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Wednesday, April 24, 1996

THE HONOURABLE GERALD R. OTTENHEIMER SPEAKER PRO TEMPORE

| | CONTENTS | | | | |
|---|---|--|--|--|--|
| | (Daily index of proceedings appears at back of this issue.) | | | | |
| | | | | | |
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| Debates: Victoria Building, Room 407, Tel. 996-0397 | | | | | |

THE SENATE

Wednesday, April 24, 1996

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

Prayers.

VISITORS IN GALLERY

The Hon. the Speaker pro tempore: Honourable senators, I should like to welcome to the Senate a visiting delegation from the ministry of the interior of the State of Kuwait. The delegation is led by Major-General Fouad M. Al-Saleh. Other members of the delegation are Brigadier-General Nasir Al-Banay, Colonel Nabeek K. Shuhaibar and Dr. Ismail Nesrallah. The delegation is accompanied by His Excellency the Ambassador of the State of Kuwait, Mr. Abdulmohsin Al-Duau, and also by Mr. Abdullatif Al-Mawash, who is counsellor at the Embassy of the State of Kuwait in Ottawa.

I welcome all of that distinguished delegation to the Senate on behalf of all honourable senators, and express the wish that your visit to Canada will be fruitful and enjoyable.

[Translation]

SENATORS' STATEMENTS

MUSEUM OF NEW BRUNSWICK

EXPANSION—OFFICIAL OPENING

Hon. Rose-Marie Losier-Cool: Honourable senators, I wish to speak to you today of the New Brunswick Museum. As a New Brunswicker, as an Acadian, and as a member of the Museum board, I am proud of this, the oldest museum in Canada, and of how it represents the Acadians and their history.

Within its walls is a wonderful blend of history, culture, and the heritage of New Brunswick's ethnic communities. Founded as a museum of natural science by the geologist Dr. Abraham Gesner, inventor of the kerosene lamp, it later became the New Brunswick Museum.

[English]

Next Sunday, April 28, 1996, will be an historic day for the New Brunswick Museum as it opens a new expansion of 60,000 square feet at Market Square. The New Brunswick Museum is the principal heritage resource in the provincial network of heritage facilities and community museums. With its interactive galleries featuring decorative and fine arts, human history and natural sciences, this new exhibition facility makes the New Brunswick Museum a provincial, national and international heritage destination.

Capital funding of \$3.1 million for the museum expansion is being cost shared between all three levels of government, with assistance from the New Brunswick Explorer Fund-raising Campaign. Located in the port city of Saint John, New Brunswick, Gesner's Museum of Natural History has also acquired exotic items brought back by soldiers and sailors returning from voyages around the world. As a result, the New Brunswick Museum boasts many rare artifacts and specimens, including two of seven known Easter Island tapa figures and a fossilized insect wing referred to by Charles Darwin in *The Descent of Man*, written in 1871.

[Translation]

The New Brunswick Museum is the oldest in Canada, having opened its doors in 1842. On April 28, 1996, it will also become the newest in Canada.

The Acadian people have left an indelible influence on the history of New Brunswick, and I am proud to see the history of Acadia given pride of place in this institution.

[English]

• (1340)

Honourable senators, I invite you to come to New Brunswick to visit the New Brunswick Museum, a welcome to Wunderkammen, a German term meaning wonder, surprise, delight, discovery.

GOODS AND SERVICES TAX

HARMONIZATION WITH PROVINCIAL SALES TAXES— LOGIC OF GOVERNMENT APPROACH

Hon. Brenda M. Robertson: Honourable senators, I want to speak briefly about the Prime Minister's faulty logic. When one thinks back, there was a bit of a foul odour of insincerity, of smoke and mirrors and shameless demagoguery about the Prime Minister's approach to the GST from the very beginning. For instance, allow me to draw the attention of honourable senators to an article in *The Toronto Star* from 1990.

Last March, campaigning for his party's leadership, Chrétien said it would be irresponsible for the Liberals to say they'd scrap the tax without offering any alternatives to it. Now he says that if he forms the next government, the GST is as good as dead. But he does not spell out the alternatives....In defending Chrétien's incomplete position, Liberal pollster Martin Goldfarb says voters are 'more concerned with scrapping the GST than with the logic that follows — of what you do when you scrap it. The voter doesn't want sophisticated explanations.'

By the 1993 election, Chrétien had put a bit more detail into his faulty logic. I quote *The Gazette* of October 18, 1993:

The GST has been a disaster for the Canadian economy: it is unfair and regressive...has been very costly for business

to comply with; has been detrimental to federal provincial relations. In addition, it has eroded consumer confidence and has contributed to the underground economy. As a result, the federal government revenues have declined and the deficit is growing. Liberals have promised to remove the GST within a context of revenue neutrality following the consultation with Canadians and the provinces. We do not want to repeat the Tory mistakes.

I would like to know where the revenue neutrality is in the Liberal plan, and I will ask a question on that point this afternoon.

On top of the unilateral Liberal cuts to federal transfer payments that we have seen recently, the Liberal plan will entail less sales tax money and, as a result, create an overall cash shortfall to the provinces. How is the long-term health of federal-provincial relations improved by this newest version of the Liberal plan?

THE FUTURE OF CANADA

Hon. Marcel Prud'homme: Honourable senators, I am a Canadian who believes in Canadianizing our institutions.

Senator Cools: Long live the Queen!

Senator Prud'homme: I am very faithful to Her Majesty the Queen. However, I believe Canada should change its institutions slowly. Perhaps honourable senators will join with me in my efforts. I will be on *Canada A.M.* tomorrow to further explain. If you like, I can start the debate now. In any event, if honourable senators want to know about the future of Canada, listen to *Canada A.M.* tomorrow.

FOREIGN AFFAIRS

EFFECT OF ISRAELI BOMBARDMENT ON LEBANON

Hon. Marcel Prud'homme: Honourable senators, yesterday, I made a short statement about Lebanon. Again today, as I will tomorrow, I would like to impress upon my colleagues in the Senate that, as we say in French, le Liban crie au secours. For those of us who have been to Lebanon and who support the peace process there, we passionately believe that, unfortunately, Israel is going the wrong way. They are, every day, multiplying the Hezbollah. Israel is becoming the father of Hezbollah, as it is already the father of Hamas. I hope the Canadian government will use all of its powers of persuasion to impress on the State of Israel that the one way to achieve peace, at least with Lebanon, is to respect resolution 425 of the United Nations as passed 18 years ago.

We in Canada believe that we should have openness. I say that in front of this visiting delegation. I have been to their country. I am pleased that His Honour the Speaker has introduced them. They are in good company with the Assistant Commissioner of the RCMP, Mr. Ford Matchim. I think that is Canada's role — to open up avenues, to impress upon our friends that they are doing wrong.

