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**Wednesday, March 27, 1996**

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THE HONOURABLE GILDAS L. MOLGAT  
SPEAKER

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## THE SENATE

Wednesday, March 27, 1996

The Senate met at 1:30 p.m., the Speaker in the Chair.

Prayers.

[Translation]

### SENATORS' STATEMENTS

#### CONSTITUTIONAL REFORM

**Hon. Pierre Claude Nolin:** Honourable senators, Senator Beaudoin has been trying for several weeks, if not several months, to convince the leaders of both parties in this house to set up a Senate committee to study the type of constitutional reforms that might be available at the moment.

The proposal is timely, not because constitutional reform is a solution to all our ills, but much more because reform of our basic legislation, if possible, should support all attempts to adapt Canadian federalism. I have decided to make a statement.

Senator Beaudoin's proposal must have unanimous support to ensure that constitutional reform is much more of a tool for Canadian politicians, whose job it is to review the structure of Canadian federalism. This is why I support Senator Beaudoin's proposal.

[English]

#### WORLD THEATRE DAY

**Hon. Jean-Louis Roux:** Honourable senators, for nearly 35 years, in the almost-100 member states of the International Theatre Institute, March 27 was chosen for the celebration of World Theatre Day. On this occasion, the institute asks a man or a woman involved in theatre in one of these countries to compose an international message underlining the importance of this art form in the struggle for world peace and the improvement of the quality of life of people around the world.

This year, the Syrian playwright Saadalla Wannous has been chosen. Born in 1941, Wannous is well known in the Arab world. His dramatic works have been published and performed in Russian, German, Spanish and French, and have received much praise in international festivals.

In his message, Saadalla Wannous had the following to say:

[Translation]

If it were traditional to give World Theatre Day a motto to express the task of the fourth art, symbolic though it may only be, I would propose "A Thirst for Dialogue" as this year's.

"Dialogue" in the plural, complex and universal. Dialogue between individuals and between groups. Dialogue that starts from real democratization, respect for diversity and sublimation of the warring tendencies of individuals and nations. In sensing this thirst and realizing its depth and its need, I see dialogue flowing from theatre and rippling outward over the peoples and cultures of the world in their diversity.

[English]

The author continues:

I am firmly convinced that despite technological change, theatre will remain the ideal realm for man to reflect upon his history and existence. Theatre provides the forum for the spectator to overcome his isolation and contemplate the human condition in a collective environment. Such an experience not only teaches the meaning of group belonging but also the diversity, complexity and richness of dialogue in all its forms. This dialogue takes three forms. The first and most evident is the dialogue that exists between actors on the stage. The second is obviously the implicit dialogue that exists between the performance and the public. Yet a third and more subtle dialogue is created from theatre, one that exists between the spectators themselves and that is also embodied on a higher level in the festive spirit of theatre in the public, the city and the theatrical environment. Each form of dialogue liberates us from the sadness of our solitude and sharpens our consciousness of our collective dimension. From this it is apparent that theatre is not merely a product of civil society, but in fact one of the essential preconditions of its development and growth.

[Translation]

What sort of theatre am I thinking of? Am I dreaming nostalgically of times when theatre was a real fount of dialogue and pleasure in the city? We must not deceive ourselves.

The theatre is regressing. Wherever I look, I see that cities have no more room for theatres and are pushing them away and out toward the dark and abandoned fringes, while the hearts of these same cities are filling up with illuminated gadgets, coloured screens and other vulgar idiot boxes. Has theatre ever experienced such material and spiritual poverty? Funding shrinks day by day.

[English]

Subsidies that are granted to theatre diminish day by day.

[Translation]

**The Hon. the Speaker:** Honourable senators, remarks are limited to three minutes. If senators go beyond the time allotted, other senators are prevented from speaking. You have perhaps one minute to conclude.

[English]

**Senator Roux:** The author goes on, and finally he concludes:

Theatre has a fundamental role to play. It can achieve the critical and creative mission of culture. Through its fiction and participation, theatre allows the patching of our social fabric. It can re-establish the dialogue necessary for all of us. I am convinced that the spark of a serious and global dialogue constitutes the first step in the struggle against the frustration that plagues our world at the end of the twentieth century.

[Translation]

Hope keeps us going. The story cannot end like this.

[English]

We are motivated by hope. What is happening today cannot be the end of history.

This message is signed by Saadalla Wannous. Long live theatre!

## INQUIRIES ON MATTERS OF PUBLIC INTEREST

### COST COMPARISON OF DIFFERENT FORA

**Hon. Thérèse Lavoie-Roux:** Honourable senators, I should like to draw your attention briefly to what I perceive to be an expensive, missed opportunity on the part of government. This applies not only to the present government but to former governments as well.

We are all familiar with the recently released Juneau report on the future of the CBC. I do not wish to speak of the content of that report. It has some valid and, perhaps, some not so valid findings. Instead, I want to speak about the cost of subsidies and, more important, whether the Senate is a forgotten source when the government is considering these exercises.

We are told that the Juneau report cost Canadians \$2.5 million to produce, three times its initial budget. Was it worth it? Only time will tell.

By contrast, the Senate study on euthanasia and assisted suicide cost \$207,000. I believe it may have cost even less with a little bit more rigorous encadrement. Only time will tell whether that exercise was worth it, but I can attest personally that our report has had, and continues to have, a major impact on how people approach this subject.

While the two are different studies, I do not believe anyone would suggest that one was easier or less controversial than the other. Why, then, the major difference in cost? Another commission or task force must account for the salaries of personnel, and I am sure that the sum will be greater than \$64,000 per year. As well, the practical infrastructure — rooms, et cetera — must be assembled from scratch.

Colleagues, a Senate-led study does not face these same requirements, or at least not to the same degree. I remember that when the Euthanasia Committee began its work there were grumblings from some of our colleagues about the expense. Yes, \$207,000 is a lot of money, particularly given the relatively small and constrained budgetary pool from which we must draw in this place. However, we persevered and the result was a good report, delivered within budget, which was very well received in the population.

Two hundred and seven thousand dollars is better than \$2.5 million, particularly when it is all coming from the same taxpayer. I believe that even the Reform Party would agree with that point.

[Translation]

Honourable senators, why put this matter before the Senate today? Canada is going through a difficult period. Senator Simard has amply described the plight of the unemployed. Senator Comeau has described the sacrifices the fishermen have had to make as a result of government cuts. I could go on at length. You know what I mean.

The government cannot afford the luxury of spending millions on studies, particularly if there is no follow-up. I therefore ask the Leader of the Government in this house, who is also a member of cabinet, and who I assume is involved in decisions on setting up special commissions, to remind her colleagues of the Senate's existence. I would ask her to point out the work that this house does, although the House of Commons should be aware of it, and the excellent staff we have at our disposal as a resource for the government when it wants to gather information on impartial subjects, which would constitute an economic alternative. Everybody who takes the time to understand us knows that we do our best work in committees. Why not make better use of them, and thus save the taxpayers money without sacrificing any of the quality of the work done there?

• (1350)

[English]

## ABORIGINAL LAND CLAIMS

### NISGA'A AGREEMENT—CEREMONY ON SIGNING

**Hon. Marcel Prud'homme:** Honourable senators, I want to take this opportunity to share with you an extraordinary event that I am privileged to have attended last Friday in north-western British Columbia. I am referring to the signing ceremony of the Nisga'a agreement in principle in the village of New Aiyansh in the Nass River Valley.

Honourable senators, I must state unequivocally that I have a tremendous affinity with the people of the Nisga'a nation. They contribute to the rich diversity of our country with their dignified conduct, their tradition and unique culture. I was fortunate on such an occasion to see all of these attributes demonstrated at a most significant moment in their history. It is not something I will soon forget, and it prompts me to speak of my impressions today in a most positive way.

As we are reminded from time to time in reports and reviews by respected international agencies, Canada is regarded as a star of hope in a troubled world. Despite this high reputation, we do, however, have our internal disagreements where differences in points of view manifest themselves in so many ways. Fortunately, our inclination is to negotiate an end to these agreements in almost every instance.

Honourable senators, the Nisga'a epitomize the merits of this approach. For more than 110 years, generation after generation has peacefully, but with determination, put forward their position to the two levels of government. What they sought was recognition of their rights to land and resources with which they have had a relationship for thousands of years. Patience, perseverance and the exercise of restraint — no matter how great the frustration might be — have been and remain a Nisga'a trademark.

Honourable senators, President Gosnell of the Nisga'a, a good friend of mine for many years, reiterated his people's belief in the importance of establishing a new and honourable partnership with all Canadians. He said:

A Nisga'a treaty will be a good thing for all the citizens of B.C. — native and non-native. It will bring economic certainty, social stability and justice.

Honourable senators, this is a call we must heed, for we as a country are poorer if succeeding generations of Nisga'a citizens are denied the opportunity to realize, in some measure, their hopes and aspirations within our great country. I hope honourable senators will read the story of the Nisga'a nation.

I conclude by saying that the Nisga'a recognize the importance of their youth to the future of the Nisga'a and of Canada. They have persevered for so many years because they want their children and grandchildren to have a secure future in Canada.

This is the important message I brought back with me from that beautiful part of our country. I appreciate the time to put it before my honourable colleagues and fellow citizens outside of this chamber. I trust they and you will find it worthy of our every consideration.

I would add, honourable senators, that I was very honoured to be in the company of my good friend and seat-mate, the Honourable Senator St. Germain.

**Hon. Gerry St. Germain:** Honourable senators, I should like to take a moment to reflect as well on the special moment in

history which took place in British Columbia last Friday. It was an honour and a privilege for me to be part of the signing ceremony in the Nisga'a nation in the north-western part of British Columbia.

As the Honourable Senator Prud'homme has so adeptly pointed out — and he has gone through the historical facts — it was a moment in time that the British Columbians who were present will never forget. Minister Irwin, our lead minister at the federal level, along with Minister Cashore and President Joe Gosnell of the Nisga'a nation, did a really credible job.

