, 1375
Clerk Assistant, issuance of commission to Richard G. Greene, 2362
Clerks at the Table, 47
Committees, authority to invite provincial representations, 655, 661, 697, 799, 823
Debates, treatment of speeches, 409
Doyle, Hon. Richard J., appointment, 666
Party affiliation, 706
Easter greetings, 2259
Expressions of welcome and appreciation, 9
Foreign Affairs Committee, meeting, 2069
Griffith, Mr. Hubert, Editor of Debates, felicitations on 25 years of service, 1534
Hébert, Senator Jacques, hunger strike, 2211, 2245
Journalist members, 728
Jurisdiction over services, 806
Leader of the Government, absence, 805
Leader of the Opposition, statement, qu, 13
Legislative program, 481
Lemay, Carole, tribute on completion of term as page, 778
Minutes of Proceedings
Recording of choosing of Acting Speaker, 1966
Recording of points of order, 1967

Senate—*Cont'd*
OASIS demonstration, change of time, 1438
Office of Leader of the Government, 28
Official report
Correction of statement, 279, 370
Correction, quality of translation, 1495
Point of order, 1648, 1793, 2208
Printing of appendices, 708
Order No. 3 and inquiry No.2 withdrawn, 1384
Order paper question, request for answer, 1093
Orders and Customs of the Senate and Privileges of Parliament
Motion to constitute immediately in Committee of the Whole, 2242
Negatived, 2245
Prayer at commencement of sittings, qu, 13, 27, 46
Prime Minister, comments, 401, 406, 409
Question of privilege, 396
Privilege, 1741, 2444
Proceedings, authority to broadcast, 867, 905, 1245, 1271, 1875, 2112, 2374
Cost, 906, 2114, 2376
Criticism by media, 2114
Lack of justification, 2115
Lack of public interest, 2113
Motion in amendment, 1875, 2112
Senate image, 905, 2375
Property Qualification of Senators, renewal, 303
Question Period, 2616
Answers to unasked questions, 2284
Distribution of delayed answers, 519
Form, suggested referral to Standing Rules and Orders Committee, 2553
Government approach, 354
Oral questions
Delayed answers, 300, 426, 433, 500, 502, 635, 679, 936, 972, 1022, 1173, 1237, 1258, 1324, 1400, 1433, 1520, 1717, 1836, 1854, 1987, 2023, 2039, 2100, 2156, 2222, 2272, 2329, 2389, 2412, 2471, 2494, 2537, 2554, 2585, 2599, 2669, 2679, 2701, 2769
Requests for answers, 243, 302, 356, 381, 408, 638, 1050, 1112, 1173, 1174, 1176, 1290, 1384, 1394, 1521, 1792, 1855, 1951, 1974, 1989, 2089, 2273, 2330, 2472, 2555, 2572, 2653, 2667
Reception for new senator, 434, 695, 810, 2483
Referral of bills to committee before second reading, 2571
Rowe, Hon. Frederick W., omission from attendance record, question of privilege, 1226
Security service, staff reduction, 943
Senate
"Senate Bulletin", 1519
Telephone service, 534, 539
Televising of sittings, 424
Tribute to departing pages, 2832
Victoria Building, senators' parking, 1298

Senate, office of Speaker, 26, 270, 324, 783, 883, 900, 904
Appointment to Senate of former premiers, 329
Authority, 273, 884
Deputy Speaker, 276
Ex officio appointment of senators, 783
Parliamentary restaurant, 277
Pope's visit, 326
Prayers, 276
Protocol service of Secretary of State, 274, 325
Queen's visit, 326
Question of privilege, 900

Senate, office of Speaker—*Cont'd*
Royal Assent, 277, 326
Senate integrity, 883
Use of Senate chamber, 273, 326
Visit to House of Lords, 326
Speaker: Senator
Riel, Maurice, 270, 324, 783, 883, 900, 904

Senate Reform, Special Joint Committee
1st report, expenses incurred during 2nd Session, 32nd Parliament, 279

Senators, deceased
Beaubien, Hon. Louis-Philippe (Mar. 28/85), 731
Benidickson, Hon. William Moore, P.C. (Jan. 4/85), 416
Inman, Hon. Florence Elsie (May 31/86), 2526
Riley, Hon. Daniel A. (Sept. 13/84), 22
Yuzyk Hon. Paul (July 9/86), 2834

Senators, new
Barootes, Hon. Efstathios William (Jan. 22/85), 416
Cogger, Hon. Michel (May 14, 1986), 2463
Corbin, Hon. Georges (Nov. 5/84), 1
David, Hon. Paul (Apr. 25/85), 803
De Bané, Hon. Pierre, P.C. (Nov. 5/84), 1
Doyle, Hon. Richard J. (Mar. 21/85), 688
Fairbairn, Hon. Joyce (Nov. 5/84), 1
Hays, Hon. Daniel Phillip (Nov. 5/84), 1
Kenny, Hon. Colin (Nov. 5/84), 1
LeBlanc, Hon. Roméo, P.C. (Nov. 5/84), 1
Lefebvre, Hon. Thomas-Henri (Nov. 5/84), 1
MacDonald, Hon. Finlay (Jan. 22/85), 416
MacEachen, Hon. Allan Joseph, P.C. (Nov. 5/84), 1
Marchand, Hon. Leonard Stephen, P.C. (Nov. 5/84), 1
Robertson, Brenda M. (Jan. 22/85), 416
Simard, Jean-Maurice (June 26/85), 1128
Turner, Hon. Charles Robert (Nov. 5/84), 1

Senators, resignations
Deschatelets, Hon. Jean-Paul, P.C. (Jan. 21/86), 1832
Sullivan, Hon. Joseph A. (Feb. 18/85), 623

Senators, retirements
Cook, Hon. Eric (July 26/84), 22
Donahoe, Hon. Richard A. (Sept. 27/84), 22

Sexual abuse of children
Badgley committee report, government action, 1671

Sherwood, Hon. Cyril B.
Farm Debt review bill C-117, 2737, 2765
Farm Credit Corporation funds, 2738
Provincial debt review boards, 2738
Felicitations on induction into Dairy Hall of Fame, 1521
Hatfield, Hon. Richard B. P.C., tribute on 25th anniversary of election to New Brunswick legislature, 2665
Simard, Hon. Jean-Maurice, 1129

Simard, Hon. Jean-Maurice (Introduced June 26/85), 1128
Auditor General, report for fiscal year ending Mar. 31/85, 1480
Banking, Trade and Commerce Committee
13th report, financial institutions depositors' compensation, subject matter of Bill C-79, 1808

Simard, Hon. Jean-Maurice —*Cont'd*
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46(g) to consider matter of urgent importance, 1635
Canada's international relations
Final report, "Independence and Internationalism", 2697
Customs tariff bill C-111, 2726, 2770
Duty-free goods from Caribbean, 2726
Obsene material and hate propaganda, 2727
Semiconductor devices and computer parts, 2727
Tariff rate response to private sector needs, 2726
Excise Tax and Excise bill C-80, 2006, 2059, 2066
Broad-based measures, 2007
Closure, 2060
Comprehensive appeal mechanism, 2008
Elimination of automatic indexation of specific taxes, 2007
Energy conservation and prefabricated construction goods tax, 2060
Hatfield, Hon. Richard B., fifteenth anniversary of becoming Premier of New Brunswick, 1449, 1663, 2012
Language equality, 1663
New Brunswick "quiet revolution", 1665
Patriation, 1663
Trust fund establishing financing of French language newspaper, 2013
Income Tax bill C-109, 2557, 2564
Retroactivity, 2558
Scientific Research Tax Credit program, 2557
Transitional relief provisions, 2558
Tax Rebate Discounting bill C-83, 1827
Child Tax Credit, 1828
Freedom of choice, 1828

Sinclair, Hon. Ian
Agriculture
Discussion paper "Tax Issues in Agriculture", government attitude, qu, 608
Wheat, two-price system
Effect on baking industry, qu, 2667
Possible influx of subsidized American bakery products, qu, 2286
Air Canada
Board of directors, replacement of members, qu, 658
Banking
Canadian Commercial Bank
Collapse
Memorandum of Intent, request for further information, qu, 1267
Judgment of Inspector General as to solvency, qu, 1230
Role of independent auditors, qu, 1254
Salvage recommendation, qu, 1285
Canadian Commercial Bank and Northland Bank
Deposit insurance, government policy, qu, 1277
Regulation of banks, qu, 1286
Banking, Trade and Commerce Committee
Finance, restructuring of financial institutions, authority to study discussion paper, 958
Reports
4th, Income Tax Conventions bill S-3, 624
13th, financial institutions depositors' compensation, subject matter of Bill C-79, 1768
18th, customs tariff, subject matter of Bill C-111, 2678
See appendix p. 2695
Budget
Impact on unemployment, qu, 932
Preparation, use of consultant, qu, 1090

Sinclair, Hon. Ian—*Cont'd*
Budget—*Cont'd*
Proposed business transfer tax qu, 2112
Cabinet
Conflict-of-interest guidelines, government policy, qu, 2384, 2405
Canada Development Corporation Reorganization bill C-66, 1545, 1657, 1660 1742
Equity consolidation, 1742
Canada-United States relations
Bank of Nova Scotia, appeal to Supreme Court of United States, qu, 504
Bilateral trade negotiations
Government policy, qu, 1538
Items for negotiation, qu, 2665
Extraterritorial jurisdiction, qu, 648
Prime Minister and President of United States, meeting, agenda, qu, 2130, 2151
Summit meeting in Quebec City, agenda, qu, 648
Trade policy, qu, 648
Competition Tribunal bill C-91, 2580, 2620
Crown corporations
Composition of boards of directors, qu, 672
Disposal, 298
Crown Corporations Dissolution Authorization bill C-60, 1259
de Havilland Aircraft of Canada, Limited
Sale to Boeing Corporation, qu, 1559, 1739
Off-the-record private briefings, job security, qu, 1715, 1854
Economic and social policies, government statements, 370, 388, 1060
Proposed elimination of full indexation of old age security, 1060
Universality, 1060
Economy
Canadian dollar, decline in value, qu, 508, 543, 604, 1939, 2068
Government action, qu, 1969, 2085, 2471
Market intervention, role of Governor of Bank of Canada, government action, 2599
Request for statements of Chairman of Economic Council of Canada and Michael McCracken of Infometrica Ltd., qu, 1970
Interest rates, qu, 2203, 2283
Government policy, qu, 239, 428, 676
National conference, qu, 703, 709, 815
Taxation and unemployment, government policy, qu, 211
United States investment in Canada, qu, 1651
Estimates
Date of tabling, qu, 536
Farm Debt Review bill C-117, 2759
Farm Improvement Loans bill C-56, 1154
Federal-provincial relations
Government of Quebec, attitude to sovereignty, qu, 1502
Finance
Deputy Minister, meetings, government policy, qu, 1498
Recording of ministerial discussions, qu, 223
Financial institutions
Discussion paper, "The Regulation of Canadian Financial Institutions: Proposals for Discussion", qu, 893
Pioneer Trust failure, request for investigation, qu, 926
Takeovers by industrial conglomerates, government policy, qu, 2282
Foreign investment
Effect of Prime Minister's statements, qu, 2151
Government of Canada
Appointments, qu, 694
Remuneration of senior officials and others, qu, 705, 899
Health and Welfare
Fitness of meat for Canadian consumption, qu, 1653, 2039

Sinclair, Hon. Ian—*Cont'd*
Industry
Railways, Winnipeg, Manitoba, Transcona shops and east yards, qu, 954
International terrorism
Seizure of Egyptian aircraft, qu, 1497, 1717
Training sites, qu, 1109
Investment Canada
Foreign investment, terminology, qu, 352
Investment Canada bill C-15, 1024, 1056
Canada's bargaining position, 1027
Foreign investment control over Canadian industries, 1026
Foreign Investment Review Act, 1026
Review of control arising from direct investment, 1026
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to report, 557
National Revenue
Suggested consumption tax, qu, 115
Nomination to Business Hall of Fame, 604
Northern Transportation Company Limited Disposal Authorization bill C-53, 1182
Old age security
De-indexation of pensions
Government monitoring, qu, 1063
Presentation of petitions, 1037
Government policy, qu, 399
Quebec
Provincial election results, qu, 1557
Rules of the Senate
Rule 67(1), motion to amend, 2460
Senate
Adjournment, 523
Business, 383
Social programs
Universality, government policy, 372, 375
Standing Rules and Orders Committee
Register of senators' interests, authority to study related matters, 1726
Statistics Canada
Cancellation of 1986 census, qu, 98, 298, 427
"The Kid Who Couldn't Miss", 2408
Transport
Airport security, qu, 1135
Rail service, government policy, qu, 195

