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OFFICIAL REPORT
(HANSARD)

Tuesday, June 11, 1996

THE HONOURABLE GERALD R. OTTENHEIMER
SPEAKER *PRO TEMPORE*

CONTENTS

(Daily index of proceedings appears at back of this issue.)

OFFICIAL REPORT

CORRECTION

Hon. Lowell Murray: Honourable senators, last night I gave notice of a motion on behalf of Senator Rompkey concerning the proceedings of the Special Committee of the Senate on the Cape Breton Development Corporation. The text of the motion appears correctly in our *Order Paper and Notice Paper* for today. It is Motion No. 48 which is found at page 12. Unfortunately, the text of the motion appears incorrectly in today's *Debates of the Senate* at page 604. For those honourable senators who are interested, the motion that Senator Rompkey will move eventually is to be found on page 12 of our *Order Paper and Notice Paper.*

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THE SENATE

Tuesday, June 11, 1996

The Senate met at 2:00 p.m., the Speaker *pro tempore* in the Chair.

Prayers.

PAGES EXCHANGE PROGRAM WITH HOUSE OF COMMONS

The Hon. the Speaker *pro tempore***:** Honourable senators, I should like to introduce two House of Commons Pages who have been selected to participate in the exchange program with the Senate for the week of June 10 to June 14.

I wish to introduce and welcome Jolanta Scott from Victoria, British Columbia, who is studying in the Faculty of Arts at the University of Ottawa. Her major is Canadian Studies.

I also wish to introduce and welcome Adrian Gamelin of Saskatoon, Saskatchewan, who is pursuing her studies at the University of Ottawa in the Faculty of Arts. Her major is History.

SENATORS' STATEMENTS

RISING INFLUENCE OF SPECIAL INTEREST GROUPS

Hon. Gerry St. Germain: Honourable senators, unfortunately, I was unable to be here last week due to a doctor's appointment. Otherwise, I would have stood with the six other senators who voted against Bill C-33, not that it would have made any difference.

Bill C-33 is another example of a disturbing trend which has come to dominate many areas of Canadian politics, that is, the power of special interest groups. Special interest groups are tearing apart the very fibre of this country because these groups speak to their own selfish interests and not to the greater good of the people or the country. Canada was not built by people who complained continuously about their rights or entitlement; it was built by men and women who earned them.

The power and influence wielded by special interest groups in Canada far exceeds justification based on the numbers of people they represent. It is more important than ever that politicians today look beyond these special interest groups and their pollsters to talk directly to Canadians. It is equally important that, on matters of national importance, we put aside our regional interests in lieu of the national interest. Although we are here to represent the interests of our constituents, our first responsibility is to our country.

We have failed to solve our national unity crisis because some groups are putting their interests ahead of the greater good of the country. Instead of compromise and understanding, we have distrust and resentment. Everyone wants their cut of the pie. As a result, we have come close to losing our country, and I am fearful that, if this continues, we may eventually lose the fight.

During the 1988 federal election, I supported the free trade agreement. I knew that my stand may cost me my seat in Parliament; but I was convinced that the agreement was in the best interests of the country. I did lose the election. However, I take pride in knowing that what I did was in the best interests of the country. I believe that history has proved me right on this point.

Another example of the power of special interests is the debate about the decriminalization of illicit drugs. Are we to believe that Canada will be a better place in which to live because of such a change? As crazy as it seems to me, some special interest groups have somehow managed to convince some of my colleagues in this place that, in fact, that would be the case. I do not say that with any malice because I know these senators are intelligent people and will put the best interests of the country ahead of everything else. However, it proves my point about how powerful and persuasive special interest groups can be.

In my years as a narcotics police officer in Vancouver, I saw the terrible consequences of people addicted to these so-called non-addictive drugs. I have seen many lives ruined and deaths as a result of the use of these drugs. If any of my colleagues doubt me, I invite them to come to downtown Vancouver, and I myself will show them children as young as 14 years old, living on the street and begging for money to support their habits. The special interest groups support decriminalization of such substances, but will not tell you about the street situation because their goal is to turn Canada into the drug vacation land of North America.

• (1410)

I am sick and tired of those in our society who attempt to gain something at the expense of the rest of us. Nothing in this world is given; it must be earned. Most of the rights we enjoy today were fought for, including our rights to freedom and democracy. People who say that it is their right to have something without earning it do not appreciate the cost that was paid to gain these rights. Thousands of brave men and women gave their lives to ensure that we as Canadians could enjoy some basic rights. We may say we have rights, but we only have those rights because others have earned them for us. Honourable senators, by continually giving in to special interest groups we are morally bankrupting and jeopardizing the unity of our country.

Hon. Ron Ghitter: Would the honourable senator permit a question?

Senator St. Germain: Absolutely. I am not afraid to stand up for what I believe in.

The Hon. the Speaker *pro tempore***:** Order. Order, please! I point out for future reference, if not for today, that it is specifically indicated in the *Rules of the Senate* that there will not be questions during Senators' Statements.

Some Hon. Senators: Shame!

Senator Ghitter: Then today I will not be the exception to the rule.

UNITED NATIONS

UNICEF ANNUAL PROGRESS OF NATIONS REPORT— COMMENTARY ON WOMEN

Hon. Landon Pearson: This morning I was privileged to be present in Toronto at the launching of Unicef's Progress of Nations Report, which is their annual report card on how nations are faring with respect to the commitments that were made at the World Summit on Children in October, 1990.