As many honourable senators know, I have stood in this chamber and spoken of the plight of our native people in connection with various pieces of legislation. I have spoken about the challenges they face as a result of our coming to this particular continent. It is invigorating and inspiring that now they should be considered a self-governing entity within Canada.

The Minister of Indian Affairs and Northern Development has given credit to the governments that have gone before him for their involvement in this important issue.

Honourable senators, last Friday we saw the restoration of dignity and honour to the Nisga'a people. I believe our greatest assets as a nation are our differences. As I watched the Nisga'a youth celebrating this important moment in history, I could only reflect that this was a positive first step forward on the part of British Columbia and all Canadians.

I should like to thank Senator Prud'homme for sharing in this ceremony with us, and I look forward to working for native causes in the future and the bright prospects that exist for all of us in British Columbia, indeed, in all of Canada.

## ROUTINE PROCEEDINGS

### CANADA LABOUR CODE

#### 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-3, to amend the Canada Labour Code (nuclear undertakings) and to make a related amendment to another Act.

Bill read first time.

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

On motion of Senator Graham, with leave of the Senate and notwithstanding rule 57(1)(f), bill placed on the Orders of the Day for second reading at the next sitting of the Senate.

## CANADA TRANSPORTATION BILL

• (1400)

## FIRST READING

**The Hon. the Speaker** informed the Senate that a message had been received from the House of Commons with Bill C-14, to continue the National Transportation Agency as the Canadian Transportation Agency, to consolidate and revise the National Transportation Act, 1987 and the Railway Act and to amend or repeal other Acts as a consequence.

Bill read first time.

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

On motion of Senator Graham, with leave of the Senate and notwithstanding rule 57(1)(f), bill placed on the Orders of the Day for second reading at the next sitting of the Senate.

DEPARTMENT OF PUBLIC WORKS AND  
GOVERNMENT SERVICES BILL

## FIRST READING

**The Hon. the Speaker** informed the Senate that a message had been received from the House of Commons with Bill C-7, to establish the Department of Public Works and Government Services and to amend and repeal certain Acts.

Bill read first time.

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

On motion of Senator Graham, with leave of the Senate and notwithstanding rule 57(1)(f), bill placed on the Orders of the Day for second reading at the next sitting of the Senate.

## BANKING, TRADE AND COMMERCE

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO TABLE  
REPORT ON STUDY OF STATE OF CANADIAN FINANCIAL SYSTEM

**Hon. Gerry St. Germain:** Honourable senators, I give notice that on Thursday next, March 28, 1996, I will move:

That the Standing Senate Committee on Banking, Trade and Commerce, which was authorized by the Senate on March 21, 1996 to examine the present state of the financial system in Canada, be permitted, notwithstanding usual practices, to deposit a report on the said subject with the Clerk of the Senate, if the Senate is not sitting, and that the said report shall thereupon be deemed to have been tabled in the Chamber.

## GUN CONTROL LEGISLATION

## PRESENTATION OF PETITION

**Hon. Terry Stratton:** Honourable senators, I should like to present a petition on behalf of the undersigned citizens of Canada, who would humbly show that Bill C-68, a bill concerning firearms and other weapons, is unwarranted and intrusive legislation which needlessly targets law-abiding firearm owners, and which attacks the very foundation of the democratic principles of this country.

This petition is signed by people in Manitoba, British Columbia, Alberta, Quebec.

## QUESTION PERIOD

## UNITED NATIONS

PEACEKEEPING IN HAITI—ROLES AND RESPONSIBILITIES OF  
CANADIAN FORCE—GOVERNMENT POSITION

**Hon. J. Michael Forrestall:** Honourable senators, after a brief visit last weekend with the newly-elected leader of Haiti, René Préval, Prime Minister Chrétien commented that Canada:

...will do whatever it can to help him succeed in his extremely difficult task.

When asked to explain just what this assurance meant in more practical terms, the Prime Minister noted:

"I am not there to decide exactly how they will deal on a daily basis." The Canadian commander is "in constant discussion with the President about how to handle themselves."

Honourable senators, Canada has some 800 military personnel in Haiti. That country, while recently returning to some democratic success, is by no means assured of a peaceful existence. Those two vague comments by the Prime Minister lead me to ask two questions of the Leader of the Government in the Senate. These are not, I suggest, hypothetical questions but are very real, practical questions based on the nature of the situation there. Should hostilities resume, or a coup d'état threaten or transpire, what will be the specific duty of our troops? What will be their role?

Second, should violence erupt, who determines the roles and responsibilities of Canadian troops? Is it the Government of Canada or the Haitian president?

**Hon. Joyce Fairbairn (Leader of the Government):** Honourable senators will know that Canada has played a significant role in the troubled country of Haiti. Canada has gone out of its way to ensure that there is some help and security within which the new Haitian government may operate.

The Canadian troops there are operating under the United Nations mandate, as was defined by the Security Council around the end of February. The mandate is to help secure stability, to assist the Haitian police forces to develop the capability to cope with public order, and to maintain security.

In all circumstances while in Haiti, the Canadian Forces and all other forces under the UN mission will be consulting with the United Nations on the development of any situation. At the moment, the honourable senator's question is, I believe, hypothetical. However, if anything should develop, our Canadian General, Pierre Daigle, is the force commander of the UN mission and would at all times be consulting with the UN superiors in order to fulfil his role and the role of the forces on the ground there.

**Senator Forrestall:** Honourable senators, I appreciate very much the leader's sincere attempt to shed some light on the situation. However, the conflict is still there. The Minister of National Defence, Mr. Collenette, on February 28 of this year stated:

With respect to the rules of engagement, we have to be very sure that we know under what auspices we are operating there.

Yet, less than a month later, the Minister of Foreign Affairs is reported as admitting that these are "uncharted waters for a Canadian expeditionary force."

Honourable senators, given the uncertainty in cabinet, it is not particularly difficult to imagine why senior Canadian officers are having some serious reservations. Canadian people want to know why we have not laid down the ground rules for this type of operation.

That is my question of the Leader of the Government in the Senate: Why have we not done that? Does the government intend to do so? Our military leaders, the Canadian public and those men and women whom we have sent to carry out this mission, all deserve to clearly understand who is in command.

We have already abdicated our sovereignty to a major degree in the field of international trade because of the Cuba fiasco. Our role as a defender of international human rights has been somewhat sullied there. Will our Canadian military be the next group to be betrayed and left hanging? Surely it is possible to provide to these people a piece of paper upon which are written the rules of combat, the rules of engagement and the rules of disengagement.

**Senator Fairbairn:** Honourable senators, our military personnel on peacekeeping missions, in Haiti and elsewhere, are not being put aside or left hanging with no indication of the form of their mission. The mandate of the UN mission in Haiti was defined by resolution of the United Nations. The force is there to help sustain the secure and stable environment which has been established in that country. It is to help professionalize the Haitian national police, an area in which the Canadian delegates

have been particularly helpful. We have sent our own police there. Special training has been held, I believe, in the province of Saskatchewan. The UN mandate allows the mission to protect installations and personnel.

I understand Senator Forrestall's questions and frustrations. However, the terms of reference are very clear for the force which is currently in Haiti. They are there in support of the democratic process and the stability of that country. They are not there on their own but under the umbrella of the United Nations. A Canadian, General Daigle, is currently commander of that UN force. He will be in constant communication with United Nations personnel as the mission goes on. That is not ambiguous, honourable senators.

It is also my belief that the underlying mandate of the mission is to keep the peace. So far, it has been successful. In that sense, the Canadians are in the forefront. There is no ambiguity about the tasks to be performed. Canadian troops are taking their place in that United Nations mission.

• (1410)

**Senator Forrestall:** Honourable senators, I would ask the leader if she can tell us what has transpired in terms of policy statements between late February and now, late March, to bridge the gulf between Minister Collenette's comments of February 28 and the Minister of Foreign Affairs' comments just a short while ago to the effect that this is uncharted waters for a Canadian expeditionary force.

That must be a conflict. I would not be very happy having my lead minister, the Minister of National Defence, telling me that we still must be very clear, and sure, and certain of the auspices under which we were there in Haiti — and I thought everybody was, but obviously Minister Collenette was not — and then to have that certainty seemingly contradicted by the Foreign Affairs Minister's saying, "These are uncharted waters." I do a little sailing myself, and I want to tell you that I love to keep my charts available, even in Halifax harbour.

**Senator Fairbairn:** Honourable senators, of course I will check into the two statements which the honourable senator has quoted. I think he will find, however, perhaps as a general statement, that the situation in Haiti is a somewhat different circumstance, as is each peacekeeping situation, depending on the particular demands of the area. Canada has taken a different step in this situation in that we have very openly — and I would suggest generously — offered to increase and bolster the UN forces on the ground in Haiti.

I will certainly check with my two colleagues, but I believe the fundamental directives that surround this mission are those as stated under the UN resolution, and of course those develop as circumstances develop. At the moment, that is what they are. I will check with my colleagues, but I personally do not find anything ambiguous or disturbing about the two quotes, and I would like to read the context in which those remarks were made.

The Canadians are there. They are trained and ready. They have gone with generosity of spirit to be of particular help to a country that is the poorest of the poor in our western hemisphere. I think both militarily and through our aid programs, Canada is trying to do the very best we can in our own way to open up opportunities for peace and development in that country.

## NATIONAL DEFENCE

### CUTS TO FUNDING FOR MILITIA TRAINING UNITS IN NOVA SCOTIA—GOVERNMENT POSITION

**Hon. Gerald J. Comeau:** Honourable senators, I want to follow up on a question I raised last week with the leader regarding the militia training centres in Atlantic Canada. I have now learned that the government plans to cut \$8 million from the funding for militia training in Atlantic Canada over the next three years. This could mean some of Nova Scotia's 11 militia units could be disbanded and their armouries closed.