In Lebanon, it is unbelievable. Honourable senators, do you understand what 400,000 displaced people mean for a small population? Proportionately, it is the equivalent of 50 million displaced Americans, and in Canada it would leave entire cities empty. The people missing in Kuwait number 625, and that is peanuts in comparison. I invite honourable senators to join our parliamentary association which is involved with the missing people of Kuwait.

Yet it seems we have nothing to say. Yesterday the House of Commons debated human rights in the Armenian situation. Perhaps I should be on my feet speaking about the Armenians, who are demonstrating on the Hill today. In the House of Commons yesterday, they talked about everything on earth, but how many showed any feeling for what Lebanon is going through at this time in its reconstruction? Tell me, are we furthering the process of peace in the Middle East by destroying the entire, newly rebuilt electrical system in Lebanon which cost \$100 million? Beirut has been without electricity.

Perhaps Israel is trying to punish France for rebuilding the electrical system. Israel attacked the middle of the Christian centre of East Beirut. There were no Hezbollah there. Hezbollah are multiplying by the minute. Law-abiding Canadian citizens of every faith are now one on this issue. This should teach us a lesson.

I will impress upon my colleagues again tomorrow that our government must do something for the refugees in Lebanon.

ROUTINE PROCEEDINGS

FINANCIAL INSTITUTIONS BILL

FIRST READING

The Hon. the Speaker *pro tempore* informed the Senate that a message had been received from the House of Commons with Bill C-15, to amend, enact and repeal certain laws relating to financial institutions.

Bill read first time.

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

On motion of Senator Graham, bill placed on the Orders of the Day for second reading on Tuesday, April 30, 1996.

DEPARTMENT OF HEALTH BILL

FIRST READING

The Hon. the Speaker pro tempore informed the Senate that a message had been received from the House of Commons with Bill C-18, to establish the Department of Health and to amend and repeal certain Acts.

Bill read first time.

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

On motion of Senator Graham, bill placed on the Orders of the Day for second reading on Tuesday, April 30, 1996.

• (1350)

DEPARTMENT OF HUMAN RESOURCES DEVELOPMENT BILL

FIRST READING

The Hon. the Speaker *pro tempore* informed the Senate that a message had been received from the House of Commons with Bill C-11, to establish the Department of Human Resources Development and to amend and repeal certain related acts.

Bill read first time.

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

On motion of Senator Graham, bill placed on the Orders of the Day for second reading on Tuesday, April 30, 1996.

[Translation]

TRANSPORT AND COMMUNICATIONS

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO MEET DURING SITTINGS OF THE SENATE

Hon. Lise Bacon: Honourable senators, I give notice that on Thursday, April 25, 1996, I will move:

That the Standing Senate Committee on Transport and Communications have power to sit at 4:30 p.m. on Tuesdays to consider Bill C-14, An Act 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, even though the Senate may be sitting at that time, and that rule 95(4) be suspended in relation thereto.

[English]

QUESTION PERIOD

GOODS AND SERVICES TAX

HARMONIZATION WITH PROVINCIAL SALES TAXES—PREVIOUS REMARKS OF GOVERNMENT LEADER—CURRENT POSITION

Hon. Gerry St. Germain: Honourable senators, my question is to the Leader of the Government in the Senate. It concerns the same issue I dealt with yesterday, that is, the recent announcement by the government of its intention to harmonize the GST with some provincial sales taxes.

I wish to remind my Senate colleagues of what the Honourable Senator Fairbairn had to say about this harmonization issue back on November 29, 1990, after the Honourable Senator Lynch-Staunton brought to the attention of all senators the presence in the gallery of Mr. Richard Holden. Senator Fairbairn remarked:

I am sure Mr. Holden, being a lawyer, is probably very interested in this tax, and there certainly will be a fruitful field for him as the Quebec government harmonizes its tax with the federal one.

By making this statement, it would seem that Senator Fairbairn was critical of harmonization. However, yesterday, in response to my question, she sang the praises of harmonization.

Another interesting statement was made on the same day in 1990 by Senator Fairbairn, as she then was, on the same issue, and again I quote:

As senators are aware, the province of Quebec, which is the only province to decide to harmonize its tax with the federal tax, which means it is prepared to share the same tax base, found itself considering the possibility of a 15 per cent tax on books where there had been no tax before.

Once again, this previous statement of the Leader of the Government in the Senate is in contradiction to her recent support of the decision by the government to harmonize the GST. Now the people of Nova Scotia, New Brunswick and Newfoundland will be paying a new 15 per cent tax on books. As the honourable senator had pointed out at that time, there had been no tax on books up until that time.

Honourable senators, how can the Leader of the Government in the Senate, who just happens to be the Minister with special responsibility for Literacy, have the audacity and the nerve to say that she opposes taxes on books one day, and the next day tell us that she supports those changes? Can she tell us what she is doing?

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, I thank my honourable friend for reliving one of those magic moments of 1990, and there were many of them. I do have a recollection of Mr. Holden and his presence in the gallery.

I should like to say to the honourable senator that we fought a battle on the GST, and we fought it in both Houses of Parliament.

Senator Berntson: And then you changed your mind.

Senator Fairbairn: We obviously lost that battle. We continued to have our reservations about the tax as it developed, and those reservations were reiterated on a number of occasions.

I should like to read to my honourable friend the commitment we made as a party in our Red Book as we approached the election campaign. I quote from page 22:

A Liberal government will replace the GST with a system that generates equivalent revenues, is fairer to consumers and to small business, minimizes disruption to small business, and promotes federal-provincial fiscal cooperation and harmonization.

That commitment was made in our 1993 election campaign, and is beginning to take effect across this country with the announcement this week of the memorandum of understanding with the three Atlantic provinces to harmonize their sales taxes with the federal tax.

The honourable senator knows, and we discussed this yesterday, that since the election — and certainly for the last two years and a bit — the federal government, through the Minister of Finance, has been constantly negotiating with all the provinces with a view to having a national, integrated, harmonized tax. This has proven to be a singularly difficult task, as indeed it was for my honourable friends opposite, in terms of —

Senator Lynch-Staunton: We support it. We have no problems with it.

Senator Fairbairn: As their leader indicated —

Senator Berntson: How do you spell "hypocrisy"?

Senator Fairbairn: As their leader himself indicated recently, harmonization with the provinces of Atlantic Canada was not in the cards at that time. We have since succeeded in arriving at an agreement with three of those provinces.

Senator Lynch-Staunton: Where is the fourth?

Senator Fairbairn: The Minister of Finance has indicated vociferously that the negotiations will continue with all provinces, in the hopes and expectation that we will achieve —

Senator Lynch-Staunton: A tax on books?

Senator Fairbairn: — a national, integrated tax.

To my honourable friend's question concerning a tax on books, I am very well aware of what I have said in this house, of what many people have said in this place, and of what the government itself has been hopeful of doing over the years.

Senator Lynch-Staunton: It was a pledge.

• (1400)

Senator Fairbairn: If my honourable friend had listened to the Minister of Finance yesterday, he would have found out that there are obviously disappointments in what has very clearly become the possible economic, feasible and right way to go about fulfilling our commitment to replace the GST with a better tax. That is what we are doing now. We have started with the common base.