Small businesses loans
Adequate funding, 714
Cost-sharing measures, 713
Difficulty in achieving objectives of bill, 714
Legislation by order in council, 714
Loss-sharing arrangement, 714
Speakers: Senators
Balfour, R. James, 713
Flynn, Jacques, 735
Frith, Royce, 714
Godfrey, John M., 733

Small Businesses Loans bill C-23. 1r, 703; 2r, 713; ref to com, 715; rep without amdt, 733; 3r, 733; r.a., 756

Small craft harbours projects
Humber-Port au Port-St. Barbe, 1194

Smoking prohibition
Chief Medical Officer of England, quote, 2061

Smoking prohibition—*Cont'd*
Cost statistics, 2062
Dewey, Martin, *Smoke in the Workplace,* quote, 2061
Faulty leglislation, 2407, 2415
Harmful effects of passive smoking, 2062
Procedural technicalities, 2413, 2429
Tarnopolsky, Mr. Justice Walter, quote, 2061
Speakers: Senators
Everett, Douglas D., 2406
Flynn, Jacques, 2391, 2511
Frith, Royce, 2511
Godfrey, John M., 2413, 2429, 2510
Haidasz, Stanley, 2061, 2790
MacEachen, Allan J., 2512
Roblin, Duff, 2512
Stewart, John B., 2513

Smoking Prohibition bill S-8. 1r, 2018; 2r, 2061, 2391, 2406, 2413, 2429; m in amdt, Speaker's ruling, 2495; modified m in amdt, 2510; ref to com, 2514

Social Affairs, Science and Technology Committee
Authority for subcommittee to travel, 2039, 2064
Authority to engage services, 1703, 1711, 1730
Authority to meet during Senate sitting, 804, 2029, 2083
Canada Pension Plan and Federal Court, authority to study subject matter of Bill C-116 prior to receipt of legislation, 2598
See appendix p. 2606
Child and Elderly Benefits, authority to examine consultation paper, 481, 503, 512
"Employment Opportunities: Preparing Canadians for a Better Future", authority to study consultation paper, 831, 879, 1409
Family Allowances, 1973, authority to study subject matter of Bill C-70 prior to receipt of legislation, 1516, 1547
Immigration, 1976, authority to study subject matter of Bill C-55 prior to receipt of legislation, 1106, 1516, 1547
Motion withdrawn, 1548
National Film Board, "The Kid Who Couldn't Miss", authority to examine and report, 1221, 1247, 1261, 1269, 1291, 1305, 1315, 1358
Authority to publish and distribute report during adjournment, 2259
Old age security, authority to study subject matter of Bill C-26 prior to receipt of legislation, 965, 999
Pension benefits standards, authority to study subject matter of Bill C-90, prior to receipt of legislation, 2501
Reports
1st, expenses incurred during 2nd Session, 32nd Parliament, 257
See Journals of the Senate
2nd, old age security, rep on subject matter of Bill C-26, 1050
3rd, consultation paper on Child and Elderly Benefits, tabled, 1733
4th, Family Allowances, 1973, subject matter of Bill C-70, 1775, 1784
Children living in poverty, 1785
Need for redistribution, 1786
Penalizing families with children, 1784
5th, Public Pensions Reporting bill C-255, rep without amdt, 2084
6th, Family Allowances, 1973 bill C-70, rep without amdt, 2122
7th, Immigration, 1976 bill C-55, rep without amdt, 2122
8th, National Film Board, "The Kid Who Couldn't Miss", 2261, 2291, 2317, 2330, 2350, 2452, 2473, 2514
Accountability to taxpayer and national interest, 2359
"At arm's length", 2369, 2440

Social Affairs, Science and Technology Committee—*Cont'd*
Reports—*Cont'd*
8th, National Film Board, 'The Kid Who Couldn't Miss'—*Cont'd*
Censorship, 2332, 2408
Character assassination, 1249
Credibility of facts, 1247, 1291
Damage to national image and pride, 2455
Docu-drama, definition, 2408, 2439
"Documentary" misnomer, 1247, 1261, 2321
Global T.V., Peter Trueman, editorial quote, 2320
Historical contentiousness, 1316, 2317, 2351
Legion magazine, editorial quote, 2321
Macleans magazine, Barbara Amiel, quote, 2398
Mandate for creativity, 2330
Minimal research, 2292
National Film Act, 2440
National Film Board, death wish for Canada, 2399
Nielsen, Hon. Erik, quote, 2440
One-sided account, 2293
Producer, Mr. Paul Cowan, personal thesis, 2291, 2350, 2437
Recommendations, 2455
Referred back to committee, 2514
Role of National Film Board, 2368, 2438
9th, Consultation paper on training and document entitled "Employment Opportunities: Preparing Canadians for a Better Future", motion to permit committee to travel, 2363, 2397
Motion withdrawn, 2409
See appendix p. 2378
10th, authority to travel and to engage services to study report *They Served, We Care*, 2651, 2660
See appendix p. 2661
11th, pension benefits standards, subject matter of Bill C-90, 2678
12th, Canada Pension Plan and Federal Court Act, subject matter of Bill C-116, 2678
They Served - We Care, authority to review, 76, 228, 330
See appendix p. 235
Veterans affairs, authority to adjourn from place to place in Canada, 1012, 1300
Veterans Affairs Subcommittee, notice of meeting, 1403

Social justice, 89, 247

Social programs
Universality, government policy, 338, 347, 370, 375, 377, 399, 402, 407, 409, 469, 501

Social security system, 65, 253

"Soil at Risk"
See Agriculture, Fisheries and Forestry Committee
"Herbicide Pricing"

South Africa
See Foreign affairs

Sparrow, Hon. Herbert O.
Agriculture Fisheries and Forestry Committee
Report
"Soil at Risk", authority to print additional copies, 291
"Soil at Risk - Canada's Eroding Future", authority to study impact, 280, 331, 340
See appendix p. 345
National Soil Conservation Week, 778, 892
United Nations award, felicitations, 1010

Speaker of the House of Commons
Commission appointing Hon. John Bosley to office of Speaker of the House of Commons, 3

Speaker of the Senate
Acting
Bélisle, Hon. Rhéal, 463, 534, 592, 811, 921, 951, 1430, 1476, 1950, 2065, 2130, 2765
Lapointe, Hon. Renaude, P.C., 743
Commission appointing Hon. Guy Charbonneau to office of Speaker of the Senate, 1
Pro tempore
Asselin, Hon. Martial, P.C., 73, 96, 207, 279, 316, 332, 370, 396, 481, 504, 519, 528, 542, 604, 655, 769, 789, 865, 881, 892, 908, 929, 941, 1062, 1088, 1102, 1295, 1308, 1321, 1352, 1362, 1371, 1379, 1386, 1398, 1404, 1573, 1704, 1767, 1789, 2016, 2111, 2116, 2147, 2403, 2444, 2463, 2501, 2651, 2665, 2678, 2786
Response to address of His Excellency Yasuhiro Nakasone, Prime Minister of Japan, 1848
Rulings
Banking, Trade and Commerce Committee
Motion to permit televising of committee proceedings, 1467
Budget, impact on senior citizens, point of order, 1051
Parole and Penitentiary bill C-67, 2831
Pioneer Trust Payment Continuation bill C-50, 873
"Youth: A Plan of Action", point of order, 2342
Senate
Clerk Assistant, Richard G. Greene, issuance of commission, 2362
Official report, 1648
Smoking Prohibition bill S-8, motion in amendment, ruling, 2495
Statements
Hébert, Senator Jacques, hunger strike, 2245
Standing joint committee, propriety of Commons referrals, 2223
Youth Committee
2nd report, "Youth: A Plan of Action"
Point of order, 2338, 2342
See Charbonneau, Hon. Guy

Speech from the Throne at Opening of First Session of Thirty-third Parliament, 3
See Address in reply to Speech from the Throne

Sport
Canadian Football League, future, 469
Toronto, proposed domed stadium, government assistance, 449, 712

Sports Pool and Loto Canada winding-up
Calgary Olympics, 1048, 1096
Losses, 1048
Loto Canada, 1097
Medical research, 1048
Provincial commitment, 1099
Sports Pool, 1098
Speakers: Senators
Doody, C. William, 1099
Perrault, Raymond J., 1096
Phillips, Orville H., 1048

Sports Pool and Loto Canada Winding-up bill C-2. 1r, 1035; 2r, 1048, 1096; 3r, 1100; r.a., 1101

Stanbury, Hon. Richard J.
Army Benevolent Fund and related Acts bill C-100, 2253
Hees, Hon. George, 2253
Prisoners of war, 2253
Banking
Loans to aid-receiving countries, alleged restriction, qu, 871, 953, 974
Canada-United States Inter-Parliamentary Group, Twenty-fifth Meeting, Puerto Rico, 113, 225
Energy, defence and multilateral questions, 226
Environmental and multilateral issues, 227
Trade and economic questions, 226
See appendix p. 132
Canada-United States Inter-Parliamentary Group, Twenty-sixth Meeting, Niagara-on-the-Lake, 929, 1327, 1358
Economic and trade questions, 1359
Energy, defence and multilateral questions, 1360
Fisheries, environment and multilateral issues, 1360
See appendix p. 1332
Canada-United States relations
Bilateral trade negotiations, qu, 1391
Investment restrictions, qu, 650
Divorce, Divorce and Corollary Relief, Family Orders and Agreements Enforcement Assistance bills C-46, C-47, and C-48, 1964
Employment Equity bill C-62
Motion re message to House of Commons, 2681
Marriage (prohibited degrees) bill S-2, 1776
Representation, 1985 bill C-74, 1777
Amalgam formula, 1777
Freeze on electoral map, 1778
Timetable, 1778
Transport
St. Lawrence Seaway, Welland Canal blockage, qu, 1393, 1436

Standing joint committees
Appointment of Commons members, 2195
Frequency of meetings and composition, 28, 62

Standing Rules and Orders, Standing Senate Committee
Audio recording and broadcasting proceedings of Senate committees, request to study, 624, 653
Budgetary process, authority to study documents on proposals for improvement, 1467
Message from Commons referred, 2083
Register of senators' interests, motion for consideration, 1552, 1666
Authority to study related matters, 1726
Reports
1st, audio recording and broadcasting of Senate committee proceedings, 892, 918
2nd, invitation to provinces to appear before Senate committees, 929, 956
3rd, Rules of the Senate, suggested amendment, 1168, 1240
4th, Royal Assent ceremony changes, 1448, 1480, 1860, 1873
Background research, 1873
Constitution consideration, 1861
Impact on provincial legislatures, 1861
Motion in amendment, 1860, 1875
See appendix p. 1469
5th, Rules of the Senate, use of male and female genders, 1448, 1568
Use of "sénatrice" and "sénateur", 1570
See appendix p. 1470
6th, government responses to committee reports, 1449, 1571, 1758, 1783

Standing Rules and Orders, Standing Senate Committee—*Cont'd*
Reports—*Cont'd*
6th, government responses to committee reports—*Cont'd*
Proposed rule as in House of Commons requesting government response within 4 months, 1571
Referred back to committee, 1783
Suggested amendment, 1759
See appendix p. 1475
7th, procedural guidelines for financial operation of committees, 2093, 2123, 2234, 2254
Advance budgetary research requirement, 2125
Budgetary restrictions and priorities, 2125
Two-step approach, 2255
See appendix p. 2108
8th, Rule 77(7), motion to amend to prohibit smoking at committee meetings, 2381
9th, Rule 67(1), motion to amend, 2411, 2433
Method of substitution of members on joint committees, 2434
Procedure on reporting of Interparliamentary delegations, 2433
Standing Joint Committee on Official Languages, name change, 2434
Standing Joint Committee on Parliament, 2433
Standing Joint Committee on Regulations and other Statutory Instruments, 2434
Striking Committee in the House of Commons, 2434
See appendix p. 2424
10th, Register of Senators' Interests, 2425, 2455
11th, Membership of cabinet ministers on Senate committees, 2463, 2575, 2602
12th, Government response to committee reports, 2768
Time limit for government response to reports of Senate committees, request for consideration, 1364