Could the minister please advise exactly what are her government's plans with respect to the militia in Nova Scotia?

**Hon. Joyce Fairbairn (Leader of the Government):** I cannot answer that question directly, honourable senators. However, I would be pleased to talk to the Minister of National Defence. I believe he gave an answer a week ago in the House of Commons on the reserves, which included an indication of the direction in which he was moving. I would like to review that with him generally, and also specifically in the context of Nova Scotia.

As my honourable friend knows, following upon the report of the special commission set up to review the militia and the reserves, and also taking into account the work done by this house and by the House of Commons in response to that report, the minister is now studying all of that work and making decisions which I hope will be announced in the not too distant future.

**Senator Comeau:** Honourable senators, while the minister is discussing this issue with the Minister of National Defence, she might wish to have clarified what was apparently a suggestion made by one of the minister's staff: that none of these changes be implemented until after the election coming up in 1997.

Is there a political game being played here at the expense of what we all know have been very distinguished militia units in the maritimes?

**Senator Fairbairn:** Honourable senators, I think I can reply to that question with some confidence: absolutely not. There are no games being played, not with the militia units in Atlantic Canada, nor anywhere else in the country, including south-western Alberta. I am the proud honorary lieutenant colonel of the 18th Air Defence Regiment in Lethbridge, and no games are being played with that regiment, either.

**Senator Comeau:** Does this mean that the minister confirms that if any militia training units as they exist now are to be closed, those closures will be announced prior to the next election, and the announcements not postponed until after the election?

**Senator Fairbairn:** Honourable senators, what I meant to say was just what I said before: That the minister is currently reviewing the reports and the recommendations that were put before him, and I would hope that he will be able to give us an indication of the direction that he intends to take in the near future. I cannot go beyond that. However, on the basis of some reports or quotes of which I am unaware, if my friend is suggesting some kind of game-playing involving the reserves and the militia units of this country, I would not agree with that at all.

## THE BUDGET

### CHANGES TO CHILD SUPPORT GUIDELINES—BENEFITS TO CHILDREN OF INCREASING TAX BURDEN ON NON-CUSTODIAL PARENTS—GOVERNMENT POSITION

**Hon. Gerry St. Germain:** Honourable senators, my question is for the Leader of the Government in the Senate. It concerns the issue I addressed last week in this place. In the 1996 budget, the federal government introduced measures for a new child support guideline schedule. The CSG schedule will show the basic amount of support that the support-paying parent should pay, and therefore the courts will be required to award the amounts set out in the CSG payment schedule, which is based upon the income of the non-custodial parent.

Most family lawyers and economists agree that, on average, custodial parents will eventually be awarded greater settlements with the introduction of the CSG schedule. It is also agreed that, under the proposed CSG schedule, the tax costs to the government would be substantially higher if it had continued to allow the tax deduction of child support payments by non-custodial parents.

It is estimated that, in 1996-97 fiscal year, the cost of the current tax rules regarding child support payments to the federal and provincial governments will be \$410 million. However, estimates that I have received would see the cost to the government potentially rise to about \$700 million per year if the CSG were implemented under the current rules. Therefore, by making child support payments no longer tax deductible, the government will be saving an estimated \$700 million per year directly from non-custodial single parents. It is obvious that the reason the government is changing the tax rules for the child support payment is that the government did the math, and realized how much the new, proposed CSG would end up costing the government. Thus, the government decided to shift the \$700 million burden on to non-custodial single parents.

My question is this: Does the Leader of the Government in the Senate think it is fair for the government to shift its \$700 million tax burden to non-custodial single parents who, like most Canadians, are trying to make ends meet? Could she explain to us how this will benefit children who are involved in this particular scenario?

**Hon. Joyce Fairbairn (Leader of the Government):** Honourable senators, last week the honourable senator did ask me to obtain more precise details on this matter — as did other senators — and I am pursuing that endeavour.



As I told my honourable friend last week at the time of his initial inquiry, the purpose of the child support proposals in the budget is definitely to help the children. As my honourable friend knows, this is a very different balance of responsibilities and benefits than has been the case in the past. However, my honourable friend is mentioning sums of money which I certainly would wish to verify as to their validity.

• (1420)

The purpose of the child support changes, which were made after very extensive consultation, is not to place an undue burden on the non-custodial parent but to balance the ability of both parents to provide for the children in the best possible way. This includes not simply the question of taxation but also the question of guidelines. It includes the question of putting whatever is saved through some of these changes directly back into working income supplements for poor families, both single and joint. All of those segments must be put together in order to get the full picture of how this particular change will benefit children and the stability of the custodial parents, while, at the same time, providing a level of fairness for the non-custodial parents.

**Senator St. Germain:** Honourable senators, I find it strange that the Leader of the Government in the Senate would say there was extensive consultation when the minister who tried to explain it immediately after the budget could not even come up with the answers.

The Leader of the Government in the Senate puts into question the validity of my figures, and that is fair. I am waiting for her to come forward with the government's figures so that we can discuss who is right, who is wrong, or who is partly right or partly wrong.

How can the leader say that the children will benefit if the government is taking millions of dollars out of the system in an area that directly affects children? Non-custodial parents in British Columbia could use the benefit of their tax exemption to visit their children in Nova Scotia, as has been pointed out in phone calls and letters I have received on this issue.

How can the minister say that the children will benefit? The working income supplements about which she speaks are a mere pittance compared to what the government is taking out of the system. Could the leader explain that to us?

**Senator Fairbairn:** Honourable senators, I would certainly not consider the amount of money that my honourable friend is speaking of as a mere pittance. Again, I would say to him —

**Senator St. Germain:** It is when compared to what you are taking out.

**Senator Fairbairn:** I am sincerely trying to get a picture of the details that he is searching for so that we can compare our figures.

However, many people who have offered advice, not just to this government or a House of Commons committee but to provincial and territorial committees all across this country, have said that the change in guidelines and the way they will be enforced will assist parents and give children better protection or,

at least, protection that is as good as the system that has been in existence. It has been geared to be fairer and more direct.

My honourable friend obviously disagrees profoundly with the proposal. However, I am hoping that I will be able to get the additional information to show him that it is a better deal for children than the one that has existed in the past. Certainly there will be individual cases of grievances. However, my friend must know that there is flexibility in those guidelines for special circumstances in the situation of the children. It is the intention and the hope that this system will be a better system than the one it replaces.

**Senator St. Germain:** Honourable senators, I have a short supplementary. I am not arguing with what the government is doing. I hear they have consulted. I have spoken to some with whom they have consulted.

The government is saying that it has presented a budget in which they did not increase taxes, when in fact they did increase taxes. That is the point. It is a misrepresentation. I would hope that in the final analysis the provisions will be fairer and give more direct assistance to children. However, every indication that I have from people to whom I have spoken is that that is not the case. Why is it that the government is not coming forward with the straight facts, saying that it is a tax increase to those people and that in the final analysis the children will be the losers?

**Senator Fairbairn:** Honourable senators, the simple answer is that we do not accept the honourable senator's premise.

## CANADIAN COAST GUARD

### NEW BRUNSWICK—CESSATION OF FUNDING OF DREDGING AT SAINT JOHN PORT—GOVERNMENT POSITION

**Hon. Erminie J. Cohen:** Honourable senators, the Coast Guard will no longer fund channel dredging after the end of this fiscal year. Maintenance dredging of the main channel and Courtenay Bay Channel is essential to the continued operation and viability of the Port of Saint John. Approximately 10 million tonnes of cargo annually pass through the channels, including petroleum products, potash, forest products, sugar, salt, containers, and general cargo.

The annual cost of dredging the main channels is about \$1.8 million. The Saint John Port Corporation does not have the financial ability to assume these costs. It has already tried to cut costs by cutting its workforce. This Coast Guard policy will seriously undermine the future of our port.

Will the Leader of the Government ask the Minister of Transport to explain how the federal government can afford to give a \$5.8-million grant to Belledune to develop it as a deep-water port but cannot assist in dredging in one of Canada's already established deep-water, year-round, major ports?

**Hon. Joyce Fairbairn (Leader of the Government):** Honourable senators, I would be pleased to transmit that question for my honourable friend.

## ORDERS OF THE DAY

### BUSINESS OF THE SENATE

**Hon. B. Alasdair Graham (Deputy Leader of the Government):** Honourable senators, I have two slight adjustments to propose to the Order Paper, which I have already discussed with the leadership opposite. The first relates to a notice of motion given yesterday by Senator Carstairs with respect to the sitting of the Legal and Constitutional Affairs Committee today, and I would ask that that item be brought forward.

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

**Hon. Senators:** Agreed.

### LEGAL AND CONSTITUTIONAL AFFAIRS

COMMITTEE AUTHORIZED TO MEET  
DURING SITTING OF THE SENATE

**Hon. Sharon Carstairs,** pursuant to notice of Tuesday, March 26, 1996, moved:

That the Standing Committee on Legal and Constitutional Affairs have power to sit at 3:15 p.m. on Wednesday, March 27, 1996, even though the Senate may then be sitting and that rule 95(4) be suspended in relation thereto.

Motion agreed to.

### BUSINESS OF THE SENATE

**Hon. B. Alasdair Graham (Deputy Leader of the Government):** Honourable senators, we still have Supplementary Estimates (B) outstanding, and again, in order to follow a logical sequence, I would suggest that we bring that item forward at this time so that it can be considered before third reading of Bills C-21 and C-22.

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

**Hon. Senators:** Agreed.

• (1430)

### THE ESTIMATES 1995-96

REPORT OF NATIONAL FINANCE COMMITTEE ON  
SUPPLEMENTARY ESTIMATES (B) ADOPTED

On the Order:

Resuming debate on the motion of the Honourable Senator De Bané, P.C., seconded by the Honourable Senator Rompkey, P.C., for the adoption of the second report of the Standing Senate Committee on National Finance

(Supplementary Estimates (B) 1995-96), presented in the Senate on March 26, 1996.