Of course I am disappointed, honourable senators. I do not say for a moment that I am not.

Senator Lynch-Staunton: Why, then, do you not apologize? That is what we want to hear.

Senator Fairbairn: Honourable senators, the benefits that will accrue to the people and businesses of Atlantic Canada will put into the hands of consumers and businesses the kind of opportunity that goes to the heart of economic viability, job creation and greater opportunities. I would urge other provinces

to follow the lead of my friends in Atlantic Canada; get on the bandwagon and join the national tax.

Senator St. Germain: Honourable senators, this is disgraceful! I sat in this house yesterday and listened to Senator Stollery speak on the ethics and the morals in our Parliament.

I hear my honourable friend Senator Taylor commenting from the other side. Senator Taylor, you are from Alberta. You had your problems with the National Energy Policy. You could not get elected, but you got appointed.

Honourable senators, for too long we have put up with this rhetoric.

Senator Fairbairn: No one has more pride than this honourable senator from Alberta! We are very proud.

Senator St. Germain: The other side speaks about morals, ethics and integrity in government. I was watching the Prime Minister of this country on television when he said that he would abolish the GST. I remember quite clearly the Deputy Prime Minister of today saying that she would quit if the Liberals did not scrap the GST. Therefore it is a total sham that they should sit there today and attempt to justify their position on the policy of harmonization that this side advocated in the first place.

The Leader of the Government in the Senate talked about balderdash yesterday. I say to her today that balderdash applies to your side of the chamber, not to my side. On November 22, 1990, the then Senator Fairbairn stated:

We want this tax killed...

That is exactly what her Prime Minister and her Deputy Prime Minister said at that time. Why is she now pooh-poohing that position as if nothing had happened? Does she have no pride and no integrity? It is as Senator Stollery talked about; if she had pride and integrity, she — and they — would do the honourable thing and resign.

Senator Lynch-Staunton: It is like free trade.

Senator Fairbairn: Honourable senators, I will not get into a debate with my honourable friend on morality, ethics or integrity. However, I will tell him that I have a considerable amount of pride in being part of a government that has taken an issue — which is one of the most difficult with which a country could be faced — and placed it within the context of a plan of deficit reduction, economic growth and job creation.

As the Minister of Finance has said, after studying 20 different alternatives, we had an expectation that this would be the very best alternative to fulfil our hopes. Reality has shown us that the best, fairest and most promising alternative for Canada is the one that we are taking now, which is to harmonize, to simplify, to integrate and to boost, through a single tax — one tax, one sales slip, one administration — the opportunities for Canadians from coast to coast.

It so happens that those on the East Coast are the first to get involved. We hope to see this sweep across the rest of Canada so that we will have a nationally integrated, fairer, simpler and much more responsive tax for the Canadian people and the business people of this country.

EFFICACY OF EXPANSION OF TAX BASE—
NEGATIVE EFFECTS ON TAXPAYERS—GOVERNMENT POSITION

Hon. Gerry St. Germain: Honourable senators, the Leader of the Government in the Senate said yesterday that a billion dollar solution is a billion dollar baby, as was also pointed out to the Deputy Prime Minister. The government is expanding the tax base by proceeding with harmonization. I hope that the Leader of the Government will agree that that was a Conservative initiative, as was the free trade agreement and all those other initiatives that she criticized during the election campaign. Those initiatives are creating the jobs and increasing exports. Will she not concur somewhat with the people of New Brunswick, Premier Harris of Ontario, and Finance Minister Cull of British Columbia, and admit that expanding the tax base is regressive? A tax on books is just one example of many. Does she not think it is detrimental to remove disposable income from Canadians and erode consumer confidence, as opposed to building on it?

Hon. Joyce Fairbairn (Leader of the Government): Absolutely not, honourable senators. Contrary to what my honourable friend has stated, this tax move will increase the economic viability of businesses in Atlantic Canada, and in Western Canada too, when they come on board.

Senator Lynch-Staunton: We agree. That is why we brought in the GST.

Senator Fairbairn: Given this integration in Atlantic Canada, the tax upon tax upon tax situation will be gone. Through this harmonization, businesses in Atlantic Canada will become more competitive. This helps not only Atlantic Canada but all of Canada.

Senator Lynch-Staunton: Ask Premier Harris about the \$400 million it will cost him.

Senator Fairbairn: When we talk, honourable senators, about compensation, we are doing what Canadian governments have done in the past: providing adjustment assistance to any province that qualifies under the formula.

Senator Kinsella: Bribery!

Senator Lynch-Staunton: Payoff!

Senator Fairbairn: Under the formula, Atlantic Canada will share in the —

Senator Lynch-Staunton: Senator John Savage! I can hear it now. It has a nice ring to it.

Senator Fairbairn: I was about to say that, because of Premier John Savage, Premier Frank McKenna and Premier Brian Tobin, the course is set with this tax —

Senator Lynch-Staunton: Where is Premier Callbeck?

Senator Fairbairn: — to bring better service to Atlantic Canada, reduced prices to the consumers of Atlantic Canada, and

better opportunities for the business people of Atlantic Canada. That is good for the rest of Canada in that equalization is promoted in this country by providing opportunities in the other regions, and therefore reducing the call from Atlantic Canada on provinces such as British Columbia, Ontario and Alberta. In the end, it will save us all, and it will be of tremendous benefit to our colleagues on the East Coast, as well as those on the West Coast once they realize the wisdom and good sense of coming on board this national train.

Senator Berntson: Bribe!

• (1410)

FOREIGN AFFAIRS

BOMBARDMENT OF LEBANON BY ISRAEL—ENFORCEMENT OF UNITED NATIONS RESOLUTION 425—GOVERNMENT POSITION

Hon. Marcel Prud'homme: Honourable senators, by now you know the question I intend to ask if you are aware of my intervention of yesterday on the terrible situation in Lebanon. That situation is no better today.

I regret that more time is not devoted to Question Period when we have such long exchanges of questions and answers. I will be brief.

What instructions has the Canadian government given to our ambassador to take to the Government of Israel concerning the terrible event, the savage attack — call it what you like — on Qana that took place last week?

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, as, I think, the honourable senator would expect, the Canadian government has expressed its grave concern and its deep sadness with regard to the events which have taken place in Lebanon. We deeply regret — although "regret" is too mild a word — the loss of innocent lives in that country. We find unacceptable all attacks which put at risk civilians and United Nations personnel, and we as a government have urged all parties involved to halt their attacks. We are supporting, in every way we can, diplomatic efforts currently underway. We are ready to respond, and indeed I believe we have responded, to an International Red Cross appeal for humanitarian assistance to alleviate the suffering of the people in Lebanon. We continue to believe that the peace process is the best means of resolving these desperate regional conflicts.