Statistics Canada
1986 census
Cancellation, 98, 99, 237, 298, 427
Restoration, 425, 679

Status of Women
Affirmative action legislation, government policy, 1950
Armed forces personnel, restriction of spouses' activities, government policy, 1379, 1906, 2134
Association of spouses of military members, status of government grant, 2134
Broadcasting task force, remuneration of women members, 1224, 1325
Economic equality, government policy, 1558, 1852
Equal pay for work of equal value, government policy, qu, 213, 428, 472
Government delay, 2002
Funding of groups, government policy, 1654
Persons Awards 1985, 1403
Role in Canadian Armed Forces, 2086
Senior government appointments
Bird, Hon. Florence, 805, 833, 936, 954
Franklin, Dr. Ursula, 791, 806, 900
Replacement of female appointees, 789, 811, 867, 881, 938, 955, 1237

Statute Law (Canadian Charter of Rights and Freedoms)
Canadian Human Rights Act, 1117
Canadian Shipping Act, 1118
Discussion paper on equality rights, 1116
Examination of bills and regulations, 1118
Fisheries Act, 1118
Indian Act, 1116

Statute Law (Canadian Charter of Rights and Freedoms)—*Cont'd*
National Defence Act, 1117
Search and seizure provisions, 1116
Speakers: Senators
Frith, Royce, 1118
Nurgitz, Nathan, 1116

Statute Law (Canadian Charter of Rights and Freedoms) bill C-27. 1r, 1102; 2r, 1116; 3r, 1143; r.a., 1217

Steuart, Hon. D.G.
Agriculture
Western Canada, drought conditions
Government programs, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1460
Agriculture, Fisheries and Forestry Committee
"Soil at Risk - Canada's Eroding Future", authority to study impact, 344, 404
Banking
Canadian Commercial Bank, collapse, qu, 1229
Cabinet, access to information, 306
Canada-United States relations
Trade
Imposition of U.S. and Canadian tariffs, mitigation of harmful effects, government policy and programs, qu, 2562, 2567, 2702, 2703
Consumer and Corporate Affairs
Sale of canned tuna unfit for human consumption
Responsibility of processor's parent company, government policy, 1381
Douglas, Hon. T.C., P.C., the late, tribute, 2079
Energy
Petroleum Incentive Program, reduction in grants, qu, 59, 301
Financial institutions
Pioneer Trust failure, request for investigation, qu, 894, 925, 1022
Freshwater Fish Marketing bill C-5, 386
Indian Act
Status of women, removal of discriminatory provisions, qu, 262
Inuit
Status, government policy, qu, 263
Investment Canada
United Auto Workers Union, proposed independence of Canadian section, qu, 317
Northern Transportation Company Limited Disposal Authority bill C-53, 1182
Pioneer Trust Payment Continuation bill C-50, 861, 878, 882
Government of Saskatchewan, 861
Operations of company, 861
The Fifth Estate, 882
Public Works
Prince Albert, Saskatchewan, awarding of contract for federal building, qu, 2388
Rules of the Senate
Rule 67(1), motion to amend, 2459
Seeds and Canada Grain bill C-64, 1546
Strategic Defense Initiative, 1263
Status of study, qu, 1267, 1520
"The Kid Who Couldn't Miss", 2367
Transport
Freight rates, western grain, qu, 192
Transport and Communications Committee
Car rental outlets at airports, authority to study policy, 413
Western Grain Transportation bill C-44, 1209
Method of paying annual freight assistance, 1210
Removal of volume cap, 1209
Senior Grain Transportation Committee, 1210

Strategic Defense Initiative—*Cont'd*
Speakers: Senators
Gigantès, Philippe Deane, 1262
Godfrey, John M., 1282
Hicks, Henry D., 1270
Steuart, D.G., 1263

Sullivan, Hon. Joseph A. (Resigned Feb. 18/85)
Tributes on resignation, 623

Summit meetings
Suggested return to former format, 856

Supplementary fiscal equalization payments,1982-87
Alberta, 1122
Calculating the average, 1122
Floor provisions, 1121
Government financial and fiscal priorities, 1123
Ontario, 1122
Transition provision, 1122
Speakers: Senators
Kelly, William, 1121
Kirby, Michael, 1122

Supplementary Fiscal Equalization Payments, 1982-87 bill C-39. 1r, 1102; 2r, 1121; 3r, 1143; r.a., 1217

Supply and Services "How Canadians Govern Themselves", unavailability of booklet, 2002, 2222
Poll, awarding of contract, 1433, 1521, 1560, 1739, 2096
Publications, request for removal of permission fee, 2002
University of Hawaii, contract for survey research, 1437

Sydney Steel Corporation, 199, 1235

Symbolic apple, 339

"Tax Issues in Agriculture"
See Agriculture, Fisheries and Forestry Committee

Tax rebate discounting
Child Tax Credit, 1828
Freedom of choice, 1830
Speakers : Senators
Lucier, Paul, 1828
Simard, Jean-Maurice, 1827

Tax Rebate Discounting bill C-83. 1r, 1827; 2r, 1827; 3r, 1830; r.a., 1831

Technological development and employment
Ministerial conference report, 1281

Technological revolution, 86

Terrorism
Tokyo Summit statement, government policy re Libyan nationals, 2425, 2554

Terrorism, motion for appointment of Special Senate Committee, 2363, 2421, 2520, 2539
Speakers: Senators
Frith, Royce, 2520

Terrorism, —*Cont'd*
Speakers: Senators—*Cont'd*
Kelly, William M., 2421
Phillips, Orville H., 2539

Thanksgiving
Cross-Canada aid to distressed Saskatchewan farmers, 1383

The Economy and the Budget, 1106, 1188
Atlantic region economy, 1192
Capital gains, 1191
Closure of heavy water plants, 1192
Deficit, 1190
Equity, 1191
Increasing economic activity, 1189
Long term prospects, 1193
Pensions, 1189
Unemployment, 1189
United States, 1190
Speakers: Senators
Gigantès, Philippe Deane, 1188
Graham, B. Alasdair, 1191

"The Kid Who Couldn't Miss", 1221, 1247, 1261, 1269, 1291, 1305, 1315, 1358, 2261, 2291, 2317, 2330, 2350, 2367, 2398, 2408, 2437, 2452, 2473, 2514
Accountability to taxpayer and to national interest, 1306, 2359, 2408
"At arm's length", 2369, 2440
Censorship, 2332, 2408, 2517
Character assassination, 1249, 2474
Cowan, Paul, producer, personal thesis, 2291, 2350, 2437, 2453
Credibility of facts, 1247, 1291, 2453
Damage to National image and pride, 2455
Defamatory libel, 2474
Disclaimer, 2519
Docu-drama, definition, 2408, 2439
"Documentary", misnomer, 1247, 1261, 2321
Global T.V., Peter Trueman, editorial quote, 2320
Historical contentiousness, 1316, 2317, 2351
Legion magazine, editorial quote, 2321
Macleans magazine, Barbara Amiel, quote, 2398
Mandate for creativity, 2330
Minimal research, 2292, 2454
Motion to refer back to committee, 2455, 2514
National Film Act, 2440
National Film board, death wish for Canada, 2399
Nielsen, Hon. Eric, quote, 2440
One-sided account, 2293
Recommendations, 2455
Role of National Film Board, 2368, 2438, 2475
The Years of the Sky King, A. Whitehouse, quote, 2475
Speakers : Senators
Bonnell, M. Lorne, 2518
Everett, Douglas D., 2291
Flynn Jacques, 2475
Frith, Royce, 1261, 2515
Gigantès, Philippe Deane, 1269
Godfrey, John M., 1305
Hicks, Henry D., 2398
Lang, Daniel A., 2473
Le Moyne, Jean, 2330
Marshall, Jack, 1291, 2317
McElman, Charles, 2437
Molson, Hartland de M., 1247, 2452
Perrault, Raymond J., 1249, 2350

Steuart, Hon. D.G.—*Cont'd*
Youth Committee
Appointment, 311

Stewart, Hon. John B.
Appropriation No. 2, 1985-86 bill C-54, 1074, 1094
Post-secondary education, 1075
Urgency of passage, qu, 1066, 1091
Borrowing Authority, 1986-87 bill C-99, 2290, 2317
Budget
Atlantic provinces, impact of measures, qu, 986
Date of presentation, qu, 509, 677
Impact of measures, qu, 1016
Budget, impact on senior citizens, 995, 1087
Cabinet
Leader of the Government in the Senate, responsibilities, qu, 213
Canada Development Corporation Reorganization bill C-66, 1742
Definition of "associate", 1742
Canada-United States relations
Bilateral trade negotiations, qu, 1389, 1521
Summit meeting in Quebec City, absence of Governor General, qu, 674
Trade
Imposition of U.S. and Canadian tariffs, mitigation of harmful effects, government policy and programs, 2563
Cape Breton Development Corporation
Appointment of president, qu, 726
Consumer and Corporate Affairs
Patent Office closing, qu, 954, 975
Customs Tariff bill C-38, 764
Material of a treasonable or seditious character, 764
Economic Development
Nova Scotia
Cape Breton Advisory Committee report, request for copies, qu, 1289
Education
Post-secondary
Availability of report, qu, 529, 814
Government assistance, qu, 258, 284, 430
Ministerial meetings, qu, 529
Estimates
Date of tabling, qu, 524
Federal-Provincial Fiscal Arrangements, Federal Post-Secondary Education, Health Contributions, 1977 bill C-96, 2685, 2712, 2767
Cash transfer payments reductions, 2714
Financial Institutions Depositors Compensation bill C-79, 1816
"High risk" investments, 1817
Money market, 1817
Fisheries and Oceans
Decision of minister re licence, qu, 1171, 1238
Request for answer, 1236
Sale of canned tuna unfit for human consumption, suggested public inquiry, qu, 1384
Fisheries bill C-32, 1152
Foreign affairs
Philippines presidential election, attitude of Canadian government, qu, 2067
House of Commons bill C-63, 1214
International terrorism
Seizure of Egyptian aircraft, qu, 1498
Investment Canada bill C-15, 1057
Meat Inspection bill C-33, 917, 922
Features of bill, 917
Meat inspection legend, 918
Registered establishments, 917

Stewart, Hon. John B.—*Cont'd*
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to report, 564
Reports
6th, estimates year ending Mar. 31/86, supplementary (A), 1002
17th, federal-provincial fiscal arrangements, subject matter of Bill C-96, 2657
National Revenue
Tax evasion and avoidance, qu, 711
Parliament
Caucus rooms, electronic eavesdropping, apology by Deputy Prime Minister, qu, 1942
Reform of the Senate, 626
Representation, 1985 bill C-74, 1779, 2040, 2073
Amalgam formula, 1795
Fifteen per cent rule, 1794
Hnatyshyn formula, 2043
Impact on smaller provinces, 2040
Lack of consideration for Senate amendments, 2043
Representation by population, 2043
Suggested amendments to Constitution formula, 2042
Senate
Business, qu, 2788
Committees, authority to invite provincial representations, 799
Prime Minister, comments, qu, 406
Question Period
Government approach, qu, 354
Request for answers, 1173
Smoking Prohibition bill S-8, modified motion in amendment, 2513
Standing Rules and Orders Committee
4th report, Royal Assent ceremony changes, 1482
Unemployment
Armed forces, suggested recruitment, qu, 426, 448
Strategic defence research, Canadian participation, government policy, qu, 705

Stollery, Hon. Peter A.
Aeronautics bill C-36, 1120
Regulatory powers, 1120
Broadcasting
Threatened jamming of U.S. radio station by Cuba, possible interference with radio station CFRB, Toronto, qu, 945, 1023
Budget
Timing of implementation of budgetary measures, qu, 1020
Canada-United States relations
Bilateral trade negotiations, qu, 1390
International terrorism
Seizure of Egyptian aircraft, qu, 1498
Senate
Question Period, government approach, qu, 354
Toronto Harbour Commissioners', 1985 bill C-76, 2011