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

**Hon. Senators:** Agreed.

Motion agreed to and report adopted.

[Translation]

### APPROPRIATION BILL NO. 4, 1995-96

THIRD READING

**Hon. Pierre De Bané** moved that Bill C-21, for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1996, be read the third time.

Motion agreed to and bill read third time and passed.

### APPROPRIATION BILL NO. 1, 1996-97

THIRD READING

**Hon. Pierre De Bané** moved that Bill C-22, for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1997, be read the third time.

Motion agreed to and bill read third time and passed.

[English]

### BORROWING AUTHORITY BILL, 1996-97

SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator De Bané, P.C., seconded by the Honourable Senator Hays, for second reading of Bill C-10, to provide borrowing authority for the fiscal year beginning on April 1, 1996.

**Hon. Terry Stratton:** Honourable senators, Bill C-10 lets the government borrow \$18.7 million to meet its financial requirements and conduct foreign exchange operations in the 1996-97 fiscal year. This amount is reduced by the amount of any leftover authority from last year's bill that is used after the fiscal year begins on April 1, 1996. Up to \$4 billion of unused authority may be carried over into fiscal 1997-98.

With one exception, Parliament must approve any new borrowing. That exception is temporary loans due within six months. The Financial Administration Act permits such loans if the government has no more borrowing authority. No new authority is needed to renew existing debt.

The budget forecasts a deficit of \$24.3 billion for 1996-97. However, this is not equal to the amount which must be borrowed, for the following reasons. First, there are non-budgetary transactions that provide a net source of funds. These include such things as loans the government made in the past which are being repaid, and payments to public service pension plans.

While the government's revenues include investment income on its foreign exchange accounts, it cannot use this money to pay its bills. A contingency is usually included in borrowing bills to let the government manage Canada's foreign exchange operations. For example, when the Bank of Canada acts to slow a rise in the value of the dollar, it exchanges Canadian dollars for other currencies. Those dollars are then not available to pay for other things. The opposite is true when the government is defending the dollar.

The authority sought in this bill reflects the following: The deficit is \$24.3 billion, less non-budgetary transactions of \$10.6 billion, leaving \$13.7 billion for financial requirements. The exchange fund revenue is \$1 billion, the reserve for contingencies is \$4 billion, and the requested authority is \$18.7 billion.

The issue here is that Ottawa wants far more borrowing authority than it needs. The deficit figure itself has a built-in \$2.5-billion-dollar contingency. This bill adds another \$4 billion of extra room, for a total contingency of \$6.5 billion. Is that much money really needed for a "just in case" scenario, or are the Liberals gearing up for an election — or, for that matter, a spending blitz?

Beyond paying lip service to a balanced budget, the government does not tell us when the budget will be balanced, or how it will be balanced. Will that be done by imposing more taxes or more spending cuts? If it is to be by way of cuts, when will those cuts be made?

The government boasts about bringing down the deficit from \$42 to \$24 billion. However, the lion's share of deficit reduction so far has come from cuts in payments to the provinces, tax hikes in the 1994 and 1995 budgets, and a decision to use UI premiums as a cash cow. UI premiums are \$5 billion higher than what is needed to run the program. The government keeps payroll taxes high, and then blames the private sector for not creating jobs. Cash payments to the provinces have been cut by \$7 billion since 1993. That shifts the problem on to the backs of the provinces, and then on down to the municipalities.

Since taking office, the government has made decisions that have added \$4 billion per year to the tax burden faced by Canadians. It is time for Ottawa to sit down with the provinces and develop a national debt and deficit management plan based on common goals and shared objectives. The combined debts of the federal and provincial governments total \$800 billion, or more than 100 per cent of Canada's gross domestic product.

[Translation]

**Hon. Jean-Maurice Simard:** Honourable senators, I would just like to take a minute of your time to come back to my

adjournment motion of yesterday, concerning the adoption of the second report of the Standing Senate Committee on National Finance, and especially to certain other items in that report.

Yesterday, I objected to us hastily concurring in this report. I indicated then that, when the time would come to consider Bill C-10 as well as bills C-21 and C-22, the Liberal majority should not take my cooperation for granted. This was my way of protesting against their double standard. On the one hand, we are expected to cooperate when the government needs the support and cooperation of all members of this house, when it needs unanimous support. On the other hand, when bills like Bill C-12 come along, they will not even let us have pre-study if it does not suit the government and its ministers. No commitment has been made to refer this bill to a Senate committee for pre-study so that it can be properly considered by the Senate, which involves listening to the people and travelling to certain provinces in order to do a better job at this.

I discussed the matter with the Deputy Leader of the Government, Senator Graham, over lunch. I would like to show him our goodwill again. I will withdraw my objection, for now. I will consent to the study and the speedy passage of these three bills.

There are no commitment on the part of Senator Graham to ensuring that the Liberal majority would consent to pre-study. He certainly did not say we could count on his full support. He did not promise that the Social Affairs Committee would be authorized to travel and have the time to do so. I could clearly see goodwill in Senator Graham's offer.

I will address this issue again in two weeks time. I hope that the people of New Brunswick will not despair of seeing the social affairs committee travel to their province. Should this happen, I trust the Liberal majority and the Deputy Leader of the Government, Senator Graham will see to it that my request is referred to the committee during the last two weeks of April and that the necessary financial resources are provided to the committee so that, by the time Bill C-12 gets to us, in early May, nothing will stand in the way of travelling to New Brunswick to listen to what the people have to say.

This is my modest contribution to helping the government with its legislative agenda. This undertaking I am giving you is not for all times. It will depend on what the government does in the next few weeks. In the meantime, I am pleased to help speed things along.

[English]

• (1440)

**Hon. Pierre De Bané:** Honourable senators —

**The Hon. the Speaker:** Honourable senators, I wish to inform the Senate that if the Honourable Senator De Bané speaks now, his speech will have the effect of closing the debate on this motion.

[Translation]

**Hon. Eymard G. Corbin:** May I ask Senator Simard a question?

**Senator Simard:** That is a decision for the Speaker.

**Senator Corbin:** It is up to you. I would simply like you to clarify your remarks. Did the Deputy Leader of the Government in the Senate give you an undertaking that the committee would travel when Bill C-12 came here?

**Senator Simard:** Honourable senators, I have looked over my statement of a few minutes ago, and I did indeed say that the deputy leader did not make any commitment. He led me to believe that he could work in that direction without giving me any guarantee. I deemed that to be sufficient.

**Senator Corbin:** If you do not have that guarantee, what will happen?

**Senator Simard:** We will have two weeks to reflect on the question and come up with new strategies. As I said a few moments ago, I have not given up hope of convincing you, Senator Corbin, as well as other senators, of the wisdom of our request, so that the committee may be authorized to travel and find the necessary resources so that it may begin considering Bill C-12 early in May.

[English]

**Hon. B. Alasdair Graham (Deputy Leader of the Government):** Honourable senators, since my name has been invoked on several occasions in this discussion, I should like to indicate that Senator Simard and I had a very interesting discussion today when we explored what he wanted to do with respect to bringing forward Supplementary Estimates (B). I think the record will show that that was the point at which he took his adjournment, and not on Bill C-10.

For the record, perhaps I should explain why Supplementary Estimates (B) was advanced from its position on the Order Paper to before the passage of Bills C-21 and 22, and particularly with respect to Bill C-21, because that is the specific legislation, based on Supplementary Estimates (B), which must be passed before the end of the current fiscal year. Of course the "supplementary," in itself, suggests that those were unforeseen expenditures, approval for which the government was seeking in both the House of Commons and the Senate.

With respect to Bill C-22, the government was asking for three-twelfths of the total budget to carry on from April 1 to the end of June in order to meet its commitments and responsibilities. Presumably before the end of June, and it is to be hoped early in June, the National Finance Committee, to which the Estimates have been referred, will present an interim report on those Estimates, and it is anticipated that, some time early in June, we will receive new legislation seeking approval of the other nine-twelfths of the Estimates to carry the government for the balance of the fiscal year.

It was actually on the Supplementary Estimates (B) that Senator Simard took the adjournment yesterday. In my

discussion with him today, on the recommendation of Senator Kinsella, who was acting in the place of Senator Berntson as Deputy Leader this morning, Senator Simard advanced the idea, as he has on several occasions to the Leader of the Government, that there should be pre-study of Bill C-12. He also advanced to me in our discussions, as he indicated, that he would like the committee to travel, specifically to New Brunswick.

I am not in a position to make any commitment on behalf of the government in that respect. I did say, however, that we have been in constant contact with the responsible authorities on the other side who have the mandate to advance Bill C-12. I am very hopeful that, as my leader has indicated on several occasions, we will have Bill C-12 in ample time for a full examination, both in the chamber and in the appropriate committee.

[Translation]

**Senator De Bané:** Honourable senators —

**The Hon. the Speaker:** Honourable senators, I must inform the Senate that if Senator De Bané takes the floor now, that will have the effect of ending debate on this motion.

[English]

**Senator De Bané:** Honourable senators, the Financial Administration Act requires that statutory borrowing authority be obtained from Parliament before the government may increase its outstanding debt. This requirement refers to new borrowing, and not to the refinancing or rolling over of existing debt as it matures, which is authorized under section 46 of the Financial Administration Act.

• (1450)

As for the bill before us, honourable senators, clause 2(1) of Bill C-10 consists of the government's request for authority to borrow up to \$18.7 billion during the 1996-97 fiscal year by obtaining loans, or by issuing and selling securities of Canada. This amount is \$10.2 billion or 35 per cent less than the authority granted by Parliament in 1995-96, which was, in turn, 16 per cent lower than the amount for 1994-95. The downward trend is directly related to the government's efforts in the past two fiscal years to reduce the budgetary deficit and the associated financial requirements.