Senator Prud'homme: Honourable senators, those of us who follow the situation know that there will never be peace unless Israel abides by resolution 425 of the United Nations, which was passed in 1978 by a vote of 12, with two abstentions, and one country did not participate. The United States of America was one of the 12, the two abstentions were Czechoslovakia and the Soviet Union, and the one country which did not participate was China. The situation has been growing and growing. I want to know what specific instructions were given to the ambassador of Canada to bring to the Government of Israel.

I have read every statement — I have them all — of condemnation by the Canadian government pertaining to any tragic event that took place in the Middle East, including so-called acts of terrorism — call them what you like — inside and outside Israel. I have compared the statement issued last week on behalf of the Prime Minister in his absence. I have called his office and registered my views. He spoke of regrets. I am sure we all regret any single death in the world. This was a carnage.

What specific instruction did the ambassador of Canada take to the Israeli authorities? Our ambassador, my ex-colleague, now speaks for me as much as he speaks for anyone on the other side. What specific message did he deliver? Second, did he remind them, as the Minister of Foreign Affairs himself has said, to my agreeable surprise, that Canada stands without any doubt for resolution 425, which the United States of America is now trying to sweep under the carpet? Was that part of the message to the authorities in Israel?

Senator Fairbairn: Obviously, honourable senators, I cannot tell the honourable senator the specific instructions to be communicated by our ambassador in Israel. I cannot give him that specific answer. However, I can tell the honourable senator that, on April 18 last, the Minister of Foreign Affairs called in the Israeli chargé d'affaires and conveyed to that individual the message that Canada finds totally unacceptable the kind of attacks which took place against civilians in Lebanon — innocent civilians, children and United Nations personnel. That message was conveyed directly, here in Ottawa, to the Israeli chargé d'affaires, and, as well, the minister indicated last week in the House of Commons that he had asked for a ceasefire, cessation of hostilities and the reinforcement of the peace process in Lebanon. Those are his own words. That is the message that was conveyed to the Israeli government.

GOODS AND SERVICES TAX

HARMONIZATION WITH PROVINCIAL SALES TAXES—SHIFT IN LIBERAL POLICY—REQUEST FOR EXPLANATION

Hon. Gerald J. Comeau: Honourable senators, I have been listening to the defence on harmonization by the Honourable Leader of the Government in the Senate. I think it would be helpful if I gave her a quotation from the Progressive Conservative Party of Canada Policy Manual of 1993.

The PC Party of Canada said:

Improved policy harmonization with the provinces to ensure greater consistency in the national tax system, including, as a goal, sales tax harmonization;

I would like to give the leader another quotation. It was made by at least one of the current cabinet ministers, and it is on the subject of harmonization, which she called a barrier to replacing the GST. Indeed, I would like to quote the words of Paul Martin, made while he was a Liberal leadership candidate: There is some possibility that when we take power in 1992, the provinces will have entrenched the GST in their sales tax regimes —

This, of course, means harmonization.

— It would be extremely difficult to undo in that instance, but I would consider removing it nonetheless, and in all other scenarios I am committed to scrapping the GST and replacing it with an alternative.

This quotation was taken from *De Novo*, a publication circulated at the Liberal leadership convention.

Honourable senators, how is it that before the election the Liberals thought harmonization would make the GST extremely difficult to undo, while today they say that harmonization is the key to what the government is proposing?

I should like to ask the minister if she will admit today, in this house, to all honourable senators and to the people of Canada, that the Liberal Party of Canada will say anything, whatever the cost, to gain power?

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, I will not accept the honourable senator's offer to make such a statement. Over the past two and a half years, the Liberal Party of Canada has gone out of its way to fulfil the promises and commitments made in our policy document during the last election.

Yesterday, the Minister of Finance made a statement, as did I in this house, to the effect that, since coming to power, the government has placed this incredibly complex and complicated issue before a parliamentary committee, which sought the advice and consultation of Canadians across the country. The report of that parliamentary committee has now been received, and it talks about the viability of a VAT tax and harmonization.

• (1420)

Also, the government has studied no fewer than 20 alternatives of all descriptions to determine whether any of them would fit the requirements for the Canadian economy, in order to reduce the deficit, promote growth, create jobs, and have a fair tax system which would bring in the amount of revenue that any Government of Canada today would require to stay the economic course. After all of that, the government concluded that the best way forward for Canada and Canadians was to do what we are attempting to do now; that is, bring every province on track for a simplified and integrated national tax.

My honourable friend should not forget that, as well as announcing yesterday the memorandum of understanding between the federal government and the Atlantic provinces, the government tabled a document full of measures to simplify the tax that is now in place for the betterment of the business people and consumers of Canada. This is a new approach. It is the beginning, and not the end.

Senator St. Germain: A new approach?

Senator Fairbairn: It is a new approach.

Senator Lynch-Staunton: We suggested harmonization and you guys fought it. We got Quebec and Saskatchewan in.

Senator Fairbairn: We have put together a combination which obviously will work. It is starting in Eastern Canada and moving across the country.

The Hon. the Speaker *pro tempore*: I must point out to honourable senators that the 30 minutes allocated for Question Period has expired. Is there consent to continue?

Some Hon Senators: Yes.

Some Hon. Senators: No.

The Hon. the Speaker pro tempore: Honourable senators, there is no consent, therefore Question Period is concluded.

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. B. Alasdair Graham (Deputy Leader of the Government): Honourable senators, I have a response to a question raised in the Senate on March 19, 1996 by the Honourable Senator Cohen regarding the record on job creation; a response to a question raised in the Senate on March 19, 1996 by the Honourable Senator Andreychuk regarding child support guidelines; a response to a question raised in the Senate on March 19, 1996 by the Honourable Senator St. Germain regarding child support proposals; and a response to questions raised in the Senate on March 21, 1996 by the Honourable Senator Lavoie-Roux and by the Honourable Senator Doyle regarding the National Forum on Health.

HUMAN RESOURCES DEVELOPMENT

RECORD ON JOB CREATION—GOVERNMENT POSITION

(Response to question raised by Hon. Erminie J. Cohen on March 19, 1996)

When the Infrastructure Works Program was launched at a First Ministers' Conference in Ottawa in December 1993, the aim was not to create permanent jobs. The aim of the program was to quickly create jobs in the construction sector, since it was disproportionately affected by the last recession.

During the course of this five-year program, Infrastructure Works is expected to create 100,000 jobs. In a little more than two years, the program has already created 74,000 jobs. The Infrastructure Works Program is also expected to create 10,000 permanent jobs in related sectors like hospitality, trade and exhibition.

In addition to putting Canadians back to work, the Infrastructure Works Program has also upgraded municipal infrastructure systems from coast to coast, helping to improve the quality of life of Canadians.

These are clear examples of how this government is making a positive difference on the lives of Canadians.

THE BUDGET

CHILD SUPPORT—CHANGES TO GUIDELINES—TIMING FOR DISSEMINATION OF PARTICULARS—GOVERNMENT POSITION

(Response to question raised by Hon. A. Raynell Andreychuk on March 19, 1996.)