I want simply to quote a small portion of this year's Progress of Nations Report. The major thrust of this report is on the problem of maternal morbidity and mortality, and a recognition of the degree to which this means not only great suffering for women, but also great suffering for children. I quote from the Unicef report:

> The first new estimates in a decade show that almost 600,000 women die each year in pregnancy and childbirth.
>
> And for every women who dies, approximately 30 more incur injuries, infections and disabilities which are usually untreated and unspoken of, and which are often humiliating and painful, debilitating and lifelong.
>
> It is therefore no exaggeration to say that the issue of maternal mortality and morbidity, fast in its conspiracy of silence, is the most neglected tragedy of our times.

At the end of the section which describes this tragedy, there is a quotation from Aldous Huxley, who wrote of human suffering:

> Screams of pain and fear go pulsing through the air at the rate of eleven hundred feet per second. After travelling for three seconds they are perfectly inaudible.

It is time to amplify the screams.

ROUTINE PROCEEDINGS

STATE OF FINANCIAL SYSTEM

BUDGET REPORT OF BANKING, TRADE AND COMMERCE COMMITTEE PRESENTED

Hon. Michael Kirby: Honourable senators, I have the honour to present the fourth report of the Standing Senate Committee on Banking, Trade and Commerce concerning its budget application for the fiscal year 1996-97 and relating to its examination of the present state of the financial system in Canada.

I ask that the report be printed as an appendix to the *Journals of the Senate* of this day.

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

Hon. Senators: Agreed.

(*For text of report, see today's* Journals of the Senate.)

The Hon.the Speaker *pro tempore***:** Honourable senators, when shall this report be taken into consideration?

On motion of Senator Kirby, report placed on the Orders of the Day for consideration at the next sitting of the Senate.

AGREEMENT ON INTERNAL TRADE IMPLEMENTATION BILL

REPORT OF COMMITTEE

Hon. Michael Kirby: Honourable senators, I have the honour to present the fifth report of the Standing Senate Committee on Banking, Trade and Commerce, which report deals with the examination of Bill C-19, to implement the Agreement on Internal Trade.

I ask that the report be printed in the *Journals of the Senate* of this day.

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

Hon. Senators: Agreed.

(*For text of report, see today's* Journals of the Senate.)

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

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

ADJOURNMENT

Hon. B. Alasdair Graham, Deputy Leader of the Government: Honourable senators, with leave of the Senate and notwithstanding rule 47(1)(*h*), I move:

> That went Senate adjourns today, it do stand adjourned until tomorrow, Wednesday, June 12, 1996 at 1:30 p.m.

The Hon. the Speaker *pro tempore*: Honourable senators, is leave granted?

Hon. Senators: Agreed.

Motion agreed to.

ERNESTO ZEDILLO PONCE DE LEON PRESIDENT OF UNITED MEXICAN STATES

ADDRESS TO MEMBERS OF THE SENATE AND OF THE HOUSE OF COMMONS PRINTED AS APPENDIX

Hon. B. Alasdair Graham, Deputy Leader of the Government: Honourable senators, I move that the address of His Excellency Ernesto Zedillo Ponce de Leon, President of the United Mexican States, to members of both Houses of Parliament, delivered on June 11, 1996, together with the introductory speech of the Right Honourable Prime Minister of Canada and the speeches delivered by the Speaker of the Senate and the Speaker of the House of Commons, be printed as an appendix to the *Debates of the Senate* of this day.

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

Motion agreed to.

(*For text of speeches see appendix, p. 654*)

• (1420)

LEGAL AND CONSTITUTIONAL AFFAIRS

COMMITTEE AUTHORIZED TO MEET DURING SITTING OF THE SENATE

Hon. Sharon Carstairs, with leave of the Senate and notwithstanding rule 58(1)(*a*), moved:

> That the Standing Senate Committee on Legal and Constitutional Affairs have power to sit at 3:30 p.m. on Wednesday, June 12, 1996, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto.

Hon. John Lynch-Staunton (Leader of the Opposition): Explain!

Senator Carstairs: Honourable senators, we are moving this motion in order to accommodate Senator Murray's Bill S-8, in addition to our study of Bill C-8, the Narcotic Control Act.

Hon. John. B. Stewart: Honourable senators, we have already had a motion that we will sit tomorrow at 1:30 p.m. As I have said repeatedly, the basis of sitting at 1:30 p.m. on Wednesdays is to allow the Senate to adjourn at around 3:00 p.m. so that committees can get on with their business.

The presupposition of Senator Carstairs' motion is that, although we will be sitting at 1:30 p.m., we will not follow through with an adjournment at or around 3:00 p.m. I am not criticizing her motion. I think she is very wise, given the practice that has set in. However, I believe this is an occasion to remind honourable senators that our decision to sit at one thirty o'clock on Wednesdays has a second link, and that is that we adjourn at or around three o'clock so committees can pursue the work assigned to them.

Hon. Marcel Prud'homme: Honourable senators, I totally concur with what the Honourable Senator Stewart has just said. That has been the understanding.

Hon. Finlay MacDonald: Honourable senators, Senators Stewart and Prud'homme are quite correct, except that at this time of the year we are expected to act like a sausage factory, and there is still work to do in this chamber. Going beyond three o'clock has been a fairly normal practice, even with the 1:30 p.m. sitting.

Senator Stewart: And even when the committees have work to do.

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

Hon. Senators: Agreed.

Motion agreed to.