Strategic Defense Initiative, 1221, 1262, 1270, 1282
Altenburg, General Wolfgang, Chairman, Joint Chiefs of Staff, Federal Armed Forces of Germany, quote, 1283
Deterrence, 1282
First strike, 1262
Potential accident, 1263
Russian research on weapons in outer space, 1264
Scientific and technical spin-off, 1270
Star Wars umbrella, 1262, 1270
Status of study, 1267, 1520

'The Kid Who Couldn't Miss'—*Cont'd*
Speakers : Senators—*Cont'd*
Robichaud, Louis-J., 1316
Sinclair, Ian, 2408
Steuart, D.G., 2367
See Social Affairs, Science and Technology Committee
National Film Board

Thériault, Hon. L. Norbert
Banking
Canadian Commercial Bank, government assistance, qu, 705
Canada Post Corporation
Replacement of board members, qu, 2569
Canada-United States relations
Bilateral trade negotiations
Fisheries, imposition of U.S. tariff, government attitude, qu, 2386
Remuneration of Canadian negotiator, qu, 1852
Georges Bank, World Court judgment, qu, 298
Summit meeting in Quebec City
Declaration on international security, effect on employment in Atlantic provinces, qu, 678, 1023
Trade
Imposition of U.S. and Canadian tariffs, mitigation of harmful effects, government policy and programs, 2567
Canadian Broadcasting Corporation
Rumoured sale, qu, 299
Consumer and Corporate Affairs
Sale of canned tuna unfit for human consumption, labour union action at processing plant, qu, 1382
de Havilland Aircraft of Canada Limited
Sale to Boeing Corporation, tabling of memorandum of agreement, qu, 1654
Economy
National conference, Senate opposition representation, 693
Employment
CN shops, layoffs at Moncton, government policy, qu, 2548
Public service staff reductions, job creation, government policy, qu, 2469
Energy
Gasoline pricing, qu, 2599
Oil pricing, qu, 2121
Family Allowances, 1973 bill C-70, 2026
Transfer payments, 2028
Universality, 2027
Federal-provincial arrangements
Equalization payments, qu, 209
Health and education, effect of reduction in transfer payments, qu, 1558
Federal-Provincial Fiscal Arrangements, Federal Post-Secondary Education, Health Contributions, 1977 bill C-96, 2710, 2766
Effect on Atlantic Canada, 2709
Fisheries and Oceans
Reported fee for access to minister, qu, 1170
Health and Welfare
Health services, universality, government policy, qu, 350, 373, 500
Industry
New Brunswick, closure of Star-Kist plant, government action, qu, 1393
Investment Canada
Foreign investment, government policy, qu, 317
Metric conversion
Government policy, qu, 281

Thériault, Hon. L. Norbert—*Cont'd*
National Defence
New Brunswick, layoff of civilian personnel at Canadian forces bases, qu, 2047
National Finance Committee
17th report, federal-provincial fiscal arrangements, subject matter of Bill C-96, 2660
Official Languages
Department of the Solicitor General, policy, qu, 758
Prime Minister
Criticism of appointments, request for apology, qu, 660
Saltfish bill C-6, 287
Marketing system, 287
Simard, Hon. Jean-Maurice, 1129
Transport
CN Marine and CN Rail, reductions in service, qu, 47, 241
Fate of Moncton CN shops, regional development in Atlantic provinces, 2118
Unemployment
Adjusted statistics, qu, 419
Unemployment insurance
Benefits, proposed cutbacks, qu, 96
Youth Committee
Appointment, 311

"They Served. We Care"
See Social Affairs, Science and Technology Committee

Thirteenth Baltic Evening
Announcement, 620

Thompson, Hon. Andrew
Canada-United States Inter-Parliamentary Group, Twenty-fifth Meeting, Puerto Rico, 227
Foreign affairs
Burkina-Faso, closing of Canadian diplomatic post, qu, 57
Organization of American States, government policy, qu, 60, 301
Indian affairs
Adoption of Indian children, qu, 742
National Parole Board
Federal Court decision, qu, 223, 301
Senate
Office of Leader of the Government, qu, 28
Office of Speaker, 326
Transport
Rail transportation of dangerous goods, regulations, qu, 27, 240

Toronto Harbour Commissioners', 1985
Speakers: Senators
MacDonald, Finlay, 1911,
Stollery, Peter A., 2011

Toronto Harbour Commissioners', 1985 bill C-76. 1r, 1881; 2r, 1911, 1948, 2011; ref to com, 2012; rep without amdt, 2093; 3r, 2112; r.a., 2258

Toronto harbourfront
Public access, 868, 1023

Trade
Imports from Third World countries, government attitude, 836
See Canada-United States relations

Transport
Airport car rental service, 261
Parking, 322, 499
Airport security
Remuneration of guards, 2446
Testing of guards, 2446, 2600
Airport tax, reported restructuring, 1111, 1434
Atlantic provinces, freight rate increases, 499, 680
Canadian airports, security, 1108, 1113, 1135, 1325, 1433
CN Marine and CN Rail, reductions in service, 47, 241
CN Marine, increase in ferry rates, 2094
CN Rail
Prince Edward Island equipment department staff reductions, 2174
Reductions in service in Newfoundland and east of Montreal, 1833
CN Route
Possible sale, government action, 2305, 2390, 2586
CN shops, Moncton layoffs, 2328, 2470
See Employment
Fate of Moncton CN shops, regional development in Atlantic provinces, 2118
Freight rates, western grain, 192
Mirabel Airport, government policy, 706
Northumberland Strait ferry, delay in commencement of 1986 season, 2037, 2554
Ottawa International Airport, proposed change of name, 869
Port of Churchill, Manitoba
Continued operation, 1431
Grain car access, 869
Grain shipments to U.S.S.R. and availability of hopper cars, 1067, 1324
Prince Edward Island, proposed tunnel or causeway to mainland, 2095
Rail service, government policy, 195
Rail transportation of dangerous goods, regulations, 27, 240
Railways, shortfall in CN and CP expenditures on expansion, 1973
St. Lawrence Seaway, Welland Canal blockage, 1393, 1436
Task force report, elimination of Prince Edward Island ferry service, 2174
Transportation of Dangerous Goods Regulations, 840
Travel to Ukraine, refund of reservation deposits, request for action, 2581, 2770
Use of government aircraft, 103
VIA Rail, resumption of "Atlantic Limited" service, 724, 726
Western Grain Stabilization Fund, government policy, 260

Transport and Communications, Standing Senate Committee
Bell Canada reorganization, subject matter of Bill C-19, authority to study prior to receipt of legislation, 2678
Canada shipping and related statues, authority to study subject matter of Bill C-75 prior to receipt of legislation, 2149
Car rental outlets at airports, authority to study policy, 316, 412, 485, 495, 1330
Northern Transportation Company Limited, authority to examine subject matter of Bill C-53 prior to receipt of legislation, 1089
Reports
1st, expenses incurred during 2nd Session, 32nd Parliament, 296
See Journals of the Senate
2nd, aeronautics, subject matter of Bill C-36, 1089
3rd, western grain transportation, subject matter of Bill C-44, 1069
4th, Transportation of Dangerous Goods Regulations, subject matter, 1168, 1577
See appendix p. 1218

Transport and Communications, Standing Senate Committee—*Cont'd*
Reports—*Cont'd*
5th, Northern Transportation Company Limited, subject matter of Bill C-53, 1168
6th, Transportation of Dangerous Goods Regulations, subject matter, 2045, 2441
7th, Toronto Harbour Commissioners' 1985 bill C-76, rep without amdt, 2093
Transportation of Dangerous Goods Regulations, authority to study, 519
Western grain transportation, authority to examine subject matter of Bill C-44, 1062

Transportation of Dangerous Goods Regulations, 519, 840, 1168, 1577, 2045
See appendix p. 1218

Tremblay, Hon. Arthur
Address in reply to Speech from the Throne, 19
Canada Pension Plan, Federal Court bill C-116, 2729, 2770
Children's benefits, 2729
Disability benefits, 2729
Harmonization with Quebec Pension Plan, 2730
Increased contribution rates, 2729
Survivor benefits, 2729
Family Allowances, 1973 bill C-70, 1855, 1892, 2028, 2134, 2178
Child tax credit, 2179
History of previous amendments, 1857
Impact of proposed amendments, 1859
Universality, 2028
See appendices p. 1879, 1901, 1902
Parole and Penitentiary bill C-67, 2827, 2832
Social Affairs, Science and Technology Committee
Authority to meet while Senate is sitting, 2083
Consultation Paper on Child and Elderly Benefits, authority to examine and report, 481, 503, 513
National Film Board, "The Kid Who Couldn't Miss", authority to examine, 1249
Authority to publish and distribute report during adjournment, 2259
Reports
1st, expenses incurred during 2nd Session, 32nd Parliament, 257
See Journals of the Senate
3rd, consultation paper on Child and Elderly Benefits, tabled, 1733
4th, Family Allowances, 1973, subject matter of Bill C-70, 1775, 1784
5th, Public Pensions Reporting bill C-255, 2084
6th, Family Allowances, 1973 bill C-70, rep without amdt, 2122
7th, Immigration, 1976 bill C-55, rep without amdt, 2122
8th, National Film Board, "The Kid Who Couldn't Miss", 2261, 2291
9th, Consultation paper on training and document entitled "Employment Opportunities Preparing Canadians for a Better Future, 2363, 2397
Motion withdrawn, 2409
See appendix p. 2378
10th, authority to travel and to engage services to study report *They Served, We Care,* 2651
See appendix p. 2661
11th, pension benefits standards, subject matter of Bill C-90, 2678
12th, Canada Pension Plan, Federal Court Act, subject matter of Bill C-116, 2678

Tremblay, Hon. Arthur—*Cont'd*
Standing Rules and Orders Committee
3rd report, Rules of the Senate, suggested amendment, 1242

Tributes
Adams, Rt. Hon. John, the late, 623
Beaubien, Hon. Louis-Philippe, the late, 731
Benidickson, Hon. William Moore, P.C., the late, 416
Bourassa, Paul, tribute on completion of term as page, 843
Chernenko, Konstantin, the late, 622
Cook, Hon. Eric, 22
Denis, Hon. Azellus, P.C., fiftieth anniversary of election to Parliament, 1371
Deschatelets, Hon. Jean-Paul, P.C., tribute on resignation from the Senate, 1832
Donahoe, Hon. Richard A., 22
Douglas, Hon. T.C., P.C., the late, 2078
Fraser, Hon. John, resignation, 1265, 1267
Hatfield, Hon. Richard B. P.C., on twenty-fifth anniversary of election to New Brunswick legislature, 2665
Hollet, Hon. Malcolm Mercer, the late, 1321
Inman, Hon. Florence Elsie, the late, 2526
Lemay, Carole, completion of term as page, 778
Malone, Richard Sankey, the late, 1102
Missen, Senator Alan, the late, of Commonwealth of Australia, 2326
Riley, Hon. Daniel A., the late, 22
Roblin, Hon. Duff P.C., on retirement as Leader of the Government in the Senate, 2786
Sullivan, Hon. Joseph A., 623
Yuzyk, Hon. Paul, the late, 2834

Trudeau, Rt. Hon. Pierre Elliott, P.C., record of administration, 1221, 1401
Economy, 1401
Employment, 1402
Inflation, 1402
Westell, Prof. Anthony, Carleton University, quote, 1402
Speaker: Senator
Gigantès, Philippe Deane, 1401

Turner, Hon. Charles Robert (Introduced in the Senate Nov. 5/84), 1
Banking
Canadian Commercial Bank, collapse
Protection of pension funds, qu, 1280
Canada's cultural industries
Crisis in publishing industry, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1637
Canadian talent, 1638
Canadian Commercial Bank Financial Assistance bill C-37, 754
Employment
London, Ontario, status of CN computer express terminal, qu, 2554, 2702
Family Allowances, 1973 bill C-70, 1956
Adequacy of existing benefits, 1963
"Child and Elderly Benefits" consultation paper, 1961
Evolution of social security net, 1957
Universality, 1963
Financial Institutions Depositors Compensation bill C-79, 1815
Deposit insurance limit, 1816
Estey Commission, 1816
House of Commons
Placement of former members' staffs, qu, 408
House of Commons bill C-63, 1214
Industry
St. Thomas, Ontario, foundry, possible closing, qu, 2307