As my honourable colleague realizes, this is a significant reduction in the borrowing needs of the government. I hope, honourable senators, that, once this bill is referred to committee later today, it will be considered by all members in a responsible way.

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 De Bané, bill referred to the Standing Senate Committee on National Finance.

# SPEECH FROM THE THRONE

## MOTION FOR ADDRESS IN REPLY—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Bacon, seconded by the Honourable Senator Rompkey, for an address to His Excellency the Governor General in reply to his speech at the Opening of the Second Session of the Thirty-fifth Parliament.—(*Honourable Senator Beaudoin*). (3rd day of resuming debate)

**Hon. Gérard-A. Beaudoin:** Honourable senators, for a certain number of persons, the result of the referendum in Quebec was not a surprise, but, for many, it was an earthquake. They were told that the “no” side would win easily. It was not until the last week of the referendum campaign that those people realized that the result would be extremely close. Some reacted quickly. In such a case, however, the first thing to do is to think and the second is to act.

Some people started to talk about plan A; that is, possible constitutional amendments, and plan B; that is, the rules of secession, including partition. I may easily understand that, but my preference is obviously for plan A. To talk about plan B only is to admit that the secession of Quebec is unavoidable.

Now that most people in Canada have seen that the breakup of this country may happen, we must find a way to live together in one country. I know some will say that, since the failure of the Victoria Charter in 1971, the Pepin-Robarts report in 1979, the failure of the Meech Lake Accord in 1990, and the failure of the Charlottetown Accord in 1992, nothing new may be imagined.

Honourable senators, I disagree strongly with that conclusion. No one knows for sure what the future will be. However, it would be a terrible mistake not to try again. Why? Because the situation has changed dramatically. The second referendum was not like the first. The alternative is not acceptable for Canada.

The two federal houses have voted the resolution on distinct society, and the Parliament of Canada has adopted a statute concerning the five regional vetoes in respect to the amending formula. This, in my view, is a transitory solution only, considering the fact that, in April 1997, a constitutional conference should be called by the Prime Minister of Canada to reconsider the amending formula. It is, nevertheless, a step in the right direction. However, it is not enough. We should constitutionalize the different character of Quebec — with a new vocabulary, if deemed necessary — and give a veto to Quebec alone or to Quebec and other provinces. Failing that, Quebec will continue to dream of a nation state.

Honourable senators, we should also readjust some domains in the field of the division of legislative powers. Changes in the distribution of powers and the concept of distinct society require the consent of 7-50 — seven provinces having 50 per cent of the population. The difficulty with changing the amending formula is

that it requires unanimity, but we should not take the attitude that it is impossible. Who knows?

Some people say that even changes will not convince Premier Bouchard to stay in Canada. Our purpose is to convince the people of Quebec to stay in the federation. If we succeed, they will convince Mr. Bouchard thereafter. Surveys indicate that Quebecers are attached to Canada but want changes. I do not think that such a price is too high to keep this country together.

We must deal as well with the historical role of the aboriginal peoples or nations. It is already done in good part in section 35 of the Constitution Act, 1982, but we have to deal also with the inherent right of self-government. Canada is a multinational federation. To borrow the words of Peter White, the francophones in Quebec are a majority, and in the whole of Canada they are a national minority. A great Canadian jurist, Maxwell Cohen, suggested that we enshrine in the Constitution the concept of the founding peoples. It is about time that we referred to the history of this country as it is. There are three possibilities: first, a factual declaration like the resolution already adopted; second, a rule of interpretation like section 27 of the Charter, which rule is on multiculturalism; third, an asymmetrical federalism. Those are the possibilities.

• (1500)

The division of powers varies from one federation to another. Canada has become more decentralized over the past two decades, but that does not mean that no adjustment is necessary in the field of the division of powers. First, we must respect the Constitution of Canada. In the field of social security, respect for the actual division of powers would go a long way to solving our problems. Federal spending power should be given parameters, as provided for in the Meech Lake Accord.

Six domains — forestry, tourism, housing, municipal affairs, mines, recreation — should be considered provincial domains. We should deal also with manpower. We should have more concurrent powers in the Constitution of Canada, especially in the field of culture, which for Quebec is of the utmost importance because of the French language, the French culture of the majority and a different private law system, the Civil Code.

The Supreme Court has played a great role in the field of federalism in this country and shall continue to do so. It is like the Supreme Court of the United States of America, a de facto constitutional court.

Constitutions are in constant evolution by virtue of constitutional amendments, court decisions, administrative arrangements, and changing conventions.

The division of powers in a federation may always be more refined. We have reached a division of powers which has its own merits. Of course, it is perfectible. We should also have more administrative arrangements. We should reinforce the economic union in this country. Section 121 of our Constitution is too timid.

I do not intend at this stage to speak in detail about the questions of territories, boundaries, secession, or the division of powers.

We have to be prudent. In a liberal democracy like Canada, in a country that has enshrined a Charter of Rights and Freedoms in its Constitution, questions of constitutional law and international law are always present. Furthermore, the rules of democracy are well known and should be complied with. We have a procedure of amendment that is already complex but jurists generally agree on the basic principles.

Canada has evolved considerably since 1867, geographically, economically, culturally, politically. Canada is a great democracy. In many ways, Canada is a great success. To solve the problems of this hour, we have to see the situation as it is. Aboriginal peoples were in Canada a thousand years before the French, the English and all those who came thereafter. Quebec should be accepted as it is. The same is true of Canada outside Quebec. The most important thing for us is the political will to act.

We should work on a reconciliation, on amendments of reasonable dimension. As we say, "After all, it is not *la fin du monde*, the end of the world," but if we do not go to work at once, it may be the break-up of a very sympathetic country which was, and still is, promised to greatness.

**Hon. Peter Bosa:** Honourable senators, it is a pleasure for me to take part in the Address in Reply to the Speech from the Throne, but before I deal with the substance of my remarks, I would like to congratulate the mover and seconder of the address, Senators Bacon and Rompkey. I found their remarks eloquent and interesting.

While Senator Bacon was summoned to the red chamber about one and a half years ago, Senator Rompkey is a more recent arrival. They have served in positions of high responsibility in different political jurisdictions. They bring a wealth of experience. Indeed, their addition to our ranks, along with other recent appointments, has strengthened the Senate considerably, and I am looking forward to working with them.

This government's agenda over the last 28 months has focused on jobs and growth. Four key components have characterized government policies so far: first, reforming the social security program; second, ensuring a healthy fiscal climate; third, reviewing other government programs and priorities; and fourth, strengthening the performance of the Canadian economy in investment, innovation and trade. For the record, the government has so far succeeded in all four components and has acted to meet its commitments to the Canadian people.

First, let me deal with the social security programs. As one example, Bill C-76 has profoundly reformed transfers to the provinces with the introduction of the Canada Health and Social Transfer. This new transfer, effective in fiscal 1996-97, will create a system that is better suited to contemporary needs and is fiscally sustainable. The unemployment insurance program is

going through a review process that should culminate in major revisions, helping Canadian workers become more self-reliant and promoting job creation.

Let me now deal with the second point. This government has greatly improved the fiscal climate and it will achieve its interim target of reducing the deficit to 3 per cent of gross domestic product for 1996-97. The introduction of new fiscal measures will bring the deficit to \$24.3 billion in 1996-97, down from \$42 billion in 1993-94, \$37.5 billion in 1994-95 and \$32.7 billion in 1995-96. For 1997-98, the government is aiming at an interim target of 2 per cent of GDP. There is no doubt that the strategy is working, and it is more human, without detracting from the objective of a zero deficit, than the slash-and-burn approach that some other parties have advocated.

Concerning the review of government programs and priorities, program review one has already generated reductions in government spending. Departmental programs will again be subjected to scrutiny under program review two. Program spending will decline from \$120 billion in 1993-94 to \$106.3 billion in 1997-98 without a significant reduction in the quality of service.

• (1510)

On the last point, the government is focusing on science and technology because Canada's competitiveness depends on innovation. Innovation is the driving force behind productivity and is thus central to economic growth. That is why the government will support technological development in the aerospace industry, environmental technologies and new fields such as biotechnology.

Canada ranks as one of the world's most trade-dependent nations. For example, exports of goods and services now account for 30 per cent of GDP. International trade, directly and indirectly, accounts for approximately one job in four. The importance of trade explains why the government will announce new measures to enhance export development and financing of new products and to attract new foreign investment. The government will also continue its efforts to expand NAFTA. These measures can only mean more jobs for Canadians and increased productivity.

The Speech from the Throne also highlights concerns of Canadians about the unity of the country, economic uncertainty and the sustainability of social programs.

Let me deal with the national unity issue first. The possibility of another Quebec referendum on separating from Canada is a significant drag on the Canadian economy, particularly in Quebec. Some major corporations located in Montreal are in a state of alertness. I am told that it is very common for corporations renting office space in downtown Montreal to demand a separation clause in their leases. This clause would allow them to move rapidly if Quebecers voted for sovereignty. With this continued threat of sovereignty hanging over their heads, many businesses are reluctant to commit themselves for long-term investment periods. No wonder corporations are

reluctant to expand and to invest in Quebec. That is why the unemployment rate in certain parts of the city exceeds 16 per cent. It is not surprising that certain neighbourhoods of this historic city are substantially economically depressed.

A recent survey released by Statistics Canada is disquieting. It shows that Quebec will record its second consecutive year of declining investment. In fact, Quebec has recorded only one increase in investment in the past five years.