QUESTION PERIOD

INTERNATIONAL TRADE

CHANGE IN POLICY FROM PRE-ELECTION PUBLICATION— GOVERNMENT POSITION

Hon. John Lynch-Staunton (Leader of the Opposition): Honourable senators, my questions arise from a publication entitled "Background Information," which was issued in conjunction with a visit to Canada by the President of Mexico. In it are four pages extolling the virtues of the NAFTA. I want to point out that this publication was not prepared by the RCMP; rather, it was prepared by External Affairs and International Trade and, therefore, must be considered an official government document.

The reason I raise this issue with fellow senators is that the Prime Minister repeatedly urges us to read the Red Book to understand Liberal government policy. Certainly he did that when he tried to explain why the GST, under any other name, is no longer the GST, and he pointed to page 22 of the Red Book.

Following his advice, honourable senators, I have gone to the Red Book to see what the Liberal Party policy continues to be on the NAFTA, since the Red Book is said by the Prime Minister to be still valid.

Senator Perrault: It is good reading.

Senator Doody: If one likes fiction.

Senator Lynch-Staunton: On page 23, as Senator Perrault will no doubt remember, one can read the following:

> In 1988, Liberals opposed the Canada-United States Free Trade Agreement (FTA) because it was flawed;

Here we are in 1996. The Red Book, written in 1993, is still valid, and what we read in the official government publication at page 10 of "Background Information" is:

> More importantly, NAFTA and its predecessor, the Canada-U.S. Free Trade Agreement, have helped create a more open economy that has stimulated significant increases in productivity and specialization within industries, in areas such as electrical and electronic products, chemicals, tools and beverages.

The official government publication goes on to state:

> The result has been improved competitiveness —

They are referring to NAFTA and its predecessor, the Canada-U.S. Free Trade Agreement.

> — of Canadian exports of both goods and services, which now account for 37 per cent of Canada's GDP and are thus a driving force behind economic growth and job creation in Canada.

All this because of the NAFTA and its predecessor, the FTA. However, we are also told to go to the Red Book where we can read that the FTA was bad for Canada.

My question is for the Leader of the Government in the Senate. Should we not reject the Red Book completely, and stop the pretence of it still being a valid Liberal Party policy? It has served its purpose of deluding the Canadian public during the election. Surely it can now be put aside.

Senator Doody: It should win a Pulitzer prize for fiction!

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, my honourable friend will know that before confirming the NAFTA, Canada made four or five adjustments which my honourable friends opposite joke about.

Since the passage of that bill and that treaty, Canada has made strong efforts to better serve the interests of this country in its exports and business dealings with the NAFTA partners. That is not at all going against the spirit of the Red Book.

Some Hon. Senators: Oh, oh!

Senator Fairbairn: Honourable senators opposite may laugh. I am telling my honourable friends that the Prime Minister has vigorously pursued options under the NAFTA with Mexico and the United States, and he has been one of the leaders in attempting to expand the trading area, particularly to other parts of Central America and South America, most particularly, Chile.

Senator Lynch-Staunton: I will let honourable senators decide for themselves how there is a similarity between condemning the FTA in 1988, and in the Red Book in 1993, and then extolling it in a government publication less than three years later.

Senator MacEachen: That was written by both negotiators. They wrote the book.

Senator Lynch-Staunton: It is official Liberal policy until further notice.

On page 24 of the Red Book, it is written:

> ...the Conservatives allowed Mexico to get protection for its energy resources that Canada does not have.

I recall quite a debate over that issue in this place.

The official government publication — not an RCMP missive, but issued by External Affairs and International Trade — states on page 11:

> Continuing market liberalization efforts in Mexico, particularly in the energy sector, are creating additional opportunities for Canadian exporters.

Honourable senators, here we have the Red Book in 1993 saying that Conservatives gave up a lot in the energy sector to Mexico and the United States for which we got very little in return, and this week we have an official government publication extolling the NAFTA agreement with Mexico, particularly in the energy sector.

I should like to ask the minister how she can reconcile the Red Book, which is the government's Bible, with that official publication of External Affairs and International Trade?

Senator Oliver: It cannot be done.

Senator Lynch-Staunton: What are we supposed to believe when we get a hold of these things? Which is it? I urge you again to tell us to forget the Red Book and to plead with us not to make any reference to it again.

• (1430)

Senator Fairbairn: Honourable senators, I will repeat what I said earlier: On the question of NAFTA, the Canadian government took steps to improve the conditions whereby we assented to the agreement.

Senator Lynch-Staunton: Which steps?

Senator Fairbairn: One of those improved conditions involved the energy sector.

Senator Berntson: Tell us about them.

Senator Fairbairn: I hope that my honourable friend will not discard the Red Book, because there are some very important messages in it.

Senator Lynch-Staunton: Oh, no, we will use it in the next election. It will be a very valuable tool.

Senator Fairbairn: Those messages have been approved with great alacrity by this government, and one of the first was the recommendation on literacy.

Senator Perrault: You are not reading the revised edition.

Senator Oliver: Unexpurgated. Unexpunged.

Senator Lynch-Staunton: At the time of the election campaign, the Red Book was being quoted repeatedly. On the NAFTA, the Prime Minister-to-be said, both in the Red Book and on the hustings, that once the Liberals were elected, they would renegotiate the NAFTA and, if need be, abrogate it. That is in the Red Book. They would abrogate it if satisfactory changes could not be negotiated.

An Hon. Senator: That means to scrap it!

Senator Lynch-Staunton: Today, the President of Mexico, before a joint session of Parliament, turned to the Prime Minister and congratulated him — and I use the word of the translator — for "championing" NAFTA, and for being responsible for its implementation.