The child support guidelines are included in **The New Child Support Package** document that was released with the Budget. Legislation to amend the *Divorce Act* to give effect to the guidelines and new enforcement measures will be tabled in the House of Commons later this spring.

The government is making information about the child support package as accessible to Canadians as it can. There is a toll-free number (1-800-343-8282) to call for information. The Budget document and Fact Sheets explaining the impact of the reforms have been widely distributed by mail, and they are available on the Internet. As well, the Minister of Justice sent a fax outlining the changes to almost every family law lawyer across this country, so that lawyers would be able to provide information to their clients. Further, an extensive public legal education program has been planned to tell Canadians about the guidelines. The government is providing Canadians with all the information it has and is making every effort to ensure that Canadians have all the information they need to understand the changes.

The objectives of these changes has been stated very clearly by the Minister of Finance and the Minister of Justice. These reforms are designed to make sure that children's interests come first. They protect the child's right to an appropriate level of support from both parents after divorce.

THE BUDGET

CHILD SUPPORT—CHANGES TO GUIDELINES— FINANCIAL IMPACT ON PARENTS—GOVERNMENT POSITION

(Response to question raised by Hon. Gerry St. Germain on March 19, 1996)

There are some limits to a statistical analysis in this area because the courts do not presently give reasons for the level of support that is ordered. The amount may include spousal support, it could include daycare costs (which are separated from the basic amount in the new guidelines) or the court might have imputed income to a support-paying parent. As well, adjustments have to be made to determine the after-tax value of an existing award. Therefore, care has to be taken when comparing the guidelines to existing awards

That being the case, the package of reforms — new tax rules, new guidelines for child support, and the enriched Working Income Supplement — was compared to a sample of 1992 awards from across Canada. In more than 85 per cent of cases, custodial parents and their children

would be in a better financial situation with the new package. Only the schedule amounts were used in this comparison. If the additional amounts that would be available for daycare, health expenses, educational expenses and extracurricular expenses were considered, the results are expected to be even better.

The guidelines are not meant to increase the support amount in every case. In some cases, the existing support award is appropriate. But the guidelines will establish fair and consistent awards in *all* cases, and make it easier for parents with old, stale orders to bring those orders up-to-date. This package includes a careful program to gather more exact data so that the government can monitor the impact of the guidelines. There will be a full review by Parliament after four years.

The new child support guidelines are the result of many years of research and consultations on child support problems and possible solutions. Papers and reports from every stage of the process are available to the public.

They include:

- Child Support: Public Discussion Paper (1991)
- The Financial Implications of Child Support Guidelines
- Research Report (1992)
- Federal/Provincial/Territorial Family Law Committee's Report and Recommendations on Child Support (1995)
- An Overview of the Research Program to Develop a Canadian Child Support Program (1995)

The government is confident that this package of reforms will improve the situation of the great majority of custodial parents and their children.

HEALTH

NECESSITY FOR FUNDING NATIONAL FORUM ON HEALTH AND HEALTH SERVICES RESEARCH FUND—GOVERNMENT POSITION

NATIONAL FORUM ON HEALTH—REASON FOR CHANGE IN TIMING OF REPORTS—GOVERNMENT POSITION

(Response to questions raised by Hon. Senator Thérèse Lavoie-Roux and by Hon. Senator Richard J. Doyle on March 21, 1996)

The National Forum on Health has done precisely what it set out to do over the first part of its mandate, that is, to lay the groundwork for meaningful dialogue with Canadians to chart the future of health and the health care system in Canada and to build on the fundamental values embedded in the principles of the *Canada Health Act*.

From the outset, the Government has been clear in its commitment to a broad-based consultation with Canadians on the future of Canada's health system. Since November 1995, the Forum has been actively engaged in a [Senator Graham]

cross-Canada public consultation process. This consultation has involved over 60 discussion groups with approximately 1,500 participants in 37 venues.

The most recent phase in the Forum's consultation process was a by-invitation national stakeholders conference in Toronto from April 19 to 21, 1996.

The Forum issued a one-year progress report in January 1996. That report spells out in detail the Forum's investment in identifying priority areas and issues for study, the work that it has commissioned on a broad range of topics, its involvement in major conferences and public activities, its communications efforts and the release of its paper, *The Public and Private Financing of Canada's Health System*.

The National Forum on Health and the Health Services Research Fund share the same objective — namely, to make Canada's health system more efficient and effective in the future. Beyond that, their respective nature and mandates are quite different.

The Health Services Research Fund will fund extramural research into what works and what does not in health care, and identify strategies for the promotion and adoption of best practices. It is intended to be a true partnership between the federal government and other private and public sector research investors, and will be overseen by its own governing body. The Medical Research Council will administer the fund on behalf of the partners.

The Fund has been allocated \$65 million over 5 years. The Health Services Research Fund will be managed as an endowment, in order that it will still be in operation at the end of the five-year federal contribution period.

Unlike the Health Services Research Fund, the National Forum on Health is not a research funding body. While the Forum shares the Fund's interest in "best practices," it is mandated to enter into a dialogue with Canadians and provide policy advice and recommendations on Canada's health system in the future.

In terms of governance, the Forum is chaired by the Prime Minister of Canada and its 24 members serve on a volunteer basis. It operates at arms length from Health Canada.

The Forum's mandate is fixed. Though its original mandate was four years, its work is now expected to be wrapped up by the end of 1996. The Forum was originally allocated \$12 million over 4 years. This budget will likely be underspent, but it is premature to specify by how much.

Given the considerable progress made by the Forum, it seemed reasonable to seek the Forum's advice on the future of health and the health care system sooner than later. This is what the Minister of Health, the Honourable David Dingwall, did when he met with the Forum at their plenary meeting on March 21, 1996.

The government is keen to benefit from the advice of the remarkable group of 24 volunteer members who make up the Forum. This advice will help chart the future of health and the health care system in Canada.

The Minister of Health is confident that the Forum can provide advice this year, so there seemed no reason to wait.

ORDERS OF THE DAY

THE ESTIMATES, 1996-97

VOTE 10 REFERRED TO THE STANDING JOINT COMMITTEE ON THE LIBRARY OF PARLIAMENT

Hon. B. Alasdair Graham (Deputy Leader of the Government), pursuant to notice of April 23, 1996, moved:

That the Standing Joint Committee on the Library of Parliament be authorized to examine the expenditures set out in Privy Council Vote 10 of the Estimates for the fiscal year ending March 31, 1997; and

That a message be sent to the House of Commons to acquaint that house accordingly.

Motion agreed to.

VOTE 25 REFERRED TO THE STANDING JOINT COMMITTEE ON OFFICIAL LANGUAGES

Hon. B. Alasdair Graham (Deputy Leader of the Government), pursuant to notice of April 23, 1996, moved:

That the Standing Joint Committee on Official Languages be authorized to examine the expenditures set out in Privy Council Vote 25 of the Estimates for the fiscal year ending March 31, 1997; and

That a message be sent to the House of Commons to acquaint that house accordingly.