Turner, Hon. Charles Robert—*Cont'd*
Parliamentary Employment and Staff Relations bill C-45, 2783
Public Service
Alleged requirement for ministerial approval of job applications, qu, 224

Ukraine
Nuclear disaster, effects of radiation, 2366, 2537
Government advice to Canadian travellers, 2427
Government knowledge and action, 2385, 2387
Health and safety of Canadian nationals, 2385
Sixty-seventh anniversary of proclamation of independence, 434
Sixty-eighth anniversary of proclamation of independence, 1849

Unemployment, 30, 49, 86, 198, 252
Adjusted statistics, 419
Armed forces, suggested recruitment, 426, 448
Strategic defence research, Canadian participation, government policy, 705
Withdrawal of benefits of armed forces pensioners, 2468

Unemployment insurance
Benefits, proposed cutbacks, 96
Petition against calculation of severance pay as income, 708
Withdrawal of benefits of armed forces pensioners, 2468

Unemployment insurance, 1971 (Bill C-52)
Abuses, 947
Proposed special committee, 947
Seasonality, 949
Special review committee, 947
Variable entrance requirement, 946
Speakers: Senators
Everett, Douglas D., 947
Leblanc, Roméo, 949
Macdonald, John M., 947
Muir, Robert, 948

Unemployment Insurance, 1971 bill C-52. 1r, 929; 2r, 946; 3r, 948; r.a., 950

Unemployment, method of combatting, 657, 698
Speakers: Senators
Doody, C. William, 700
Frith, Royce, 701
Gigantès, Philippe Deane, 698
Godfrey, John M., 700

UNESCO
Canada's participation, 1656
General conference, Sofia, Bulgaria, composition of Canadian delegations, 1375

Union of Soviet Socialist Republics
Chernenko, Konstantin, the late, 622
Government representation at funeral, 677

United Nations
De Cuellar, His Excellency Javier Perez, Secretary-General, address to members of both houses, 624
See appendix p. 640
Food and Agriculture Organization, cancellation of appointment of Hon. Eugene Whelan, P.C., 479, 636

United Nations—*Cont'd*
Government policy, 605
Ratification of international convention against taking of hostages, 652
World Conference on Women, Canadian delegation, breakdown by sex, 1407

United Nations Foreign Arbitral Awards Convention, 2449
Speakers: Senators
Frith, Royce, 2450
Phillips, Orville H., 2449

United Nations Foreign Arbitral Awards Convention bill C-107. 1r, 2444; 2r, 2449; 3r, 2461; r.a., 2623

United States
See Canada-United States relations
Economic Summit
Foreign affairs

United Way Campaign 1985, 1361

University of Toronto
Mock parliament election results, 479

Universality of social programs, 108, 253

van Roggen, Hon. George
Canada-United States relations
Bilateral trade negotiations, qu, 1391
United States undertakings, government position, qu, 2282
Summit meeting in Quebec City, absence of Governor General, qu, 657, 669
Fisheries and Oceans
Resignation of minister, tribute, 1267
Foreign affairs
Green paper on competitiveness and security, qu, 909
Foreign Affairs Committee
International financial system and institutions, Canada's participation
Authority to adjourn to Toronto, New York and Washington D.C. to study, 2195
Authority to study, 1406
Report
2nd, Canada's relations with countries of Middle East and North Africa, 1131, 1412
See appendix p. 1159
Human rights
Meeting of experts, desirability of Senate participation, 487
Reform of the Senate, 625, 633
Royal visit
State dinner, Vancouver, composition of guest list, qu, 2427
Senate
Business, 620
Social Affairs, Science and Technology Committee
National Film Board, "The Kid Who Couldn't Miss", authority to examine, 1270
Transport
Ottawa International Airport, proposed name change, qu, 870

Veterans Affairs
Aging Veterans Program applications, 1407
They Served - We Care
See Social Affairs, Science and Technology, Standing Senate Committee

Visitors
Argentina, Pulit, His Excellency the Hon. Francesco Jose, Ambassador, and delegation, 2197, 2495
Barbados, Hon. Billie Miller, Minister of Education, 1948
Berntson, Hon. Eric, Deputy Premier of Saskatchewan, 416
China, Peoples' Republic, delegation, 1220
France, Senator Etienne Dailly, Vice-President of the Senate, 1964
Hungary, Nagy, His Excellency Lajos, Ambassador, 2581
India, General Malhortra, Director General of National Cadet Corps, 497
Indonesia, Djalal, His Excellency Hasjim, Ambassador, 1430
Katimavik participants, 316
Korea, members of Committee on Economics and Science of National Assembly, 2065
Manitoba, Clerk of Legislative Assembly and parliamentary interns, 1999
People's Republic of China, delegation, 1220
Prince Edward Island, Legislative Assembly Members, 1496
Quebec National Assembly, parliamentary interns, 504
Rwanda, Republic, Ambassador and Minister of Youth, 2559
Sheiner, Dr. and Mrs. Nathan and Dr. and Mrs. Morrie Gelfand, 831
Wells, Robert, Q.C., President of Canadian Bar Association, 2307
Yukon, Dr. Don Brannigan, Mayor of Whitehorse, 2507

Votes
National Film Board, "The Kid Who Couldn't Miss", motion to refer back to committee, 2520
National Finance Committee
Borrowing Authority, 1984-85 (No. 2) bill C-11
Instruction to report, 588, 602
Parole and Penitentiary bill C-67, motion in amendment, 2832
Senate
Orders and Customs of the Senate and Privileges of Parliament
Motion to constitute immediately in Committee of the Whole, 2242
Youth Committee, 312

Walker, Hon. David, P.C.
Cabinet, access to information, 289
Canadian Wheat Board
Alleged absence of minister from advisory committee meetings, 1172
Foreign affairs
Green paper on competitiveness and security, 913
Health and Welfare
Palliative care, use of heroin, government policy, 259
Industry
Canadian Porcelain Company, offer to purchase by employee co-operative, government attitude, qu, 989
Libya
United States air strike
Consultations between Canada and United States and between Canada and western allies, 2347
Public Works and Public Land Grants bill C-13, 357
Trudeau, Rt. Hon. Pierre Elliott, P.C., record of administration, 1401
Western Grain Transportation bill C-44, 1211

Wallenberg, Raoul
Conferral of honorary Canadian citizenship
Notification of U.S.S.R., 1717, 1987, 2103
Request for answers, 1926

Wallenberg, Raoul, resolution approving conferral of honorary Canadian citizenship
History, 1678
Inspiration and symbol, 1679
International Human Rights Day, 1678
Motion, 1677
Proposal, message from Commons, 1668
Speakers: Senators
Macquarrie, Heath, 1668
Marsden, Lorna, 1679
Nurgitz, Nathan, 1678
See Senate, business

Watt, Hon. Charlie
Agriculture, Fisheries and Forestry Committee
Fish marketing in Canada, authority to study, 492
Grassy Narrows and Islington Indian Bands Mercury Pollution Claims Settlement bill C-110, 2509
Unknown future consequences, 2509
Indian bill C-31, 1136
Discrimination, 1136
Enfranchisement, 1137
Inuit
Status, government policy, qu, 262, 411

Welfare
Adequacy of payments, 191, 410, 412

Wells, Robert Q.C., President of Canadian Bar Association, visit, 2307

Western grain stabilization
Agricultural Stabilization Act, 614
Canadian Wheat Board, 613
Department of Finance, 613
Dwarf wheat, 613
Early payments, 590, 613
Farm financing, 590
Purpose of plan, 590
United States, 614
Speakers: Senators
Argue, Hazen, 612
Bielish, Martha P., 590, 614

Western Grain Stabilization bill C-29. 1r, 528; 2r, 590, 612; 3r, 618; r.a., 621

Western grain transportation
Freight rate ceiling, 1209
Method of paying annual freight assistance, 1210
Railway accountability, 1209
Removal of volume cap, 1209
Senior Grain Transportation Committee, 1209
Stability and predictability, 1209
Variable rates, 1212
Speakers: Senators
Argue, Hazen, 1212
Barootes, Efstathios William, 1208
Steuart, D.G., 1209

Western Grain Transportation bill C-44. 1r, 1208; 2r, 1208; 3r, 1212; r.a., 1217

Whips
Chief Government Whip in the Senate, Hon. Orville H. Phillips

Whips—*Cont'd*
Chief Opposition Whip in the Senate, Hon. William J. Petten

Wilson, Hon. Bertha, Puisne Judge of the Supreme Court of Canada
Royal Assent, 777

Wise, Hon. John P.C., Minister of Agriculture
Farm Debt Review bill C-117, 2750

Women's Institute, 202

Wood, Hon. Dalia
Foreign affairs
Canadian parliamentary delegation, visit to Federal Republic of Germany, 965, 1157
Official Languages Policy and Programs Committee
Quorum, 463
Reports
1st, authority to adjourn from place to place in Canada, 1008
2nd, annual reports of Commissioner of Official Languages, 1134
See appendix p. 1163
3rd, authority to adjourn from place to place in Canada, 1284
Status of Women
Senior government appointments
Bird, Hon. Florence, qu, 805, 936
Transport
Airport security, qu, 1135

World Cup soccer, congratulations to television sponsor and networks, 2679

World peace, 201

World War II
D-Day, 41st anniversary of invasion of Europe by allied forces, 964
40th anniversary of cessation of hostilities in Europe, 865
40th anniversary of surrender of German forces, 842, 973

Young offenders, Criminal Code, penitentiary, prisons and reformatories
Custody provisions, 2673
Acceptance of evidence of disturbed children, 2688
Prohibition of reporting of proceedings, 2688
Police power to arrest, 2673
Streamlined "review" process, 2673
Speakers: Senators
Lewis, P. Derek, 2687
Robertson, Brenda M., 2672

Young Offenders, Criminal Code, Penitentiary, Prisons and Reformatories bill C-106, 1r, 2651; 2r, 2672, 2687; 3r, 2705; r.a., 2783

Youth
Cancellation of programs, government policy, 1921, 1923
Government assistance, 2116
Government policy, 2162, 2216, 2221
Katimavik, abolition, motion to adjourn under rule 46(g) to consider matter of urgent public importance, 1918
Motion withdrawn, 1920
Katimavik, cancellation of program
Announcement of new program, 2202

Youth—*Cont'd*
Katimavik, cancellation of program—*Cont'd*
Government knowledge of contents of Special Senate Committee report before tabling, 2205
Government policy, 1921, 1942, 2131
Report of Special Senate Committee
Government policy, 2116
Government response, 2493

"Youth: A Plan of Action",
Alcoholism, 2371
Apprenticeship programs, 2166, 2335, 2370
Assessment of implications of recommendations, 2689
Changing family structure, 2590
Community responsibility, 2168
Concerns, 2165
Co-operative Career Work Association of Canada, 2233
Co-operative education, 2233, 2335, 2591
Dropouts, 2295
Education and training, 2334
Education and unemployment, 2590
Educational system reform, 2232
Employment and unemployment, 2166
Foreign students, 2233
Funding, 2693
Jurisdictional co-ordination, 2232
Illiteracy, 2258, 2294, 2370, 2400
Inability of education system to challenge development of initiative, 2295
Katimavik, 2167, 2691, 2693
Katimavik, self-analyses, 2691
Learning disabilities, 2401
Literacy skills, 2232
Little supporting documentation, 2333
"Lost generation", 2165
Macdonald royal commission, 2335
National task force on co-ordination of educational qualifications, 2402
National Training Act, 2336
Native youth, 2165, 2296, 2690
1978 Tax Credit program, reinstatement, 2335
Point of order, 2336, 2341
Poorly designated areas of action, 2690
Robinson, Prof, John B., research, 2333
Senate committee on native issues, 2691
Transition from school to work, 2591
Teacher assessment, 2591

"Youth: A Plan of Action",—*Cont'd*
Unemployment insurance, 2167
Voiceless generation, 2257
Work sharing, 2167
Young Canadians' Community Service Program, 2167, 2232
Youth action councils, 2168
Youth unemployment, national disaster, 2148
Speakers : Senators
Adams, Willie, 2693
Corbin, Eymard G., 2620
David, Paul, 2590
Fairbairn, Joyce, 2256, 2259, 2294
Frith, Royce, 2341, 2692
Gigantès, Philippe Deane, 2369, 2692
Hays, Dan, 2399
Hébert, Jacques, 2147
Marsden, Lorna, 2231
Murray, Lowell, 2333
Roblin, Duff, 2688
Yuzyk, Paul, 2164

Youth, Special Senate Committee
Appointment, 96, 204, 310
Authority to meet during Senate sitting, 777, 1467
Authority to publish and distribute report, 1985
Order of reference, amendment, 1169, 1430, 1468
Reports
1st, expenses incurred during 2nd Session, 32nd Parliament, 279
See Journals of the Senate
2nd, "Youth: A Plan of Action", 2045, 2147, 2164, 2231, 2256, 2259, 2294, 2333, 2341, 2369, 2399, 2590, 2620, 2688

Yukon
See visitors

Yuzyk, Hon. Paul (deceased July 9/86)
Address in reply to Speech from the Throne, 105
Human rights, meeting of experts, desirability of Senate participation, 513
Multiculturalism, 106
Tributes, 2834
Ukraine
Sixty-seventh anniversary of the proclamation of independence, 434
Youth Committee
2nd report, "Youth: A Plan of Action", 2164

STATUS OF LEGISLATION
AT PROROGATION
(1st Session, 33rd Parliament)

GOVERNMENT BILLS

(HOUSE OF COMMONS)

BILL C-2

An Act respecting the winding-up of the Canadian Sports Pool Corporation and Loto Canada Inc.