I have a feeling that the President of Mexico was misinformed and was really thinking of Brian Mulroney, because it was thanks to Brian Mulroney that the Liberal government can pose today as the champion of the benefits of free trade.

Some Hon. Senators: Hear, hear!

Senator Bryden: Bring back Brian! Bring back the populist Brian!

Senator Lynch-Staunton: Yes, yes, that is fine.

Senator Bryden: Bring back Brian! Everyone wants Brian!

Senator Lynch-Staunton: I now know what Prime Minister Trudeau was talking about when he referred to people in the back rows doing nothing but heckling.

The question is: Did the government really believe it could renegotiate the NAFTA on its terms, or else abrogate the agreement? How could Mr. Chrétien be champion of an agreement which, at the same time, he was threatening to scrap unless the changes he was requesting were not implemented? Can you reconcile this for me?

Senator Fairbairn: Yes, I can, honourable senators.

Some Hon. Senators: Hear, hear!

Senator Fairbairn: I appreciate my friend's question because I did notice, during the ceremony this morning, that he gave a little jump in his seat when this particular reference was made during the speech of President Zedillo.

Senator Doody: It was a twitch!

Senator Bolduc: Even Senator Stollery applauded.

Senator Fairbairn: Honourable senators, as I have said, in December of 1993, the Government of Canada bargained with the United States on the improvements it was seeking in the agreement. As honourable friends know, those were stated very clearly at the time.

Since the treaty has come into operation, the Prime Minister has sought to invigorate the process by extending it to other countries in our hemisphere including, it is to be hoped, the early welcoming of Chile into the group.

Senator Lynch-Staunton: Honourable senators, I have one last question: Will the minister point out to us what changes were made to the NAFTA enabling legislation? As I recall, what we passed here and what was given Royal Assent are exactly the same.

Senator Murray: None.

Senator Lynch-Staunton: No change was made to the enabling legislation which was introduced by the Mulroney government. It was passed here and given Royal Assent following the election of the Liberal government.

For clarification, I now have the text of the English translation of Mr. Zedillo's comments:

> To this effect, I pay homage to Prime Minister Jean Chrétien —

I thought it was to Brian Mulroney, but he says to Prime Minister Chrétien.

— for the vision and the determination —

Some Hon. Senators: Hear, hear!

Senator Lynch-Staunton: We missed all this.

> — with which he has steered the agreement's application here in Canada.

Senator Doody: Flexibility.

Senator Bolduc: My honourable colleague, he was enlightened by Senator MacEachen.

Senator Perrault: You are being very political. Let us not live in the past.

Senator Doody: Wait until Volume II.

Senator Berntson: You will need to do another revision of the Red Book.

Senator Doody: The Mexican hat dance.

Senator Fairbairn: Honourable senators will know that after President Clinton himself was elected, improvements were made in the NAFTA agreement.

Senator Lynch-Staunton: Where?

Senator Fairbairn: The improvements that Canada sought were in the areas of labour and the environment, subsidies and dumping, water and energy.

Senator Lynch-Staunton: That is not in the agreement.

Senator Fairbairn: It was the understandings on those improvements that enabled us to ratify the treaty.

Senator Berntson: You shook hands?

Senator Lynch-Staunton: That is right. There are letters.

Senator Fairbairn: As my friend Senator Perrault has said —

Senator Lynch-Staunton: They are not part of the treaty.

Senator Fairbairn: — I would invite my honourable friends to look to the future of a much broader trading arrangement which will include greater numbers of the countries in South America and Central America, starting with Chile.

Senator Lynch-Staunton: But you were all against free trade. Is this a sudden conversion? It is unbelievable.

HEALTH

DELAY IN INTRODUCING LEGISLATION ON TOBACCO ADVERTISING—GOVERNMENT POSITION

Hon. Mira Spivak: Honourable senators, on the theme of disregarding one's own policy manuals and manifestos, there is ample evidence that the tobacco industry is disregarding its own code of conduct on advertising.

The Canadian Cancer Society listed 90 examples of violations by all three major manufacturers: billboards near schools, in-store posters and signs with no health warnings, lifestyle advertisements masquerading as registered trademarks. These violations of the voluntary code have occurred since the Supreme Court struck down the Tobacco Products Control Act and the industry resumed advertising, claiming that it would self-regulate.

Obviously, self-regulation is not working. The Minister of Health acknowledges that it is not working, but he will not say what he plans to do about it. His predecessor promised new tobacco control legislation this spring. The current minister said in *The Ottawa Citizen* of May 28 that he does not want to be "sidetracked" into a specific timetable.

My question for the Leader of the Government in the Senate is: Can she tell us what precisely is the cause of the delay in introducing this badly needed legislation? Can she also tell us what the Minister of Health is prepared to do to overcome the delays?

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, I cannot give my honourable friend an answer on the first part of her question. However, she must know that the Minister of Health has a very active and determined interest in this issue. As he said in the House of Commons the other day, he is in the process of completing consultations, and hopes to come back to Parliament soon with further proposals in a comprehensive package.

Senator Spivak: Can the Leader of the Government in the Senate then assure us that there will be legislation introduced, and that this legislation will be very severe on the matter of advertising of cigarettes for young people? That is the essential issue.

Senator Fairbairn: Honourable senators, I should like to have a conversation with the Minister of Health to see exactly the direction in which he is going, and find out what I usefully can communicate to my friend.