Motion agreed to.

BUSINESS OF THE SENATE

COMMITTEES AUTHORIZED TO MEET DURING ADJOURNMENTS

Hon. B. Alasdair Graham (Deputy Leader of the Government), pursuant to notice of April 23, 1996, moved:

That for the duration of the present session, any select committee may meet during adjournments of the Senate.

Motion agreed to.

CANADIAN HUMAN RIGHTS ACT

BILL TO AMEND—THIRD READING

Hon. Noël A. Kinsella moved third reading of Bill S-2, to amend the Canadian Human Rights Act (sexual orientation).

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

Hon. Gerry St. Germain: On division.

Motion agreed to and bill read third time and passed, on division.

CRIMINAL CODE

BILL TO AMEND—SECOND READING—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Cools, seconded by the Honourable Senator Sparrow, for the second reading of Bill S-3, to amend the Criminal Code (plea bargaining).—(Honourable Senator Wood).

Hon. Orville H. Phillips: Honourable senators, while this item stands in the name of the Honourable Senator Wood, my understanding is that she has no objection to my making a brief intervention today and adjourning the debate in her name.

Honourable senators, before introducing Bill S-3, Senator Cools took a great interest in the *Homolka* case and was, I believe, quite active in drawing up the petitions that were presented. I point out to the Senate that this bill does not apply specifically to the *Homolka* case; it applies to all cases in which those involved in plea bargaining have lied, or have not completely told the truth.

An uproar following plea bargaining is not new. Most honourable senators are young enough to remember the *Clifford Olson* case. Clifford Olson, an accused mass murderer, in return for the sum of \$100,000 which was to be placed in trust for his infant son, revealed the burial place of some of his victims to the RCMP. Following that, there was a great outcry that the \$100,000 be recovered. Since then, there have been cases involving plea bargaining that were more of local notoriety than national notoriety.

• (1430)

I have always had suspicions about the plea bargaining process. When two people are involved in a crime, one person approaches the Crown prosecutor and says: "I will convict the other person in return for a lesser sentence." Many of these criminals are real con artists. They can convince Crown prosecutors that they should receive a lesser charge, be charged with a lesser crime and receive a lesser sentence.

With regard to the *Homolka* case and the trial of Paul Bernardo, the horrific crimes displayed on the tapes brought about a further outcry for a review of the plea bargaining process.

This bill is attempting to bring about a review and a clarification of the plea bargaining method. The bill defines a "plea bargain" as an agreement between the accused and the Crown concerning sentence. The bill also allows that if a plea bargain is accepted by the court and it is later established that the accused either lied or failed to disclose information relevant to the deal, the court would be obliged to set aside the deal and impose a new sentence for the offence to which the accused had pleaded guilty.

In the case that sparked this initiative, the police, the Crown and the presiding judge were informed of the extent of Karla Homolka's involvement in the crimes before the plea bargain was negotiated and her sentence was handed down. The psychologist, Crown counsel, Ms Homolka's lawyer and the judge stated that Karla Homolka is not a dangerous person. The tapes then came to light. I wonder if they still hold that opinion today. If one were to ask the Mahaffy and French families, would they also agree with the statement?

Karla Homolka received 12 years; her husband received concurrent first- and second-degree life sentences. I might add that those sentences were well deserved. In addition, he has been labelled a dangerous offender.

Approximately 99 per cent of the people who have discussed this case with me — and a great many people have — feel that Homolka was every bit as guilty as her husband. They condemned not one but the pair of them. It is interesting to review some of the remarks of the justice in sentencing. He said that there was a careful attempt to cover up the circumstances of the death of Tammy Homolka. He also said that the meticulous and planned attempts by the accused to eliminate evidence of the deaths of Leslie Mahaffy and Kristen French "goes to the consciousness of evil thought processes of the accused."

In weighing the aggravating factors the judge said that "the accused continued to carry out her normal activities. She came forward only when her life was in danger."

The presiding judge continued:

The most significant and compelling mitigating factor has been her cooperation with the police and her agreement to cooperate with the prosecution until justice has been done. In view of the great care that was taken by the accused in concealing her horrendous crimes, her cooperation is particularly significant.

Let me give honourable senators a few other comments from Mr. Justice Kovacs. He said that the accused gave information to the police. The accused did not personally inflict the deaths. In all circumstances, it was in the public interest to lay the charges of manslaughter.

The evidence at the trial revealed that the Crown prosecutor said he had sufficient evidence to charge Ms Homolka with first degree murder. I find it strange that everyone takes the fact that, in order to save her own soul, as the saying goes, her word is accepted and her sentence is reduced to 12 years.

Many honourable senators may have noticed in last week's paper a letter where the family indicated that they would like to

take her out on her birthday for a birthday party. These things all indicate that there is need for a review of the plea bargaining process.

As honourable senators are aware, plea bargaining is carried out in secret, usually between the defence attorney and the prosecuting attorney. The prosecuting attorney does not have to report to anyone, not even to the attorney general of the province.

Following the revelation of the tapes, the Province of Ontario appointed retired Mr. Justice Patrick Galligan to review the plea bargaining. He had a very narrow mandate: He was not allowed to question witnesses. In essence, he was limited to checking to see if the documentation drawing up the plea bargain was carried out correctly.

In reading the report, I think Mr. Justice Galligan felt that he could possibly sneak in a recommendation and still be within the confines of his mandate. He referred to the case of *Regina v. MacDonald*. Mr. MacDonald was suspected of being involved in a murder. His attorney went to the Crown and negotiated a deal.

• (1440)

The agreement stated that Mr. MacDonald, who had been charged with murder, would be charged with being an accessory after the fact provided he gave a truthful statement to the police. He would give evidence at the preliminary hearing and at the trial of the person who would be ultimately charged with murder.

To make a long story short, it was found that MacDonald had lied, and the Crown advised that the murder charges would be laid against him despite his deal. His attorney protested the laying of the charges at the opening of the murder trial, but the judge dismissed the motion and MacDonald was convicted of first degree murder.

I feel that Judge Galligan put that in there to remind us that plea bargaining is not always successful in bringing out the full story.

Honourable senators, Parliament must correct this miscarriage of justice and ensure that this sort of thing does not happen again without the proper mechanism in place to deal with it. The correction of this problem is a political issue. As I mentioned previously, the so-called resolution agreements are made behind closed doors and the public never hears evidence or details of them.

Recently I watched the Governor of the State of New York on a television phone-in show. He was asked a question of this kind. In a very frank way he made it plain that the State of New York is reviewing their methods of plea bargaining and the frequency of their use.

Honourable senators, I would like to see this bill referred to the Standing Senate Committee on Legal and Constitutional Affairs. All those with an interest and with feelings similar to those expressed by myself and by Senator Cools will have full opportunity to present their views. Perhaps the committee will want to make corrections and improve the bill. If so, I am sure Senator Cools would have no objection.