First reading, June 17, 1985. Second and third readings and Royal Assent, June 20. *Chapter 22, 1985.*

BILL C-3

An Act to amend various Acts as a consequence of the reconstitution of the courts in Ontario and Manitoba

First reading, December 13, 1984. Second reading, December 18. Third reading, December 19. Royal Assent, December 20. *Chapter 41, 1984.*

BILL C-4

An Act to amend the Farm Products Marketing Agencies Act

First reading, November 27, 1984. Second reading, November 28. Third reading, November 29. Royal Assent, December 20. *Chapter 42, 1984.*

BILL C-5

An Act to amend the Freshwater Fish Marketing Act

First reading, December 13, 1984. Second reading, December 19. Third reading and Royal Assent, December 20. *Chapter 43, 1984.*

BILL C-6

An Act to amend the Saltfish Act

First reading, December 4, 1984. Second reading, December 11. Third reading, December 12. Royal Assent, December 20. *Chapter 44, 1984.*

BILL C-7

An Act to amend the Income Tax Act and related statutes

First reading, December 4, 1984. Second reading and referral to Banking, Trade and Commerce Committee, December 12. Report from Committee (without amendment); third reading and Royal Assent, December 20. *Chapter 45, 1984.*

BILL C-8

An Act to amend the Petroleum and Gas Revenue Tax Act

First reading, December 18, 1984. Second reading, December 19. Third reading and Royal Assent, December 20. *Chapter 46, 1984.*

BILL C-9

An Act to amend the Customs Act and the Customs Tariff

First reading, December 4, 1984. Second reading and referral to Banking, Trade and Commerce Committee, December 6. Report from Committee (without amendment) and third reading, December 13. Royal Assent, December 20. *Chapter 47, 1984.*

BILL C-10

An Act respecting the interpretation of Canada's international conventions relating to income tax and the Acts implementing such conventions

First reading, December 13, 1984. Second reading, December 18. Third reading, December 19. Royal Assent, December 20. *Chapter 48, 1984.*

BILL C-11

An Act to provide borrowing authority

First reading, January 22, 1985. Second reading and referral to National Finance Committee, January 23. Report from Committee (without amendment); third reading and Royal Assent, February 27. *Chapter 5, 1985.*

BILL C-13

An Act to amend the Public Works Act and the Public Lands Grants Act

First reading, December 18, 1984. Second reading, January 22, 1985. Third reading, January 23. Royal Assent, February 26. *Chapter 1, 1985.*

BILL C-14

An Act to authorize the making of orders relating to the production of records and the giving of information for the purposes of proceedings in foreign tribunals, relating to measures of foreign states or foreign tribunals affecting international trade or commerce and in respect of the recognition and enforcement in Canada of certain foreign judgments obtained in antitrust proceedings

First reading, December 13, 1984. Second reading, December 19. Third reading and Royal Assent, December 20. *Chapter 49, 1984.*

BILL C-15

An Act respecting investment in Canada

(a) Referral of subject-matter of Bill to Banking, Trade and Commerce Committee, March 13, 1985. Report from Committee, May 2.

(b) First reading, June 11. Second reading, June 19. Third reading and Royal Assent, June 20. *Chapter 20, 1985.*

BILL C-16

An Act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1985

First reading, December 11, 1984. Second reading, December 12. Third reading, December 13. Royal Assent, December 20. *Chapter 50, 1984.*

BILL C-17

An Act to amend the Excise Tax Act and the Excise Act

First reading, December 20, 1984. Second reading, January 23, 1985. Third reading, January 24. Royal Assent, February 26. *Chapter 3, 1985.*

BILL C-18

An Act to amend the Criminal Code, to amend an Act to amend the Criminal Code and to amend the Combines Investigation Act, the Customs Act, the Excise Act, the Food and Drugs Act, the Narcotic Control Act, the Parole Act and the Weights and Measures Act, to repeal certain other Acts and to make other consequential amendments

(a) Referral of subject-matter of Bill to Legal and Constitutional Affairs Committee, March 13, 1985

(b) First reading, April 25. Second reading and referral to Legal and Constitutional Affairs Committee, May 2. Report from Committee (without amendment), June 12. Third reading, June 13. Royal Assent, June 20. *Chapter 19, 1985.*

SUBJECT MATTER OF BILL C-19

An Act respecting the reorganization of Bell Canada

Referral of subject-matter of Bill to Transport and Communications Committee, June 25, 1986.

BILL C-21

An Act to amend the Currency Act

First reading, January 22, 1985. Second and third readings, January 23. Royal Assent, February 26. *Chapter 2, 1985.*

BILL C-22

An Act to establish the International Centre for Ocean Development and to amend the Financial Administration Act in relation thereto

First reading, February 18, 1985. Second reading, February 26. Third reading and Royal Assent, February 27. *Chapter 6, 1985.*

BILL C-23

An Act to amend the Small Businesses Loans Act

First and second readings and referral to Banking, Trade and Commerce Committee, March 26, 1985. Report from Committee (without amendment) and third reading, March 28. Royal Assent, March 29. *Chapter 8, 1985.*

BILL C-24

An Act to amend the Oil Substitution and Conservation Act and the Canadian Home Insulation Program Act

(a) Referral of subject-matter of Bill to Energy and Natural Resources Committee, June 12, 1985. Report from Committee, June 19.

(b) First and second readings, June 25. Third reading, June 26. Royal Assent, June 28. *Chapter 25, 1985.*

BILL C-25

An Act to amend the Agricultural Stabilization Act

(a) Referral of subject-matter of Bill to Agriculture, Fisheries and Forestry Committee, June 12, 1985. Report from Committee, June 26.

(b) First, second and third readings, June 27. Royal Assent, June 28. *Chapter 36, 1985.*

BILL C-26

An Act to amend the Old Age Security Act

(a) Referral of subject-matter of Bill to Social Affairs, Science and Technology Committee, June 12, 1985. Report from Committee, June 18.

(b) First reading, June 20. Second reading, June 26. Third reading, June 27. Royal Assent, June 28. *Chapter 30, 1985.*

BILL C-27

An Act to amend certain Acts having regard to the Canadian Charter of Rights and Freedoms

(a) Referral of subject-matter of Bill to Legal and Constitutional Affairs Committee, June 12, 1985. Report from Committee, June 25.

(b) First and second readings, June 25. Third reading, June 26. Royal Assent, June 28. *Chapter 26, 1985.*

BILL C-28

An Act to amend the Pension Act

First reading, February 14, 1985. Second reading, February 19. Third reading, February 20. Royal Assent, February 26. *Chapter 4, 1985.*

BILL C-29

An Act to amend the Western Grain Stabilization Act

First reading, February 18, 1985. Second reading, February 26. Third reading and Royal Assent, February 27. *Chapter 7, 1985.*

BILL C-30

An Act to amend the Bretton Woods Agreements Act and to repeal the International Development Association Act and amend certain other Acts in consequence thereof

First reading, May 9, 1985. Second reading, May 15. Third reading and Royal Assent, May 16. *Chapter 16, 1985.*

BILL C-31

An Act to amend the Indian Act

(a) Referral of subject-matter of Bill to Legal and Constitutional Affairs Committee, March 13, 1985.

(b) First reading, June 13. Second reading and referral to Legal and Constitutional Affairs Committee, June 17. Report from Committee (without amendment), June 25. Third reading, June 26. Royal Assent, June 28. *Chapter 27, 1985.*

BILL C-32

An Act to amend the Fisheries Act

(a) Referral of subject-matter of Bill to Agriculture, Fisheries and Forestry Committee, March 13, 1985.

(b) First reading, June 25. Second reading, June 26. Third reading, June 27. Royal Assent, June 28. *Chapter 31, 1985.*

BILL C-33

An Act respecting the import and export of and interprovincial trade in meat products, the registration of establishments, the inspection of animals and meat products in registered establishments and the standards for those establishments and for animals slaughtered and meat products prepared in those establishments

First reading, May 9, 1985. Second reading and referral to Agriculture, Fisheries and Forestry Committee, May 15. Report from Committee (without amendment); third reading and Royal Assent, May 16. *Chapter 17, 1985.*

BILL C-34

An Act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1985

First and second readings, March 26, 1985. Third reading, March 27. Royal Assent, March 29. *Chapter 10, 1985.*

BILL C-35

An Act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1986

First and second readings, March 26, 1985. Third reading, March 27. Royal Assent, March 29. *Chapter 11, 1985.*

BILL C-36

An Act to amend the Aeronautics Act

(a) Referral of subject-matter of Bill to Transport and Communications Committee, June 12, 1985. Report from Committee, June 20.

(b) First and second readings, June 25. Third reading, June 26. Royal Assent, June 28. *Chapter 28, 1985.*

BILL C-37

An Act respecting the provision of financial assistance to the Canadian Commercial Bank

First and second readings; referral to Committee of the Whole; report from Committee (without amendment); third reading and Royal Assent, March 29, 1985. *Chapter 9, 1985.*

BILL C-38

An Act to amend the Customs Tariff

First reading, April 2, 1985. Second reading; referral to Committee of the Whole; report from Committee (without amendment); third reading and Royal Assent, April 3. *Chapter 12, 1985.*

BILL C-39

An Act to provide for the making of supplementary fiscal equalization payments to certain provinces for the period April 1, 1982 to March 31, 1987

(a) Referral of subject-matter of Bill to National Finance Committee, June 12, 1985. Report from Committee, June 20.

(b) First and second readings, June 25. Third reading, June 26. Royal Assent, June 28. *Chapter 29, 1985.*

BILL C-40

An Act to confirm certain acts or things done on behalf of the Deputy Minister of National Revenue for Customs and Excise and to amend the Customs Act and the Special Import Measures Act

First reading, April 25, 1985. Second reading, April 30. Third reading, May 1. Royal Assent, May 16. *Chapter 14, 1985.*

BILL C-41

An Act to repeal the Prairie Farm Assistance Act and to amend the Crop Insurance Act in consequence thereof

(a) Referral of subject-matter of Bill to Agriculture, Fisheries and Forestry Committee, June 12, 1985.

(b) First reading, June 17. Second reading, June 19. Third reading and Royal Assent, June 20. *Chapter 21, 1985.*

BILL C-43

An Act to dissolve the Crown Assets Disposal Corporation and to amend the Surplus Crown Assets Act and other Acts in consequence thereof

First reading, April 23, 1985. Second reading, April 24. Third reading, April 25. Royal Assent, May 16. *Chapter 13, 1985.*

BILL C-44

An Act to amend the Western Grain Transportation Act

(a) Referral of subject-matter of Bill to Agriculture, Fisheries and Forestry Committee, June 12, 1985. Withdrawn and referred to Transport and Communications Committee, June 19. Report from Committee, June 20.