[*Translation*]

FIRST MINISTERS CONFERENCE

NATIONAL UNITY—INCLUSION ON AGENDA—GOVERNMENT POSITION

Hon. Jean-Claude Rivest: Honourable senators, the Right Honourable the Prime Minister of Canada has invited the premiers to a meeting next week.

We will recall that, during the referendum campaign, the Right Honourable the Prime Minister of Canada promised Quebecers and all Canadians major constitutional changes to preserve Canadian unity. The referendum results at essentially 50-50 posed a terrible threat to the unity of the country.

Months have passed, and now we learn that, contrary to what some thought, including Daniel Johnson, the leader of the Liberal Party in Quebec, April 1997 will mark the deadline for the Government of Canada to propose the constitutional changes sought by Quebecers and by Canadians in many regions of the country.

The Prime Minister of Canada has stated that the constitutional issue in the upcoming first ministers' meeting is simply a formality to set aside the 1997 deadline.

Quebecers and Canadians are wondering when the Prime Minister will realize the seriousness of the situation and respond to the expectations not only of Quebecers but of all Canadians. Academics and business people have undertaken research and study initiatives in an effort to bring about real constitutional change. We are committed to the 1997 deadline, but what kind of proposals are we seeing?

Does the Leader of the Government in the Senate consider that the Government of Canada will lessen the number of sovereignists in Quebec and the disappointment of Canadians in other regions who want real constitutional change?

[*English*]

• (1440)

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, Senator Rivest knows, as we all do, that many of the commitments that were made by the Prime Minister during the latter part of the referendum have been adopted through this Parliament. Others have been offered since, including most recently the proposal for labour market training.

The meeting that is to be held with the Prime Minister and the premiers in a week or so will focus primarily on a number of issues that will be of great benefit not only to Quebec but to the rest of the country. Those are the fundamental issues of economy, trade, job creation, the future of social programs, and overall government renewal in this country.

The Prime Minister indicated that some time would be spent discussing the constitutional conference in April 1997 and this is due partly, no doubt, to the fact that some of the premiers themselves have raised questions about that issue. The purpose of its inclusion in the agenda is to clear the air as to where that process will go.

As my honourable friend knows, Premier Romanow of Saskatchewan has suggested that past activities of recent years may make the meeting in 1997 unnecessary. The Prime Minister would like to have that discussion with the premiers to clear the air.

The other point I should like to make to my honourable friend is that, as he knows, the Minister of Intergovernmental Affairs, Stéphane Dion, has been on a vigorous tour across this country speaking with his colleagues and premiers, and speaking on many occasions to the Canadian people on the whole issue of renewing the federation and support and respect for Quebec's place in it.

[*Translation*]

NATIONAL UNITY

POSSIBLE ESTABLISHMENT OF SPECIAL COMMITTEE—GOVERNMENT POSITION

Hon. Gérald-A. Beaudoin: Honourable senators, my question is for the Leader of the Government in the Senate.

We now know the agenda for the next constitutional conference.

I am delighted to see that a re-examination of the amending formula will be included.

[*English*]

The Honourable Minister Stéphane Dion declared yesterday:

> It is unlikely they will agree —

He is referring to the first ministers.

> — on the substance of the new amending formula, but we may agree on the necessity to have a process to find an amending formula that all Canadians will be more comfortable with.

This being said, do you not think that a special committee of the Senate on that very question, in 1996, would be the right place, to study more deeply this very important and technical question? Do you not think that there is urgency now to do something about it?

Senator Berntson: Agreed.

Senator Lynch-Staunton: You are quite right.

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, my honourable friend and I have had many conversations on this question. I have indicated to him directly, and I believe in this house, that there are some concerns among colleagues on this side of the house as to adopting the motion for such a committee at this point in time.

Senator Berntson: What concerns?

Senator Fairbairn: Given the comments of a number of people surrounding the first ministers conference, perhaps it would be a good idea to see what comes out of those discussions. I am not rejecting my honourable friend's motion; I am simply telling him that there are continuing discussions, not directly affecting the government, but affecting senators within this chamber.

Senator Beaudoin: Honourable senators, Minister Dion has said that there is the necessity to have a process to find the formula of amendment. In my own province this has been an important subject since 1927, when the first federal-provincial conference on the modern Constitution was held. It is essential that the legislative branch of the state be seen to be working on this matter — the government, of course, but also the legislative branch of the state, that is the Senate and the House of Commons, or the Senate alone, depending on the circumstances.

Senator Fairbairn: Honourable senators, I certainly do not dispute my honourable friend's comments — indeed, I have a great deal of respect for them — nor his interest in this question. I have simply tried to indicate to him that there are some difficulties to be worked out, and we are in the process of trying to do that.

FIRST MINISTERS CONFERENCE

AGENDA—PURPOSE OF INCLUDING CONSTITUTIONAL ISSUE—GOVERNMENT POSITION

Hon. Lowell Murray: Honourable senators, the Prime Minister seems to have changed his mind on this matter.

Senator Lynch-Staunton: No, no.

Senator Doody: Never.

Senator Murray: According to a media report, he says in his letter in reference to the meetings that surrounded the Meech Lake Accord and the Charlottetown Accord:

> However, it is not clear whether these meetings entirely fulfilled the obligation of the 1982 Constitution.

If it is not clear to him, what is the view of the Minister of Justice on the matter? We are talking here about a provision of the 1982 Constitution which requires that within 15 years a conference of first ministers be held to discuss the amending formula. One argument, Premier Romanow's, is that the obligation was satisfied by the meetings surrounding Meech Lake and Charlottetown.