I thank her for bringing this matter to our attention. I hope that she receives the support of the chamber.

On motion of Senator Graham, for Senator Wood, debate adjourned.

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, P.C., 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.

Hon. B. Alasdair Graham (Deputy Leader of the Government): Honourable senators, the discussions about the future of the coal industry on Cape Breton Island bring back many memories. Some 29 years ago, I was hired as the second official employee, after the founding president, of the Cape Breton Development Corporation. For me, it was a return to the place where I was born, to the place I still call home. I had grown up in the coal mining town of Dominion and the community of Bridgeport, a great suburb in the metropolis of Glace Bay, then known as the biggest town in Canada.

Senator MacEachen told us that he was raised in Inverness, where his father was employed in the coal mines for 46 years. Senator Murray has roots in New Waterford, where his father, the late Danny Murray, began a career which brought him to the very important position of chief mining inspector for the province of Nova Scotia. A few years ago, I paid tribute to the late Danny Murray in saying how helpful he had been to me, personally, during my earliest years at Devco.

Senator Buchanan also talked of his first recollections of coal mining in that area. He and Senator Finlay MacDonald came from what was then, to us, the "big city" of Sydney.

No matter what part of the Island we come from, we are all agreed that Cape Breton's greatest resource is its strong community spirit, and I mean that in the cultural, the social and the spiritual sense of the word, as well as the economic sense. The nature of coal mining had a lot to do with this. Coal mining requires bravery and loyalty, much as trench warfare does. It requires brotherhood. Each man has a buddy; they look after each other in the dangerous surroundings underground. Each man would go over the top for the other, if needed. Everyone in the coal culture understands the extraordinary and sometimes heroic bonds developed far beneath the surface of the earth.

I began to understand this as a young boy in the days when I delivered the old *Sydney Post-Record* to the miners' houses, and I knew the unwritten codes which made that community one of the strongest in North America. My understanding grew when, as a young university student, I started to work in the summers for the old *Glace Bay Gazette*, then owned by the United Mine Workers of America. Ernie Beaton, the widely respected industrial relations director for the Dominion Coal Company, told me that if I wanted to write about local issues, I would have

to learn about them first hand. Ernie took me down into the mines for the first time. Little did I know, at the time, that one day I would become senior vice-president of Devco, the federal Crown corporation established in 1968 to take over the coal mines in that area. This, of course, was a very fortunate turn of the wheel for me because it brought me back to my roots.

Devco's original mandate was to phase down and phase out the coal industry. If that original mandate was followed to the letter, by 1981 the industry would have been shut down completely; but it lives on, we hope in a healthy state, for a long time to come.

People down there are not looking for handouts; they are looking for justice. Our obligation in the proposed inquiry is to hear and explore thoroughly every side of the story. We must be able to assure the people of those communities, and indeed the people of Canada, that we are on the proper course, that we are on the right track.

In this downsizing world, we have become accustomed to big casualty counts as industries restructure across the globe. Had Devco been sold off to another private corporation in 1968, one might have expected the dramatic human toll to be only another example of the downside of downsizing.

• (1450)

As Senator MacEachen has told us, however, Devco was brought under public ownership from the beginning because privatization was incapable of dealing with the community and the social problems which would occur from a sudden cessation of production in the coal industry on Cape Breton Island.

In his analysis of the problem, Senator MacEachen, who was the father of Devco from the very beginning, gave us a lesson as to why Canada is so respected throughout the international community, the central reason being the Canadian tradition of respect and support for ordinary people and the communities in which they live. By and large, Canadians believe that people are more important than the bottom line. We have a mixed economy because we are committed to the idea that the state works on behalf of the common good. These beliefs, I submit, are the litmus test of our civil society. Because of this, the ongoing events in Cape Breton are much more than another incident of downsizing.

Senator Murray's comprehensive analysis of the situation has been timely. We will all be intrigued to learn more of the corporation's plans as it grapples with the very difficult problem of underground mining and the gigantic challenges coal-producing companies face in the global market place.

Honourable senators, I do not simply support the inquiry because my own people deserve justice, important to us though that may be. We must get all the facts on the table from those responsible for the corporation, the union, and the community.

By the same token, I support the inquiry from the broader sense as well because with this kind of inquiry we will be encouraged to think through, once again, what it means to be citizens in a country where we constantly boast of our tolerance, our understanding, our compassion and our equality of opportunity. In addition, we will be encouraged to remember that there are rights as well as responsibilities involved, no matter what you do or where you live in the best country on earth.

On motion of Senator Berntson, debate adjourned.

[Translation]

TRANSPORT AND COMMUNICATIONS

COMMITTEE AUTHORIZED TO ENGAGE SERVICES

Hon. Lise Bacon: pursuant to notice of Tuesday, April 23, 1996, moved:

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

Motion agreed to.

[English]

ABORIGINAL PEOPLES

COMMITTEE AUTHORIZED TO STUDY MATTERS RELATED TO MANDATE

Hon. Len Marchand, pursuant to notice of April 23, 1996, moved:

That the Standing Senate Committee on Aboriginal Peoples, in accordance with rule 86(1)(q), be authorized to examine such issues as may arise from time to time relating to the Aboriginal Peoples of Canada; and

That the Committee present its report no later than March 31, 1997.

Motion agreed to.

[Translation]

OFFICIAL LANGUAGES

JOINT COMMITTEE AUTHORIZED TO MEET DURING SITTINGS OF THE SENATE

Hon. Jean-Louis Roux, pursuant to notice of Tuesday, April 23, 1996, moved:

That the Standing Joint Committee on Official Languages have power to sit during sittings and adjournments of the Senate; and

That a message be sent to the House of Commons to inform the House thereof.

Motion agreed to.
[Senator Graham]

[English]

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

COMMITTEE AUTHORIZED TO ENGAGE SERVICES

Hon. Mabel M. DeWare, pursuant to notice of April 23, 1996, moved:

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

POINT OF ORDER

Hon. Finlay MacDonald: On a point of order, perhaps Your Honour or some other senator can help me. Is this something new? Have I missed something? There have been two requests now for authority to hire the usual type of help, assistance, clerical, professional, et cetera, for matters which may come before a particular committee. In one motion a deadline for a report of the Standing Senate Committee on Aboriginal Peoples was referred to, but in the two other motions there was just nothing. Is this something new? I have not seen it before. I would like an explanation. Is it common?

The Hon. the Speaker pro tempore: Honourable senators, I cannot add anything, but perhaps a member of one of the committees has something to offer.

Hon. B. Alasdair Graham (Deputy Leader of the Government): I would say it is probably common and routine, in order to allow the committees to examine legislation that may come before them, to incur expenses that may arise as a result of the examination of that legislation.

• (1500)

Senator MacDonald: How can you stipulate a date by which to report before you have indicated what it is you will examine?