(b) First, second and third readings, June 27. Royal Assent, June 28. *Chapter 40, 1985.*

BILL C-45

An Act respecting employment and employer and employee relations in the Senate and House of Commons and the Library of Parliament

(a) Referral of subject-matter of Bill to Internal Economy, Budgets and Administration Committee, May 28, 1985.

(b) First and second readings and referral to Legal and Constitutional Affairs Committee, June 26, 1986. Report from Committee (without amendment), third reading and Royal Assent, June 27. *Chapter 41, 1986.*

BILL C-46

An Act to amend the Divorce Act

(a) Referral of subject-matter of Bill to Legal and Constitutional Affairs Committee, June 12, 1985. Report from Committee, November 28.

(b) First reading, January 28, 1986. Second reading and referral to Legal and Constitutional Affairs Committee, February 5. Report from Committee (without amendment), February 6. Third reading, February 11. Royal Assent, February 13. *Chapter 3, 1986.*

BILL C-47

An Act respecting divorce and corollary relief

(a) Referral of subject-matter of Bill to Legal and Constitutional Affairs Committee, June 12, 1985. Report from Committee, November 28.

(b) First reading, January 28, 1986. Second reading and referral to Legal and Constitutional Affairs Committee, February 5. Report from Committee (without amendment), February 6. Third reading, February 11. Royal Assent, February 13. *Chapter 4, 1986.*

BILL C-48

An Act to provide for the release of information that may assist in locating defaulting spouses and other persons and to permit, for the enforcement of support orders and support provisions, the garnishment and attachment of certain moneys payable by Her Majesty in right of Canada

(a) Referral of subject-matter of Bill to Legal and Constitutional Affairs Committee, June 12, 1985. Report from Committee, November 28.

(b) First reading, January 28, 1986. Second reading and referral to Legal and Constitutional Affairs Committee, February 5. Report from Committee (without amendment), February 6. Third reading, February 11. Royal Assent, February 13. *Chapter 5, 1986.*

BILL C-49

An Act to amend the Criminal Code (prostitution)

First reading, November 26, 1985. Second reading and referral to Legal and Constitutional Affairs Committee, December 3. Report from Committee (without amendment), December 18. Third reading, December 19. Royal Assent, December 20. *Chapter 50, 1985.*

BILL C-50

An Act to provide for the continuation of payments under certain guaranteed income averaging certificates issued by the Pioneer Trust Company

First reading, May 7, 1985. Second reading, May 8. Third reading, May 9. Royal Assent, May 16. *Chapter 15, 1985.*

BILL C-51

An Act to provide borrowing authority

(a) Referral of subject-matter of Bill to National Finance Committee, June 12, 1985. Report from Committee, June 20.

(b) First, second and third readings, June 27. Royal Assent, June 28. *Chapter 37, 1985.*

BILL C-52

An Act to amend the Unemployment Insurance Act, 1971

First reading, May 28, 1985. Second and third readings and Royal Assent, May 29. *Chapter 18, 1985.*

BILL C-53

An Act to authorize the disposal of the Northern Transportation Company Limited and the forgiveness of its debt to Her Majesty and to amend other Acts in consequence thereof

(a) Referral of subject-matter of Bill to Transport and Communications Committee, June 20, 1985. Report from Committee, June 27.

(b) First, second and third readings, June 27. Royal Assent, June 28. *Chapter 35, 1985.*

BILL C-54

An Act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1986

First reading, June 17, 1985. Second reading, June 19. Third reading and Royal Assent, June 20. *Chapter 24, 1985.*

BILL C-55

An Act to amend the Immigration Act, 1976

(a) Referral of subject-matter of Bill to Social Affairs, Science and Technology Committee, June 25, 1985.

(b) First reading, March 4, 1986. Second reading and referral to Social Affairs, Science and Technology Committee, March 5. Report from Committee (without amendment), March 11. Third reading, March 19. Royal Assent, March 26. *Chapter 13, 1986.*

BILL C-56

An Act to amend the Farm Improvement Loans Act

First and second readings, June 26, 1985. Third reading, June 27. Royal Assent, June 28. *Chapter 32, 1985.*

BILL C-57

An Act to amend the Fisheries Improvement Loans Act

First and second readings, June 26, 1985. Third reading, June 27. Royal Assent, June 28. *Chapter 33, 1985.*

BILL C-58

An Act to amend the Advance Payments for Crops Act

First, second and third readings, June 27, 1985. Royal Assent, June 28. *Chapter 34, 1985.*

BILL C-59

An Act respecting Customs

First reading, November 7, 1985. Second reading and referral to Banking, Trade and Commerce Committee, December 4. Report from Committee (with three amendments), December 10. Adoption of Report and third reading, with one further amendment, December 12. Message from Commons concurring in amendments, January 28, 1986. Royal Assent, February 13. *Chapter 1, 1986.*

BILL C-60

An Act to authorize procurement of the dissolution of certain Crown corporations and to amend or repeal other Acts in consequence thereof

First reading, September 17, 1985. Second reading, September 19. Third reading, September 24. Royal Assent, October 29. *Chapter 41, 1985.*

BILL C-61

An Act to amend the Judges Act, the Federal Court Act, the Canada Pension Plan and the National Defence Act in relation to judicial matters and to amend An Act to amend the Judges Act and the Federal Court Act in consequence thereof

First, second and third readings, June 27, 1985. Royal Assent, June 28. *Chapter 38, 1985.*

BILL C-62

An Act respecting employment equity

First reading, April 29, 1986. Second reading and referral to Legal and Constitutional Affairs Committee, May 7. Report from Committee (without amendment), June 19. Third reading reading, June 25. Royal Assent, June 27. *Chapter 31, 1986.*

BILL C-63

An Act to amend the House of Commons Act

First, second and third readings, June 27, 1985. Royal Assent, June 28. *Chapter 39, 1985.*

BILL C-64

An Act to amend the Seeds Act and the Canada Grain Act

First reading, November 7, 1985. Second and third readings, November 28. Royal Assent, December 12, *Chapter 47, 1985.*

BILL C-65

An Act to amend the Royal Canadian Mounted Police Act and other Acts in consequence thereof

First reading, February 11, 1986. Second reading and referral to Legal and Constitutional Affairs Committee, February 13. Report from Committee (without amendment) and third reading, March 13. Royal Assent, March 26. *Chapter 11, 1986.*

BILL C-66

An Act respecting the reorganization of the Canada Development Corporation

First reading, November 26, 1985. Second reading and referral to National Finance Committee, December 5. Report from Committee (without amendment), December 17. Third reading, December 18. Royal Assent, December 20. *Chapter 49, 1985.*

BILL C-67

An Act to amend the Parole Act and the Penitentiary Act

(a) Referral of subject-matter of Bill to Legal and Constitutional Affairs Committee, December 17, 1985. Interim Report from Committee, May 14, 1986. Second Interim Report from Committee, June 12.

(b) First reading, June 27. Second reading and referral to Committee of the Whole; report from Committee (with one amendment); adoption of report and third reading, as amended, July 2. Commons disagrees with amendment; Senate does not insist on amendment and Royal Assent, July 24. *Chapter 42, 1986.*

BILL C-68

An Act to amend the Parole Act, the Penitentiary Act, the Prisons and Reformatories Act and the Criminal Code

(a) Referral of subject-matter of Bill to Legal and Constitutional Affairs Committee, December 17, 1985.

(b) First reading, June 27, 1986. Second reading and referral to Committee of the Whole; report from Committee (without amendment) and third reading, July 2. Royal Assent, July 24. *Chapter 43, 1986.*

BILL C-69

An Act to amend the Canadian Institute for International Peace and Security Act and certain other Acts in relation thereto

First reading, September 17, 1985. Second reading, October 1. Third reading, October 9. Royal Assent, October 29. *Chapter 43, 1985.*

BILL C-70

An Act to amend the Family Allowances Act, 1973

(a) Referral of subject-matter of Bill to Social Affairs, Science and Technology Committee, November 28, 1985. Report from Committee, December 19.

(b) First reading, January 21, 1986. Second reading and referral to Social Affairs, Science and Technology Committee, February 13. Report from Committee (without amendment), March 11. Third reading, March 19. Royal Assent, March 26. *Chapter 12, 1986.*

BILL C-71

An Act to amend the Customs Tariff

First reading, September 26, 1985. Second reading, October 3. Third reading, October 8. Royal Assent, October 29. *Chapter 42, 1985.*

BILL C-72

An Act to amend the statute law relating to income tax and to make a related amendment to the Tax Court of Canada Act

First reading, September 26, 1985. Second reading and referral to Banking, Trade and Commerce Committee, October 9. Report from Committee (without amendment) and third reading, October 17. Royal Assent, October 29. *Chapter 45, 1985.*

BILL C-73

An Act to validate certain ordinances of the Yukon Territory and the Northwest Territories

First reading, October 15, 1985. Second and third readings and Royal Assent, October 29. *Chapter 46, 1985.*

BILL C-74

An Act to amend the Constitution Act, 1867 and the Electoral Boundaries Readjustment Act and to provide for certain matters in relation to the 1981 decennial census

(a) Referral of subject-matter of Bill to Legal and Constitutional Affairs Committee, November 28, 1985.

(b) First reading, December 18. Second reading and referral to Legal and Constitutional Affairs Committee, December 20. Report from Committee (without amendment), January 23, 1986. Bill referred back to Committee, January 29. Report from Committee (without amendment), February 13. Third reading, February 20. Royal Assent, March 4. *Chapter 8, 1986.*

SUBJECT-MATTER OF BILL C-75

An Act to amend the Canada Shipping Act and to amend the Arctic Waters Pollution Prevention Act, the Maritime Code Act and the Oil and Gas Production and Conservation Act in consequence thereof

Referral of subject-matter of Bill to Transport and Communications Committee, March 13, 1986.

BILL C-76

An Act respecting the operation of the Toronto Island Airport by the Toronto Harbour Commissioners

First reading, January 28, 1986. Second reading and referral to Transport and Communications Committee, February 12. Report from Committee (without amendment), March 5. Third reading, March 6. Royal Assent, March 26. *Chapter 10, 1986.*

BILL C-77

An Act to amend the Criminal Code (pari-mutuel betting)

First reading, October 3, 1985. Second reading and referral to Legal and Constitutional Affairs Committee, October 9. Report and Committee (with one amendment); adoption of Report and third reading, as amended, October 10. Message from Commons concurring in amendment, October 15. Royal Assent, October 29. *Chapter 44, 1985.*

BILL C-78

An Act to amend the Governor General's Act, the Governor General's Retiring Annuity Act, the Salaries Act and the Judges Act

First reading, November 26, 1985. Second reading and referral to Legal and Constitutional Affairs Committee, November 28. Report from Committee (without amendment) and third reading, December 5. Royal Assent, December 12. *Chapter 48, 1985.*

BILL C-79

An Act respecting the provision of compensation to depositors of Canadian Commercial Bank, CCB Mortgage Investment Corporation and Northland Bank in respect of uninsured deposits

(a) Referral of subject-matter of Bill to Banking, Trade and Commerce Committee, October 8, 1985. Report from Committee, December 19.

(b) First, second and third readings and Royal Assent, December 20. *Chapter 51, 1985.*

BILL C-80

An Act to amend the Excise Tax Act and the Excise Act and to amend other Acts in consequence thereof

(a) Referral of subject-matter of Bill to National Finance Committee, November 7, 1985.

(b) First reading, February 11, 1986. Second reading and referral to National Finance Committee, February 19. Report from Committee (without amendment) and third reading, February 20. Royal Assent, March 4. *Chapter 9, 1986.*

BILL C-81

An Act to amend the Criminal Code (lotteries)

First reading, November 7, 1985. Second reading and referral to Legal and Constitutional Affairs Committee, November 27. Report from Committee (without amendment), third reading and Royal Assent, December 20. *Chapter 52, 1985.*

BILL C-82

An Act to amend the Petroleum and Gas Revenue Tax Act and the Income Tax Act

(a) Referral of subject-matter of Bill to National Finance Committee, November 7, 1985. Report from Committee, December 11.