I had thought that Prime Minister Chrétien's position was that those meetings did not satisfy the obligation, because I have heard him say on several occasions since he assumed office that he was obliged to convene a meeting on the amending formula by 1997.

It would be interesting to know. He says now that it is not clear. It is up to the Government of Canada, surely, which must convene the meeting, to state what the position is here.

My second question is perhaps more important. Will the Leader of the Government in the Senate confirm that the reason for putting this item on the agenda of this month's meeting is specifically to avoid having to have a meeting by April 1997? Is that the purpose of the government?

Senator Berntson: It sure looks like it.

Senator Murray: A federal official is quoted as saying:

> Chrétien and the premiers could conclude next week's meeting by saying, 'We've met our constitutional obligations. There's nothing further to be done.'

In other words, a casual reference on the agenda to this matter would satisfy the obligation.

Is it the purpose of the government to avoid calling a meeting on the amending formula before April 1997?

Senator Lynch-Staunton: Mr. Chrétien was an author of that, too.

• (1450)

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, I will not read between the lines of the letter from which my honourable friend has quoted today; a letter from the Prime Minister to —

Senator Murray: Would you mind tabling the letter?

Senator Fairbairn: I did.

Senator Murray: I am sorry.

Senator Fairbairn: I tabled all of the letters last night, in accordance with the request made by Senator Forrestall. They are all on the record. The indication, through the letter, is that the government does intend to discuss the issue of the amending formula because the Prime Minister must fulfil his obligation. Under section 49 of the Constitution, we are required to do that.

The purpose of the discussion at the first ministers' meeting will obviously be to seek clarification of the views of the premiers.

CANADIAN UNITY

MOTION TO ESTABLISH SPECIAL COMMITTEE— GOVERNMENT POSITION

Hon. Eric Arthur Berntson (Deputy Leader of the Opposition): Honourable senators, my question is directed to the Leader of the Government in the Senate. It refers back to the question of my colleague Senator Beaudoin. The leader responded by saying that certain colleagues on her side had some concerns relative to proceeding with Senator Beaudoin's suggested committee on the Constitution.

Would the Leader of the Government share those concerns with us? Let us deal with them. Would she be prepared to have a vote on that motion today?

Hon. Joyce Fairbairn (Leader of the Government): No, I would not, honourable senators. I do not intend to reveal discussions which might be carried on within our caucus, any more than would those on the other side.

Senator Gigantès gave a speech last week —

Senator Lynch-Staunton: He said he was speaking personally.

Senator Fairbairn: Indeed he was, and each member on this side of the Senate is quite prepared and encouraged to speak personally if they have concerns on these kinds of issues. Senator Gigantès spoke in the house. There may be others who wish to speak in the house as well, and I respect their right to do so.

Senator Lynch-Staunton: Have a free vote.

Senator Fairbairn: I respect their right to speak in this house if they wish.

Senator Lynch-Staunton: But they do not.

Senator Fairbairn: Senator Gigantès did.

Senator Lynch-Staunton: That was last week.

Senator Fairbairn: We will see, senator.

NATIONAL DEFENCE

POSSIBLE PURCHASE OF BRITISH SUBMARINES—
GOVERNMENT POSITION

Hon. J. Michael Forrestall: Honourable senators, my question is directed to the Leader of the Government in the Senate and relates to comments made over the past weekend by her colleague in the other place, Mary Clancy, member of Parliament for Halifax. Ms Clancy has commented on several occasions with regard to acquisition by Canada of some surplus submarines from the United Kingdom.

Despite the very clear pronouncement by the government to put on hold any decision regarding the purchase of these four British submarines, Ms Clancy appears determined to continue to try to persuade her colleagues to proceed with the purchase.

Could the minister tell us what her colleague Mary Clancy is up to? Is it not rather insensitive of her to raise false hopes among the military on our two coasts that there may be a chance of getting these submarines? Having been told by officials that buying the submarines is not in the cards, would it not be more beneficial for Ms Clancy to put her efforts into convincing her colleagues that the government should get on with ordering helicopters for search and rescue purposes, and for use on board our ships?

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, I have not seen the comments of the member of Parliament for Halifax, Ms Clancy, a very dedicated and vigorous member of Parliament. She is expressing her views. To the best of my knowledge, the position of the Minister of National Defence is that no decision has yet been taken on this issue.

BUSINESS OF THE SENATE

The Hon. the Speaker *pro tempore***:** Honourable senators, the time for Question Period has expired.

Senator Berntson: Leave, please.

The Hon. the Speaker *pro tempore***:** Is there leave to continue?

Some Hon. Senators: Agreed.

The Hon. the Speaker *pro tempore***:** There is leave to continue for five minutes; is that correct?

Some Hon. Senators: No!

The Hon. the Speaker *pro tempore***:** Simply general leave to continue?

Some Hon. Senators: Yes.

Some Hon. Senators: No.

Hon. B. Alasdair Graham (Deputy Leader of the Government): Honourable senators, I understand that Senator Forrestall has a supplementary question, and the Leader of the Government is quite prepared to entertain it.

Hon. Marcel Prud'homme: Senator Forrestall has a supplementary question, as have I, on the same subject. If he is allowed to ask a supplementary question on that subject, I hope that I will also be allowed to ask a supplementary question, otherwise there will be no end to this debate.