Until the national unity crisis is resolved, I am afraid there is nothing more governments can do to stimulate the economy. The political uncertainty has dearly cost Canadians from coast to coast. The political climate has increased the risk of investing in Canadian securities, thereby increasing the risk premium on interest rates. In the late stages of the referendum campaign, financial market concerns resurfaced, causing a short-lived spike in interest rates and weakness in the dollar. The volatility of the Canadian dollar was extreme when it lost almost one cent U.S. in the week of the referendum. Even La Caisse de dépôt et de placements du Québec intervened to sustain the dollar. This volatility in interest rates imposed significant costs on all Canadians.

The recent announcement by the Premier of Quebec, Mr. Bouchard, at a meeting with minorities in Montreal, widely reported in the media just this past week, stated that his government intends to concentrate on the economy and that the referendum will not likely take place before 1999. This announcement provides a bit of respite, at least temporarily, and it is welcome news. While the immediacy of the referendum has abated a bit, it still looms large on the horizon. Until this question has been resolved for good, we will not benefit to our full potential from investments and economic development and growth.

The government is moving to satisfy provincial demands for more autonomy in certain areas of jurisdiction. The government also announced changes that will modernize Canada and allow it to meet the needs of the 21st century. These changes will allow governments to be more flexible in their financial priorities. They will be able to operate more efficiently and effectively. For example, the federal government is prepared to exit in such areas as labour market training, forestry, mining and recreation. There is no doubt that these areas are more appropriately the responsibility of local and provincial governments.

In addition, the federal government will propose partnerships with the provinces to strengthen some important areas, such as the environment, social housing and tourism. The government will work with the provinces to develop principles and standards which will guarantee minimum standards and equal treatment for Canadians with respect to social programs. This new and improved social union will better protect Canadians wherever they live. These changes will improve labour mobility, protect social mobility between provinces and guarantee access to social benefits.

In order to reinforce the federation and to improve the functioning of the Canadian economic union, the government has

announced that it would take further steps in regard to the interprovincial trade agreements and the removal of trade barriers. Furthermore, the government is developing a Canadian securities commission, a single food inspection service and a single revenue collection agency. All these measures will strengthen our economic union. Some provinces will disagree with these initiatives. However, I am convinced that they will soon realize the importance and the economic benefits of these measures. For example, a national securities commission would better protect investors and improve capital mobility within Canada.

The changes announced in the Speech from the Throne should be appealing to Quebec and other provinces that demand more autonomy over certain jurisdictions. Eventually, we must hope that the national unity problem, which has wasted so many resources and profoundly injured our economy over the last few years, will soon be past history. Political stability will foster economic growth and stimulate major investments. Businesses will once again consider expanding and hiring people.

Once the Quebec-Canada issue is resolved, we will be in a better position to address the challenges of the next century. The sooner it comes, the better it will be for all of us.

[Translation]

**Hon. Normand Grimard:** Honourable colleagues, in keeping with the tradition of the Senate as “the house of sober second thought”, the Honourable Senator Bacon was able to inject some depth and hindsight into the debate. She deserves to be congratulated. I wish to acknowledge the contribution made by Senator Rompkey, who supported the Address in Reply to the Speech from the Throne. I also commend Senator Lynch-Staunton for his reply to the government program on behalf of our party, which only recently still formed the majority in this house.

[English]

In response to the Speech from the Throne for the second half of the government's term and prior to the federal election, many of my colleagues — Senator Beaudoin is an example — will deal with the constitutional aspects. I do not minimize the subject. Coming from Quebec and being the father of three children, I also pretend when kidding that I raised a fourth one called “Constitution.” Indeed, it has been since 1960 — for over 35 years — that we have been hammering at this item. Instead of pursuing it once again, I would like to reply to the Speech from the Throne from the view of the average Canadian family, those with children, houses, cars, mortgages, dreams and, very often, a worry for their jobs.

[Translation]

Poverty deprives people of essential goods and reduces their enjoyment of life. It can hit anyone without warning these days. This plague is no longer restricted to some people or to marginal groups. This fear mortgages the future of middle-class families, which, I dare say, are the most threatened in the short term.

Lulled by credit for a generation, these families have loans to repay on their homes, furniture, cottages and cars. However, should one or two members of a family lose their jobs, this obligation to pay off loans becomes a real nightmare, threatening these families with bankruptcy and seizure.

Other negative aspects affect young university graduates. In the last 10 years, holders of bachelor's or even master's degrees have had great difficulty finding jobs in their own fields. Parents are disappointed because they cannot tell their children, as in the 1950s and 1960s, that higher education will improve their financial and social status. Yet, they cannot advise them either to turn their backs on college and university education.

In fact, insufficient education is always a disadvantage. Modern society, which is based on specialized knowledge, has fewer rewards for captains of industry than yesterday's society. Resourcefulness alone rarely leads to success and is certainly no guarantee of continued success.

All wage-earners are afraid of making less money and squandering their heritage. Misfortune does not discriminate between corporate executives and labourers. Job security for life is a thing of the past. Unions are powerless before plant closings and provide only limited protection when only part of the business closes.

Some families sustain losses when members lose their jobs, while other families use up their savings when a family business or investment portfolio collapses, and they end up penniless. Without being everywhere, thank God, poverty is changing. These middle-class families are now joining those already suffering from our low level of industrial research and training. All agree that most of the jobs eliminated will never come back.

Whether they are young or old, job seekers tend to lose their self-confidence and receive encouragement from their friends and relatives. Even this attention can exasperate them, as it did this young graduate who was quoted in the January 17, 1995 edition of *The Toronto Star* as saying:

[English]

People tell me it's only a job — strangely, they all have jobs.

One year later, on February 24, it was the lot of a 45-year-old man to complain in the same manner. A father of five, he lost his middle-income job. He is a new Canadian. He told the *Star* in the first of a front-page series of five articles on the scarcity of employment:

The kids ask me every day if I have a new job. They know the difference between a good life and becoming poor.

[Translation]

Modern life is usually divided into three periods: about 25 years of training, followed by 40 years of active work, and then retirement, which many people plan very early. Few people now work beyond the age of 65. This is so because the federal state

starts paying its universal old age and security pensions at that age, which is also the time chosen by most workers to end their active life. Employers get younger employees and pay pensions to those who retire. This is the normal situation.

However, what happens if unforeseen events occur? If one member of a couple, or even both of them, lose their employment at age 50, what will these people do? This is when a catastrophe is feared.

The worldwide restructuring of the economy eliminated many jobs in the so-called industrialized countries. Older workers are the ones to be pitied most. Spoiled by their previous affluence, many do not have the computer knowledge required to find another job. Their age also makes it harder for them to get work. Consequently, many of them do not know what to do.

These people can easily begin to despair. They may think that there is no room for them any more. Yet, they contributed to the Canada Pension Plan, or the Quebec Pension Plan, during all their active life. They paid taxes, raised children, helped the economy and worked uninterruptedly until globalization started in the nineties.

Young people who are about to start a family have problems finding that first stable job. Searching for a job, keeping it or finding a new one is also a major concern for adults and for people closer to retirement.

I am very reluctant to encourage people to rely on social assistance. I also refuse to condemn those who must live off it.

[English]

The magnitude of our national debt means that the government will no longer be able to compensate for as much of the loss of private income as it used to, nor for as long a period of time. Indeed, the turmoil over the state of our public finances came to a head when *The Wall Street Journal*, on January 12, 1995, compared Canada to a Third World country. Of course, such a cutting viewpoint must be qualified, but how worked up people got over that editorial! International lenders lowered Canada's credit rating and increased the rate of interest we pay on money we borrow from them.

[Translation]

New solutions need to be found. As we say so often, you can't have your cake and eat it too. If ever the government should decide to add two years to retirement and pension age, I will understand that it is necessary. I hope, however, that it will also take care to create humane working conditions, with reduced hours and duties, for the workers aged 65 and over who are forced to continue working at this time, as we enter a new century and face the unknown. Do we have any choice about facing it? No, we do not.

At the present rate, the old age security fund will run dry around the year 2015. Not being an economist, I have to take the word of the accountants and actuaries on that.



All of these changes worry me, but I am most worried about families in economic difficulties in the pre-retirement years. It pains me to think of them being forced to wait two years, or however many years, more before they can benefit from the state fund into which they have paid.

[English]

At that time, unemployment insurance benefits will likely also be depleted. In this case, even Canadians who have worked diligently and honestly all their lives will face further hardship.

The West despising the East; Quebec still threatening to secede; violence climbing over reason; and anger above moderation: I know that Canada is faced with a very serious threat. I am not speaking on the constitutional part of the Speech from the Throne. I will not talk about Quebec partition. However, will Canadians and Canadian families find, in the economical part of the government, the most expected dash of hope in the competence of ministers to curb unemployment and have the economy start rolling over again?

I have strong doubts that doubling the number of summer jobs, calling up the premiers, launching larger Canada teams and creating wished partenariats with the provinces will be enough to restore confidence.

[Translation]

The promise to replace the GST with another tax, the so-called single national sales tax, is just a repeat of the January 18, 1994 throne speech. Like it, the budget speech has nothing specific to say. If this were a hockey game, we would be in the middle of the second period. The government does not have many months left to shake off the inertia that is paralyzing it in this connection. True, it may have good reasons to hesitate, if all that it plans to do is to replace the GST with another tax—different name, same amount. Canada's economic situation has slipped further down the slope instead of moving upward in the past two years.

For Ottawa, it may be a sign of goodwill to withdraw from occupational training, forestry, mining and recreation, but will the provinces accept it? What will Mr. Lucien Bouchard have to say, now that he is the Premier of Quebec? This will not be enough to get our economy back on the right track; it is not like a scout blowing his hunting horn in search of the right path to get his group out of the underbrush and back on the right track.

Investments are down in Canada, particularly in Quebec, unfortunately. Part of this lethargy I attribute to the last referendum.

The city of Montreal is in its death throes, according to not only *Maclean's* but also a series of articles by Claude Picher in *La Presse* and, more recently, Michel Vastel in the *Unimédia* chain of papers.