(b) First reading, January 28, 1986. Second reading, January 30. Third reading, February 4. Royal Assent, February 13. *Chapter 2, 1986.*

BILL C-83

An Act to amend the Tax Rebate Discounting Act

(a) Referral of subject-matter of Bill to Banking, Trade and Commerce Committee, November 28, 1985. Report from Committee, December 12.

(b) First, second and third readings and Royal Assent, December 20. *Chapter 53, 1985.*

BILL C-84

An Act to amend the Income Tax Act and related statutes and to amend the Canada Pension Plan, the Unemployment Insurance Act, 1971, the Financial Administration Act and the Petroleum and Gas Revenue Tax Act

(a) Referral of subject-matter of Bill to Banking, Trade and Commerce Committee, November 28, 1985. Report from Committee, December 17.

(b) First reading, January 22, 1986. Second reading and referral to Banking, Trade and Commerce Committee, January 28. Report from Committee (without amendment), February 4. Third reading, February 11. Royal Assent, February 13. *Chapter 6, 1986.*

BILL C-85

An Act to amend the Petroleum Incentives Program Act

(a) Referral of subject-matter of Bill to Energy and Natural Resources Committee, March 19, 1986. Report from Committee, March 25.

(b) First and second readings, March 25. Third reading and Royal Assent, March 26. *Chapter 14, 1986.*

BILL C-86

An Act to amend the Canada Deposit Insurance Corporation Act

First reading, June 3, 1986. Second reading, June 11. Third reading, June 12. Royal Assent, June 17. *Chapter 14, 1986.*

BILL C-87

An Act to authorize the divestiture of Canadian Arsenals Limited and to amend other Acts in consequence thereof

(a) Referral of subject-matter of Bill to Banking, Trade and Commerce Committee, March 13, 1986. Report from Committee, April 29.

(b) First, reading, April 29. Second reading, April 30. Third reading and Royal Assent, May 1. *Chapter 20, 1986.*

BILL C-88

An Act to authorize the acquisition of Marine Atlantic Inc. and to provide for other matters in relation thereto

First reading, June 25, 1986. Second reading, June 26. Third reading and Royal Assent, June 27. *Chapter 36, 1986.*

BILL C-89

An Act for granting to her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1986

First reading, December 11, 1985. Second reading, December 18. Third reading, December 19. Royal Assent, December 20. *Chapter 54, 1985.*

BILL C-90

An Act respecting pension plans organized and administered for the benefit of persons employed in connection with certain federal works, undertakings and businesses

(a) Referral of subject-matter of Bill to Social Affairs, Science and Technology Committee, May 28, 1986. Report from Committee, June 25.

(b) First reading, June 25. Second and third readings and Royal Assent, June 27. *Chapter 40, 1986.*

BILL C-91

An Act to establish the Competition Tribunal and to amend the Combines Investigation Act and the Bank Act and other Acts in consequence thereof

(a) Referral of subject-matter of Bill to Banking, Trade and Commerce Committee, April 17, 1986.

(b) First reading, June 10. Second reading and referral to Banking, Trade and Commerce Committee, June 11. Report from Committee (without amendment), third reading and Royal Assent, June 17. *Chapter 26, 1986.*

SUBJECT-MATTER OF BILL C-92

An Act to regulate interests in petroleum in relation to frontier lands, to amend the Oil and Gas Production and Conservation Act and to repeal the Canada Oil and Gas Act

Referral of subject-matter of Bill to Energy and Natural Resources Committee, May 27, 1986.

BILL C-93

An Act relating to self-government for the Sechelt Indian Band

First reading, May 27, 1986. Second reading, May 28. Third reading and Royal Assent, June 17. *Chapter 27, 1986.*

SUBJECT-MATTER OF BILL C-94

An Act to implement an agreement between the Government of Canada and the Government of Newfoundland and Labrador on offshore petroleum resource management and revenue sharing and to make related and consequential amendments

Referral of subject-matter of Bill to Energy and Natural Resources Committee, June 5, 1986.

BILL C-96

An Act to amend the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act, 1977

(a) Referral of subject-matter of Bill to National Finance Committee, April 30, 1986. Report from Committee, June 10.

(b) First reading, June 25. Second reading and referral to National Finance Committee, June 26. Report from Committee (without amendment), third reading and Royal Assent, June 27. *Chapter 34, 1986.*

BILL C-98

An Act to consolidate various enactments that provide for drawbacks, reductions, refunds and remissions of duties, other than export drawbacks for which provision is made in sections 82 to 87 of the Customs Act, to amend the Customs Tariff and to repeal or revoke the enactments so consolidated

First reading, June 17, 1986. Second reading, June 18. Third reading, June 19. Royal Assent, June 27. *Chapter 29, 1986.*

BILL C-99

An Act to provide borrowing authority

First reading, April 15, 1986. Second reading and referral to National Finance Committee, April 17. Report from Committee (without amendment), April 22. Third reading and Royal Assent, April 23. *Chapter 19, 1986.*

BILL C-100

An Act to amend the Army Benevolent Fund Act, the Children of War Dead (Education Assistance) Act, the Compensation for Former Prisoners of War Act, the Pension Act, the Veterans' Land Act and the War Veterans Allowance Act

First, second and third readings and Royal Assent, March 26, 1986. *Chapter 15, 1986.*

BILL C-101

An Act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1986

First and second readings, March 25, 1986. Third reading and Royal Assent, March 26. *Chapter 17, 1986.*

BILL C-102

An Act for granting to her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1987

First reading, March 25, 1986. Second and third readings and Royal Assent, March 26. *Chapter 18, 1986.*

SUBJECT MATTER OF BILL C-103

An Act to amend the Loan Companies Act, the Trust Companies Act, the Bank Act and the Quebec Savings Banks Act in respect of certain regulatory matters

Referral of subject-matter of Bill to Banking, Trade and Commerce Committee, June 19, 1986.

BILL C-106

An Act to amend the Young Offenders Act, the Criminal Code, the Penitentiary Act and the Prisons and Reformatories Act

(a) Referral of subject-matter of Bill to Legal and Constitutional Affairs Committee, June 17, 1986. Report from Committee, June 19.

(b) First reading, June 18. Second reading, June 25. Third reading, June 26. Royal Assent, June 27. *Chapter 32, 1986.*

BILL C-107

An Act to implement the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards

First, second and third readings, May 13, 1986. Royal Assent, June 17. *Chapter 21, 1986.*

BILL C-108

An Act relating to commercial arbitration

First, second and third readings, May 13, 1986. Royal Assent, June 17. *Chapter 22, 1986.*

BILL C-109

An Act to amend the Income Tax Act

First reading, June 3, 1986. Second reading, June 5. Third reading, June 10. Royal Assent, June 17. *Chapter 24, 1986.*

BILL C-110

An Act to approve, give effect to and declare valid certain agreements between the Government of Canada, the Government of Ontario, Reed Inc., Great Lakes Forest Products Ltd., the Islington Indian Band and the Grassy Narrows Indian Band

First reading, May 27, 1986. Second reading, May 28. Third reading, June 3. Royal Assent, June 17. *Chapter 23, 1986.*

BILL C-111

An Act to amend the Customs Tariff and to amend An Act to amend the Customs Tariff

(a) Referral of subject-matter of Bill to Banking, Trade and Commerce Committee, June 3, 1986. Report from Committee, June 25.

(b) First and second readings, June 26. Third reading and Royal Assent, June 27. *Chapter 37, 1986.*

BILL C-112

An Act to amend the Energy Administration Act and provide for certain matters in relation thereto

First and second readings, June 26, 1986. Third reading and Royal Assent, June 27. *Chapter 39, 1986.*

BILL C-115

An Act for granting to Her Majesty certain sums of money for the Government of Canada for the financial year ending the 31st March, 1987

First reading, June 11, 1986. Second and Third readings and Royal Assent, June 17. *Chapter 28, 1986.*

BILL C-116

An Act to amend the Canada Pension Plan and the Federal Court Act

(a) Referral of subject-matter of Bill to Social Affairs, Science and Technology Committee, June 12, 1986. Report from Committee, June 25.

(b) First and second readings, June 26. Third reading and Royal Assent, June 27. *Chapter 38, 1986.*

BILL C-117

An Act to facilitate financial arrangements between farmers and their creditors

(a) Referral of subject-matter of Bill to Agriculture and Forestry Committee, June 12, 1986.

(b) First reading, June 26. Second reading, referral to Committee of the Whole, report from Committee (without amendment), third reading and Royal Assent, June 27. *Chapter 33, 1986.*

BILL C-118

An Act to amend the Currency Act

First reading, June 17, 1986. Second reading, June 19. Third reading, June 25. Royal Assent, June 27. *Chapter 30, 1986.*

BILL C-128

An Act to amend the Judges Act and other Acts in relation to judicial matters

First and second readings and referral to Legal and Constitutional Affairs Committee, June 26, 1986. Report from Committee (without amendment), third reading and Royal Assent, June 27. *Chapter 35, 1986.*

MEMBERS' PUBLIC BILLS

(HOUSE OF COMMONS)

BILL C-255

An Act to impose reporting requirements with respect to public pension plans and to amend certain Acts in consequence thereof (Senator Robertson)

First reading, February 11, 1986. Second reading and referral to Social Affairs, Science and Technology Committee, February 13. Report from Committee (without amendment), March 4. Third reading, March 5. Royal Assent, March 26. *Chapter 16, 1986.*

GOVERNMENT BILLS

(SENATE)

BILL S-3

An Act to implement conventions between Canada and the Republic of Zambia, Canada and the Kingdom of Thailand, Canada and the Republic of Cyprus and Canada and the Federative Republic of Brazil for the avoidance of double taxation with respect to income tax

First reading, February 5, 1985. Second reading and referral to Banking, Trade and Commerce Committee, February 13. Report from Committee (without amendment) and third reading, March 12. Passed by the House of Commons, June 14. Royal Assent, June 20. *Chapter 23, 1985.*

BILL S-6

An Act to implement an agreement between Canada and the Union of Soviet Socialist Republics, a convention between Canada and the Cooperative Republic of Guyana and an agreement between Canada and India for the avoidance of double taxation with respect to income tax

First reading, December 5, 1985. Second reading, December 11. Third reading, December 12. Passed by the House of Commons, January 24, 1986. Royal Assent, February 13. *Chapter 7, 1986.*

SENATORS' PUBLIC BILLS

BILL S-2

An Act to amend and consolidate the laws prohibiting marriage between related persons (Senator Flynn, P.C.)

First reading, December 13, 1984. Second reading and referral to Legal and Constitutional Affairs Committee, December 19, 1984. Report from Committee (with five amendments), November 26, 1985. Adoption of Report, December 18. Third reading, with one further amendment, April 29, 1986.

BILL S-8

An Act to prohibit smoking in certain work areas and on board certain modes of transport (Senator Haidasz, P.C.)

First reading, February 13, 1986. Subject-matter of Bill referred to Legal and Constitutional Affairs Committee, May 28.

SENATORS' PRIVATE BILLS

BILL S-4

An Act to extend the term of Canadian Patent No. 855,255 (Senator Nurgitz)

First reading, May 16, 1985. Second reading and referral to Banking, Trade and Commerce Committee, May 30. Report from Committee (without amendment), June 11. Third reading, June 13.

BILL S-5

An Act to provide for the creation by amalgamation of the Evangelical Lutheran Church in Canada (Senator Olson, P.C.)

First and second readings and referral to Legal and Constitutional Affairs Committee, October 29, 1985. Report from Committee (without amendment) and third reading, November 7. Passed by the House of Commons, November 21. Royal Assent, December 12. *Chapter 55, 1985.*

BILL S-7

An Act to amend the Act of incorporation of Pine Hill Divinity Hall (Senator Hicks)

First reading, December 18, 1985. Second reading and referral to Legal and Constitutional Affairs Committee, December 19. Report from Committee (without amendment) and third reading, January 23, 1986. Passed by the House of Commons, June 16. Royal Assent, June 17.