The Hon. the Speaker *pro tempore***:** Honourable senators, in order to avoid an ambiguous situation later, my understanding is that leave is being asked to continue with a number of additional supplementary questions by various senators.

My understanding is that leave is not granted. Am I correct?

An Hon. Senator: That is right.

The Hon. the Speaker *pro tempore***:** It appears that I am correct.

Hon. Gerald J. Comeau: You will pay for this.

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, on a point of order, Senator Comeau has made a comment which I cannot let pass.

I have been agreeable to dealing with the supplementary questions. Although the time for Question Period has elapsed, I said I would do so. If others in the chamber do not agree with that, that is fine, but I find the notion that "we will pay for this" unfortunate. It is not the attitude that I take toward Question Period. More than anything, I have tried to be generous in Question Period.

Some Hon. Senators: Hear, hear!

Senator Comeau: Honourable senators, my comment was not directed toward the honourable minister. My comment was directed towards members of her caucus who will not agree to listen to two or three more questions which we wanted to ask during Question Period today. When unanimous consent was asked for, it was refused by her colleagues.

In this chamber, we should not become slaves to the rules. The rules were meant to help us, rather than to enslave us and impede honourable senators from asking a few more questions. I have what I consider to be an extremely important question to ask today, but honourable senators on the other said "no."

My comment was not directed towards the minister who, on every occasion, has provided us ample opportunity to ask our questions. I appreciate that. My comment was directed towards her colleagues, to whom I wish she would talk with respect to the fact that we are not trying to abuse Question Period. That was not our intention. Our intention was not to abuse, but simply to ask a few more questions. This was refused by her colleagues.

The Hon. the Speaker *pro tempore***:** Although the matter was raised as a point of order, I believe that there is no point of order to be ruled on. It is simply a difference of opinion, and honourable senators have had an opportunity to express their opinions.

ORDERS OF THE DAY

[*Translation*]

• (1500)

DEPARTMENT OF PUBLIC WORKS AND GOVERNMENT SERVICES BILL

THIRD READING—MOTIONS IN AMENDMENT—
DEBATE CONTINUED

On the Order:

> Resuming the debate on the motion by the Honourable Senator De Bané, seconded by the Honourable Senator Poulin, for the third reading of the Bill C-7, an Act to establish the Department of Public Works and Government Services and to amend and repeal certain Acts.

The Hon. Pierre Claude Nolin: Honourable senators, I am pleased to speak today on the third reading of Bill C-7, which creates a new department, the Department of Public Works and Government Services and to amend and repeal certain laws.

I would like to add my voice to those of Senators Stratton and Cochrane. I certainly have no intention of repeating all of the arguments my two colleagues have recently raised. Instead, I wish to add certain comments to theirs, and to propose a few amendments which may better reflect Parliament's intent with respect to a bill which, while necessary and in some respects most well thought out, still raises certain problems that must be remedied.

As Senator Stratton has said, there is a serious problem of trust between this department and a number of representatives of the community, engineering consultants, architects, and nearly all services with any kind of connection with building construction in Canada.

During the bill's second reading, we heard representatives from these various industries. This problem of trust does exist, honourable senators. It merits our concern. We must find an honourable solution, honourable both for the representatives of this new department and for the people in these industries who, need I remind you, represent one of the feathers in the Canadian cap as far as other countries are concerned.

To name but a few: AGRA Monenco, SNC Lavallin, Carlos Ott Architects, designers of the new Opéra de la Bastille in Paris.

These members of the Canadian private sector are eloquent ambassadors abroad for Canadian know-how. It is certainly not the intention of this Parliament, or of the government, to do anything to block the development of these flourishing businesses, either internationally or nationally.

When the minister spoke before the Finance Committee during examination of this bill, she stated as follows:

> There is one point which I must make clear: my department ought not to take any step which would compete with members of its association.

She was referring, honourable senators, to the Association of Consulting Engineers of Canada, which, through its president, Mr. Franche, provided eloquent examples to explain this lack of confidence.

The new Department of Public Works and Government Services, in the jostle of budget reduction measures, must both cut resources and maintain the quality of services. The minister and the officials of her department have our wholehearted support in their journey along this route established by the preceding government. We think this is the right road to follow.

There is a limit to the additional resources that may be found and this is why the department has undertaken, even under the table I would say, to obtain mandates outside traditional Canadian government services.

The witnesses before the Standing Senate Committee on National Finance tabled 125 letters opposed to having the Minister of Public Works and Government Services provide services and compete with the Canadian private sector. They have cause for concern. In fact, and some people will be surprised by this, the Department of Public Works and Government Services advertises its services in specialty publications and even on the Internet. These services are available not only to Canadians but to foreigners as well.

The department is in direct competition with Canadian businesses, both at home and abroad. Honourable senators, this is unacceptable. By way of illustration, I draw your attention to the estimate of the Department of Public Works and Government Services for the present fiscal year. At page 2-15 in the Real Property Services Program section:

> In order to satisfy client demands for affordable and productive work space and professional services, the Program is being positioned on a business-like footing.

On page 2-23 in the same document, the paragraph entitled "Repositioning" reads as follows:

> RPS is committed —

And I stress the word "committed."

> — to repositioning itself as the federal government's recognized real property expert and advisor. RPS's goal is twofold: to be seen as the agency that can provide clients with the full range of real property services delivered with the same closeness, control and sensitivity that they currently enjoy with their in-house real property resources but at significantly less cost —

And here is the passage that greatly concerns me, which I want to share with you:

> — and to be viewed as the private sector's conduit to new business opportunities and a valued partner, rather than a competitor.