[English]

Overlooking the difficulties would be detrimental to all of us. Wishing my country to continue, I also know that we will be working with a very short rope while preparing to enter the 21st century in North America.

[ Senator Grimard ]

On motion of Senator Stanbury, debate adjourned.

[Translation]

## COMMITTEE OF SELECTION

### THIRD REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the third report of the Selection Committee (members of various joint committees), presented to the Senate on March 26, 1996.

**Hon. Jacques Hébert:** Honourable senators, I move the adoption of the report.

**The Hon. the Speaker:** It is your pleasure, honourable senators, to adopt the motion?

**Hon. Senators:** Agreed.

Motion agreed to and report adopted.

[English]

## INTERNAL ECONOMY, BUDGETS AND ADMINISTRATION

### FOURTH REPORT OF COMMITTEE—ORDER WITHDRAWN

On the Order:

Consideration of the Fourth Report of the Standing Committee on Internal Economy, Budgets and Administration (taxi expenses), presented in the Senate on March 19, 1996.—(*Honourable Senator Di Nino*)

**Hon. Colin Kenny:** Honourable senators, Senator Di Nino presented this report on my behalf last week. Since then, there have been some discussions concerning this report. Accordingly, I would ask leave of the Senate that this order concerning the report be withdrawn.

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

**Hon. Senators:** Agreed.

Order withdrawn.

### SECOND REPORT OF COMMITTEE ADOPTED

The Senate proceeded to consideration of the second report of the Standing Committee on Internal Economy, Budgets and Administration (witness expenses), presented in the Senate on February 28, 1996.

**Hon. Colin Kenny:** Honourable senators, I move the adoption of this report.

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

Motion agreed to and report adopted.

## NOVA SCOTIA

STATE OF COAL MINING INDUSTRY IN CAPE BRETON—  
INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Murray, calling the attention of the Senate to the state of the coal mining industry in Cape Breton and the policy of the Cape Breton Development Corporation in relation thereto.—(*Honourable Senator Buchanan*)

**Hon. John Buchanan:** Honourable senators, I congratulate Senator Murray for initiating this discussion of a very timely and serious matter affecting the livelihoods of thousands of Cape Bretonners and, therefore, Nova Scotians. Senator Murray is a native of the New Waterford area, which for over 100 years has been, and continues to be, a coal-producing area in Cape Breton.

The question troubling Cape Bretonners at the present time is: What is the future of coal mining in Cape Breton? Therefore, it is important that an independent examination be carried out by the Senate at this time.

From the early 1900s, most Cape Bretonners relied on two basic industries for their livelihood: the coal industry and the steel industry. The steel plant is located in Sydney, and the various collieries are located in all of the mining towns surrounding the Sydney area.

Through the late 1800s and the early 1900s, families from Richmond County, Victoria County and Inverness County moved to the area around Sydney, the industrial area of Cape Breton, to work in the new coal mines and the Sydney steel plant. People from many European countries — from Poland, Italy, Czechoslovakia, the Ukraine, et cetera — came to work in these new industries in Cape Breton. In fact, in one of these areas, the town of Dominion, which is very familiar to Senator Graham, the first Italian community in Canada was founded. This town has provided many outstanding people in the fields of labour, business, engineering, et cetera. These people from other countries and from rural Cape Breton who moved into the industrial area were all very hard-working people, God-fearing and family oriented.

My grandfather on my father's side came from Victoria County and settled in Port Morien, very close to the Glace Bay area. When one of the first coal mines opened in that area, it was simply called the Port Morien mine. My grandfather worked underground until the Port Morien mine closed, and then moved the family to the town of Dominion when Dominion Number 1A colliery opened. He worked there underground until he was injured at the coalface.

My father was born in Port Morien and then moved to Dominion with the family. He started work at age 15 in the Dominion Coal Company stores in Glace Bay. He worked his way up, went to night school, and then was transferred to the general offices of the coal company. In 1924, he was transferred to Sydney where the offices of the Dominion Coal Company

were then merged with the steel company offices, to be known as the general offices of Dosco.

My grandfather on my mother's side, as a young man, moved from Pictou County to the Glace Bay area to work in the new mines. My grandmother's family moved from Richmond county to Glace Bay, where they worked in the Glace Bay mines. My grandfather worked in a colliery called Caledonia Number 11 in Glace Bay, and he was working there until he was injured at the coalface. Then for 10 years he worked underground looking after the pit horses, as they called them at that time, the horses used to haul coal from the coalface to the area where it was then taken to the surface. It is interesting to note that once a year these horses were taken out of the pits up to the surface, and for a period of time they were temporarily blinded, being so used to the darkness of the underground pits. That, of course, has changed today, and coal is carried by mechanized rail cars.

Back at the turn of the century, and right up until the 1920s, the pay for an underground miner was something in the range of \$2 to \$3 a day. People who worked up on the surface were paid about \$1.50. In the 1920s and 1930s, it was much better. Pay increased to about \$3 to \$4 dollars a day, and for surface workers to about \$2 a day. To us, looking at that today, that kind of pay is just incredible.

My grandfather's house was in front of rows of company houses in Glace Bay at the Caledonia colliery, and in front of the Caledonia colliery. Back then, because horses were used in the mines, people had to contend with rats coming up from the underground areas where the horses were held, and those rats would be in the backyard of their homes and in their homes. Today, of course, they do not have to put up with that kind of situation.

Honourable senators, life was very difficult in those days. It is interesting to note — and my mother related this to me many times, and I know others here from Cape Breton would agree with it — that even though life was much more difficult than it is today, nonetheless throughout those years, right up until the 1950s and to the present time, the community spirit was something that made life much better for these people. Life revolved around the mine, the church, the home, and a place called Senators' Corner in Glace Bay, which was the gathering place for just about everyone in that area.

• (1540)

The miners and steel workers had commitments. Their commitments were, one, to family, two, to church, and three, to education. Education was vital to family life in the coal mining and steel plant areas. If it meant that miners and steel workers had to work extra shifts and extra hours to ensure that their children got an education, they did so. Education was a priority with people in the industrial area of Cape Breton.

At one time, up until the 1950s, there were two collieries operating in Sydney Mines. They were called Florence and Princess. I remember as a young boy listening to the radio every evening to find out if Princess and Florence would be working tomorrow. The words on the radio were: "Princess will work tomorrow and Florence will not; three gangs required at Princess, one gang at Florence." Or the words on the radio would say:

"Princess and Florence will both be working tomorrow; two gangs needed at Princess, one gang at Florence." Miners would be glued to the radios to find out if there was to be work the next day.

Collieries were given numbers, such as Caledonia number 11, number 26, number 16, number 13, et cetera. Over the years, all of these collieries have closed. The last to close was number 26 when coal was to be mined many miles out under the ocean. The minute the miners would leave the wash-house to go underground to the coalface, it would take two-and-a-half hours to reach the coalface and two-and-a-half hours to come back. The actual time at the coalface was about three hours. There was a devastating fire at number 26, and it closed 10 or 12 years ago.

Many of you here have not been underground; some have. I was underground in old Dominion number 1B about 30 years ago. I was underground in number 26 on three occasions. I know the conditions that men work under in these coal mines.

Here we are today again with a possible crisis on our hands in the coal mining areas of Cape Breton. What the Government of Canada does in the next number of months will affect not only the miners and their families but thousands of others. The ratio is about three to one — one direct job in the coal industry reflects three other jobs indirectly. We have about 6,000 jobs directly and indirectly at stake in these areas. When you multiply that factor by the number of people per family, you are looking at over 20,000 people directly affected by mine closures in industrial Cape Breton. It is a serious economic and social problem that we have had in Cape Breton for years, and we have it again. Therefore, action must be taken, and it will take appropriate action to keep the coal mining industry going.

In 1967, Black Friday hit Cape Breton when Dosco began its move to get out of steel making and coal mining in Cape Breton. Privatization just did not work and has not worked in Cape Breton throughout the 1960s and beyond. The steel industry was to close. Dosco had decided to move out of the steel industry completely. Next, of course, would have been the coal industry and all of the collieries operating at that time, meaning thousands and thousands of people would be out on the street looking for jobs. It looked like the end of coal mining and steel making in Cape Breton, which would have meant the most massive social problem anywhere in Canada at that time.

Honourable senators, I was a member of the Nova Scotia legislature in 1967. In 1968, I became a member of the Nova Scotia cabinet. I remember those days well. I remember the concerns of one member of this Senate when he was actively involved in the Government of Canada. I speak, of course, of Allan J. I was about to say "Senator MacEachen," but I will say Allan J., as he was, and still is, affectionately called throughout Cape Breton. His social conscience, his knowledge of Cape Breton, his knowledge of the steel and coal industry and his heartfelt concern for Cape Breton and his people came to the fore. Because of the driving force of people like Allan J., Bob Stanfield and Ike Smith, the matter was partially solved, and so began the Sydney Steel Corporation Act and Sysco in the legislature of Nova Scotia, the formation of Devco or the Cape

Breton Development Corporation, and the take-over from Dosco of both the steel plant in Sydney and all of the coal mines in industrial Cape Breton.

One thing with which we in this house are blessed, honourable senators, is that we have people here who understand and appreciate the coal industry. I speak, of course, of Senator Murray, a native of New Waterford and one who knows the coal industry well. I speak of Senator Finlay MacDonald, another Cape Bretoner who knows and understands the coal mining industry well. I speak of our dear Senator John M. Macdonald, who was brought up and lived in a coal mining area. I speak of our former colleague here, Senator Bob Muir, who worked in the coal mines, was injured in the coal mines, and served his area well in the House of Commons and here in the Senate. I speak of Senator Graham, who was raised in a coal mining area, in the Dominion area. In fact, Senator Graham was the second employee of the Cape Breton Development Corporation. I do not know who the first was, but he was the second.