Senator Graham: Perhaps you should ask that question of the chairman of that particular committee. The only committee that has a deadline was the Standing Senate Committee on Aboriginal Peoples. Perhaps Senator Marchand should comment.

Senator MacDonald: There were two others.

Hon. Sharon Carstairs: Perhaps I can clarify, because I am also the chair of a committee.

I was informed that this recommendation was required in that if the committee ran into difficulty in dealing with a bill and needed to hire counsel or technical staff, we would be empowered to do so. I understand that this is a standard motion that is made by every committee when committees start up again after the Speech from the Throne. That was the explanation I received, Senator MacDonald. I do not know if that is of any help to you.

Senator MacDonald: Certainly, I would be afraid to admit that I have been asleep for the last 12 years.

Hon. Brenda M. Robertson: Honourable senators, like Senator MacDonald, I am confused. With respect to this particular motion, I would ask the Clerk of the Senate to research whatever is appropriate and refer the matter to His Honour the Speaker.

Honourable senators, we cannot approve a budget until we know how much is needed for a particular exercise. We do not have carte blanche to hire help for a committee. The motion must come in a particular form so that the Senate knows how much is allotted to a particular committee for a specific expense.

Honourable senators, these motions appear to be rather loose and without parameter. I would like some clarification from His Honour the Speaker.

Hon. Eymard G. Corbin: Honourable senators, with this type of motion, I think all we are doing is giving general permission to these committees. When the need arises, the committee is still under an obligation to submit a request to the Internal Economy Committee for whatever expenses they are proposing for approval. That committee then reports back to the Senate on its decisions on such requests. However, nothing is done that is not, in the end, approved by the Senate itself.

The Hon. the Speaker *pro tempore*: Honourable senators, with the aid of the Table Officers, the Appendix II to our rules seems to answer the question originally put by Senator MacDonald. I refer to Appendix II, guidelines 1:01 and 1:02. Guideline 1:01 reads as follows:

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

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

The three motions before us, in terms of their structure and intent, are based on the guidelines accompanying the Rules of the Senate.

Honourable senators, guideline 1:02 reads as follows:

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

Honourable senators, as I see it, this is the preliminary move envisioned in guideline 1:01. If and when it becomes operative, then the procedure outlined in guideline 1:02 is followed.

Senator Graham: Perhaps Your Honour might read into the record guideline 1:03, which requires the final approval of the Senate.

The Hon. the Speaker pro tempore: Honourable senators, for the purposes of thoroughness, I will read guideline 1:03.

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

Senator MacDonald: I would gather, without wanting to cavil, that step number one is really unnecessary.

The Hon. the Speaker *pro tempore*: I would not wish to hazard a guess.

I will now put the question. Is it your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to.

The Senate adjourned until tomorrow at 2 p.m.

CONTENTS

Wednesday, April 24, 1996

| | PAGE | | PAGE |
|---|------|---|------|
| Visitors in Gallery The Hon. the Speaker pro tempore | 205 | Foreign Affairs Retaliatory Bombardment of Lebanon by Israel—Enforcement of United Nations Resolution 425—Government Position. Senator Prud'homme | 209 |
| SENATORS' STATEMENTS | | Senator Fairbairn | |
| | | Goods and Services Tax Harmonization with Provincial Sales Taxes—Shift in Liberal | |
| Museum of New Brunswick | | Policy—Request for Explanation. | |
| Expansion—Official Opening | | Senator Comeau | 210 |
| Senator Losier-Cool | 205 | Senator Fairbairn | 210 |
| Goods and Services Tax | | Delayed Answers to Oral Questions | 211 |
| Harmonization with Provincial Sales Taxes—Logic of | | Senator Graham | 211 |
| Government Approach. Senator Robertson | 205 | Human Resources Development Record on Job Creation—Government Position. Ougstion by Senator Cohon | |
| The Future of Canada | | Question by Senator Cohen. Senator Graham (Delayed Answer) | 211 |
| Senator Prud'homme | 206 | Schator Graham (Belayed Allswer) | 211 |
| Foreign Affairs Effect of Israeli Bombardment on Lebanon. | 206 | The Budget Child Support—Changes to Guidelines—Timing for Dissemination of Particulars—Government Position. Question by Senator Andreychuk. | |
| Senator Prud'homme | 206 | Senator Graham (Delayed Answer) | 211 |
| | | The Budget | |
| ROUTINE PROCEEDINGS | | Child Support—Changes to Guidelines—Financial Impact on Parents—Government Position. Question by Senator St. Germain. | |
| Financial Institutions Bill (Bill C-15) | | Senator Graham (Delayed Answer) | 211 |
| First Reading. | 206 | Health | |
| Department of Health Bill (Bill C-18) | | Necessity for Funding National Forum on Health and Health | |
| First Reading. | 206 | Services Research Fund—Government Position | |
| | 200 | National Forum on Health—Reason for Change in Timing of Reports—Government Position. | |
| Department of Human Resources Development Bill (Bill C-11) | | Questions by Senators Lavoie-Roux and Doyle. | |
| First Reading. | 207 | Senator Graham (Delayed Answer) | 212 |
| Transport and Communications | | | |
| Notice of motion to Authorize Committee to meet during Sittings of the Senate. | | ORDERS OF THE DAY | |
| Senator Bacon | 207 | The Estimates, 1996-97 Vote 10 Referred to the Standing Joint Committee on the Library of Parliament. | |
| QUESTION PERIOD | | Senator Graham Vote 25 Referred to the Standing Joint Committee on Official Languages. | |
| Goods and Services Tax | | Senator Graham | 213 |
| Harmonization with Provincial Sales Taxes—Previous Remarks of Government Leader—Current Position. | | Business of the Senate | |
| Senator St. Germain | 207 | Committees Authorized to Meet During Adjournments. | 212 |
| Senator Fairbairn | 207 | Senator Graham | 213 |
| Efficacy of Expansion of Tax Base—Negative Effects on | | Canadian Human Rights Act (Bill S-2) | |
| Taxpayers—Government Position. Senator St. Germain | 209 | Bill to Amend—Third Reading. Senator Kinsella | 212 |
| Senator Fairbairn | 209 | Senator Kinsena Senator St. Germain | |
| | | | |

| | PAGE | | PAGE |
|---|------|---|------|
| Criminal Code (Bill S-3) Bill to Amend—Second Reading—Debate Continued. Senator Phillips | 213 | Official Languages Joint Committee Authorized to meet During Sittings of the Senate. Senator Roux | 216 |
| State of Coal Mining Industry in Cape Breton—Inquiry— Debate Continued. Senator Graham | 215 | Social Affairs, Science and Technology Committee Authorized to Engage Services. Senator DeWare | 216 |
| Transport and Communications Committee Authorized to Engage Services. Senator Bacon | 216 | Point of Order. Senator MacDonald | 216 |
| Aboriginal Peoples Committee Authorized to Study Matters Related to Mandate. Senator Marchand | 216 | Senator Robertson | 217 |



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