**Senator Graham:** Robinson Orr was the first.

**Senator Buchanan:** That is right. He was the first and Senator Graham was the second. Senator Graham rose to the position of Executive Vice-President and Executive Secretary of the Cape Breton Development Corporation. At that time, in 1968, some 4,000 miners and others looked upon the coal mines as their livelihood.

Devco, at first, had the mandate to phase out the mines in an orderly fashion and to open one new colliery, which was the Lingan colliery. It also had the mandate of finding alternate employment for miners who were displaced. However, in the early 1970s and mid-1970s, king coal became king again when oil prices skyrocketed throughout the western world, and certainly in Nova Scotia where the Nova Scotia Power Corporation utilized about 60 per cent of its fuel in generating electricity from oil. Of course, at that time, electricity costs skyrocketed. Something had to be done, and so the Nova Scotia Power Corporation and the Cape Breton Development Corporation negotiated contracts. I was involved in those contracts, along with Allan J., to ensure that there would be an abundant supply of coal for the Nova Scotia Power Corporation. Lingan number 1, number 2, number 3 and number 4, all 150 megawatt plants, were constructed in the Lingan area to generate electricity from coal. At that time, the Seaboard power plant — which is now closed — generated power.

The plant at Point Aconi was built a few years ago, which is the first fluidized bed plant in Canada, one of very few throughout the western world. These plants are unique in that they use limestone in the process to eliminate some 35 per cent to 90 per cent of SO<sub>2</sub>. This process virtually eliminates so-called "acid rain" from the Point Aconi plant.

Back in the mid-70s, more coal was needed, so Prince colliery on the north side was opened along with the new Lingan colliery. Number 16 in New Waterford and number 26 continued to operate but, as I said, since then have closed.

• (1650)

More metallurgical coal was required to fire up the coke plant to make coking coal for the blast furnace. That was supplied at the time by number 26 colliery which produced very good metallurgical coal.

Devco's mandate widened. Pension plans were put together for workers who had been displaced. The workforce was reduced at Sysco to bring the workforce down to a level where the number of men employed would be sufficient for the production that was required.

**The Hon. the Speaker:** Honourable Senator Buchanan, I hesitate to interrupt you, but under the rules, your time has expired.

Is leave granted for the honourable senator to continue?

**Hon. Senators:** Agreed.

**Senator Buchanan:** At that time, we had Prince colliery, Lingan and Lingan-Phelan. Lingan colliery closed last year.

At the present time, the only collieries operating in Cape Breton are the Prince colliery on the north side and the Lingan-Phelan. These two mines have a limited life expectancy. It is not exactly known at the present time how long they will operate. One is having difficulties with rock bursts, methane and flooding. It is interesting to note that the seams of the old Dominion 1B and number 26 run above the Lingan colliery and they are both flooded. There is a bit of a flooding problem in Lingan colliery, along with the rock bursts. Those for the most part have been looked after, but they expect more difficulties in the future. Prince colliery has had problems over the years with rock falls, but it is producing, and it produces fairly good coal.

Back in 1978-79, based on the knowledge that some of these mines would have a life span of 15 to 20 years, there was a move to open a new colliery. The best block of coal in Cape Breton at that time was called the Donkin block of the Harbour seam. In 1979, the government of Nova Scotia, which I had the honour to lead, provided \$5 million to bring in from the United States a drill ship to drill the Donkin block.

The coal was assessed at that time to be excellent coal, anywhere from 2.5 to 3.5 per cent sulphur and from 6 per cent to 8 per cent ash. Some of you may think those are high counts; they are. However, in the Victoria junction wash plant, that coal can be washed down to anywhere from 1.5 to 2 per cent sulphur which makes it good thermal coal. Some is good metallurgical coal.

After the drill ship had departed, the next job was to determine whether a new colliery would be opened at Donkin. The plans were prepared. The Donkin mine was commenced. Some \$80 million was expended in starting the development of the Donkin mine, including the plans, the mapping, and the assessment of the coal itself.

Two tunnels were drilled at that time. Those tunnels are still there. They were flooded a few years ago, appropriately to preserve the coal.

In the present situation, we have two operating coal mines with limited life expectancy. We have the Donkin mine with two tunnels ready to go. In 1979, an energy plan was prepared for the government of Nova Scotia, which I have here. It is most interesting to note in this energy plan that the Donkin block of coal has a resource of some 700 million tonnes of coal. Of that 700 million tonnes, approximately 400 million tonnes can be mined. Given that energy plan and the amount of coal that can be mined in the Donkin block, the question is: Should the Donkin mine be opened?

Honourable senators, we are proposing in this inquiry that a Senate committee look at various items in the Cape Breton area as far as coal mining is concerned. One would be the feasibility of opening a new Donkin mine.

There are pros and cons here. The UMW says it is economically feasible and will employ a lot of men. Devco says it may be economically feasible, and they have put a price tag on the opening of the new mine at anywhere from \$200 million to \$400 million. Independent research indicates that the new coal mine could be opened and in production after spending something in the range of about \$120 million to \$140 million, taking into consideration that about \$80 million has already been spent. That is something that an independent committee should examine. There are quite a few unknowns at the present time with regard to the Donkin mine. I have available many reference documents on this subject.

Second, we should examine the feasibility of a project that has been very close to the hearts of Senator Graham, Senator MacEachen me for many years. It is called the Synfuels project, and it involves a liquefaction process to create oil from coal. In 1980, Senator MacEachen and I, along with Gulf Oil, now Ultramar, Nova Scotia Resources Limited and Alastair Gillespie's Synfuel company, signed an agreement so the project could proceed. Unfortunately, some 16 years have passed and it is still not underway. When it does begin, it will use up to 500,000 tonnes of coal a year. That is something we should look at.

We should look at the life expectancy of the Lingan-Phelan colliery and the Prince colliery. We should look at the present requirements of 2.2 million tonnes of coal for the Nova Scotia Power Corporation. We should look at the export market into which Devco has always sold good thermal coal and good metallurgical coal. We should look at present employment levels and employment levels in the future.

Honourable senators, I believe that this inquiry and this investigation, independent as it will be in the Senate, is a vitally important matter for the Senate, and certainly for the coal mining industry of Nova Scotia and Cape Breton. Therefore, I join Senator Murray in asking that this inquiry proceed. I believe the appropriate committee to conduct this inquiry is the Energy Committee. I hope that all senators will vote in favour of this inquiry so that Cape Breton can move ahead and ensure that those thousands of people who will be affected will continue to make their livelihoods.

On motion of Senator Hébert, debate adjourned.

## ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES

COMMITTEE AUTHORIZED TO STUDY  
MATTERS RELATED TO MANDATE

**Hon. Eric Arthur Berntson (Deputy Leader of the Opposition)**, for Senator Ghitter, pursuant to notice of March 26, 1996, moved:

That the Standing Senate Committee on Energy, the Environment and Natural Resources, in accordance with rule 86(1)(p), be authorized to examine such issues as may arise from time to time relating to energy, the environment and natural resources generally in Canada; and

That the Committee report to the Senate no later than March 31, 1997.

Motion agreed to.

ALTERNATIVE FUELS FOR INTERNAL COMBUSTION ENGINES—  
COMMITTEE AUTHORIZED TO MONITOR MATTERS  
RELATING TO IMPLEMENTATION OF ACT

**Hon. Eric Arthur Berntson (Deputy Leader of the Opposition)**, for Senator Ghitter, pursuant to notice of March 26, 1996, moved:

That the Standing Senate Committee on Energy, the Environment and Natural Resources be authorized to monitor all matters related to the implementation and application of the Act to accelerate the use of alternative fuels for internal combustion engines (previously S-7); and

That the Committee report to the Senate no later than June 21, 1996.

Motion agreed to.

COMMITTEE EMPOWERED TO PERMIT COVERAGE  
OF MEETING BY ELECTRONIC MEDIA

**Hon. Eric Arthur Berntson (Deputy Leader of the Opposition)**, for Senator Ghitter, pursuant to notice March 26, 1996, moved:

That the Standing Senate Committee on Energy, the Environment and Natural Resources be empowered to permit coverage by electronic media of its public

proceedings with the least possible disruption of its hearings.

Motion agreed to.

## LEGAL AND CONSTITUTIONAL AFFAIRS

COMMITTEE AUTHORIZED TO ENGAGE SERVICES

**Hon. B. Alasdair Graham (Deputy Leader of the Government)**, for Senator Carstairs, pursuant to notice of Tuesday, March 26, 1996, moved:

That the Standing Senate Committee on Legal and Constitutional Affairs have power to engage the services of such counsel and technical, clerical and other personnel as may be necessary for the purposes of examination and consideration of such bills, subject-matter of bills and Estimates as are referred to it.

Motion agreed to.

## CONTROLLED DRUGS AND SUBSTANCES BILL

LEGAL AND CONSTITUTIONAL AFFAIRS COMMITTEE  
AUTHORIZED TO RECEIVE AND APPLY DOCUMENTS  
AND EVIDENCE RELATING TO FORMER BILL C-7  
STUDIED DURING LAST SESSION OF PARLIAMENT

**Hon. B. Alasdair Graham (Deputy Leader of the Government)**, for Senator Carstairs, pursuant to notice of Tuesday, March 26, 1996, moved:

That the papers and evidence received and taken by the Standing Senate Committee on Legal and Constitutional Affairs during its examination of Bill C-7, respecting the control of certain drugs, their precursors and other substances and to amend certain other Acts and repeal the Narcotic Control Act in consequence thereof, in the First Session of the Thirty-fifth Parliament, and any other relevant Parliamentary papers and evidence on the said subject be referred to the said Committee for its present study of Bill C-8, respecting the control of certain drugs, their precursors and other substances and to amend certain other Acts and repeal the Narcotic Control Act in consequence thereof.

Motion agreed to.

The Senate adjourned until tomorrow at 2 p.m.

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