Honourable senators, we heard private sector representatives who already provide these services. We asked them whether or not they wanted Public Works Canada as a partner. The witnesses replied that they wanted to have the powers, to have access to the department's qualified human resources in order to enhance their business proposals abroad so they can be awarded contracts.

However, these businesses do not wait for Public Works and Government Services to find new markets. In their opinion, the department's role is not to seek new business opportunities. Instead, the minister should support them in enhancing their various proposals by providing adequate human resources.

Honourable senators, I would like to propose four amendments, one of which is rather minor, as it simply makes a correction. Bill C-7 was reintroduced during the current session and a mistake was made in its transcription. My amendment is aimed at correcting this mistake, and I will read it to you in its entirety a little later.

Another amendment attempts to correct a mistake that I, as a French-Canadian, find somewhat deplorable. The word "minister" is defined in the English version of the bill, but not in the French version. As far as I know and as you will see upon reading it, the bill refers to "the minister" more than 10 times, without defining who this minister is.

Finally, I shall move two major amendments aimed at limiting the minister's powers and at thwarting — I am weighing my words carefully — his repositioning efforts so as to prevent him from directly competing with the private sector.

MOTIONS IN AMENDMENT

Hon. Pierre Claude Nolin: Consequently, I move, seconded by the Honourable Senator LeBreton:

That Bill C-7 be not now read a third time but that it be amended in clause 2, page 1, in the French version, by adding, after line 12, the following:

« « ministre » s'entend du ministre des Travaux publics et des Services gouvernementaux. »

I move this second amendment:

That Bill C-7 be not now read a third time but that it be amended in clause 10 on page 4 by replacing line 22 with the following:

"consent of its owner, if the expenditure or performance is in the completion of a public work.".

I move the third amendment:

That Bill C-7 be not now read a third time but that it be amended on page 5:

(a) by replacing line 34 with the following:

"16. (1) The Minister may do any thing for or on",

(b) by replacing lines 41 and 42 with the following:

"Canada that requests the Minister to do that thing"; and

(c) in clause 16 on page 6, by adding after line 2 the following:

"(2) Nothing in paragraph (1)(*b*) confers on the Minister the power to provide architectural or engineering services.".

I move the fourth amendment:

That Bill C-7 be not now read a third time but that it be amended by replacing line 21, on page 23, with the following:

"**62. If Bill C-8**, ***An Act respecting the".***

[*English*]

• (1510)

Hon. Brenda M. Robertson: Honourable senators, I should like to ask the honourable senator a question, not on his amendments, but on the body of his remarks.

If I understood correctly, Senator Nolin spoke about competition with the private sector and said that the department, in his opinion, would be in competition with the private sector in some way.

Senator Nolin: Yes.

Senator Robertson: Perhaps Senator Nolin could explain that to me again.

Senator Nolin: We have been told by representatives from many professional associations, such as engineers and architects, that Public Works Canada is currently in direct competition for services, not to be rendered to departments or other agencies of the federal government but to the private sector.

Public Works Canada also advertises its services in particular magazines and even through the Internet. The department has a direct intention to compete with the private sector.

POINT OF ORDER

Hon. Eymard G. Corbin: Honourable senators, I rise on a point of order.

Amendments have been proposed, honourable senators. Surely the chair should read those amendments to the house. I question the practice of putting before the house *seriatim* a series of amendments. I understand that the practice has been to put one amendment forward at a time, to debate that amendment, and then to proceed to a subsequent amendment. Now we have an honourable senator putting questions to the senator who has just spoken before the Chair has read the amendments to the house. We are not following the proper procedure in this instance.

Hon. Brenda M. Robertson: Honourable senators, I have no problem with the Chair putting the amendments forward as long as I retain the opportunity to continue my line of questioning to the honourable senator in respect of his remarks leading up to the amendments.

Senator Corbin: I do not object to the honourable senator raising questions.

Hon. John B. Stewart: Honourable senators, the question is whether an honourable senator can put forward a series of amendments as one package. I do not object to the proposals for the amendments, but perhaps Senator Nolin ought to have moved one amendment and then another senator move the other amendments so that the Senate would know which amendment it was dealing with at any particular time in its consideration of the bill.

Senator Corbin: Unless it is agreed that we proceed otherwise.

Hon. Noël A. Kinsella: Honourable senators, the only motion before us at this point is the motion for third reading. Senator Nolin has spoken, and Senator Robertson is asking questions of him. We have been alerted to the fact that there may be other motions.

Senator Stewart: Senator Nolin has not moved them.

Senator Berntson: Yes, he did.

The Hon. the Speaker: Honourable senators, due to other obligations, I have entered the chamber in the middle of this matter. However, I understand that Senator Nolin has moved the amendments. Is that the case?

Senator Nolin: Yes.

The Hon. the Speaker: I see a seconder in the name of the Honourable Senator LeBreton. I assume that the amendments have been moved but have not yet been put to the Senate.

It is in order for anyone wishing to question Senator Nolin on his speech to ask questions of him at this time. Once the amendments have been presented to the Senate, there can be speeches, but questions can no longer be put to Senator Nolin.

It is also my understanding that in the past we have accepted a number of amendments in series. As far as I know, there is no rule or precedent against what Senator Nolin is doing. However, it does present a problem for honourable senators who have not yet seen the amendments.

• (1520)

Frankly, it does present a problem for the Speaker because at this time I have no way of knowing whether or not the amendments are in order.

If I understood correctly, Senator Tkachuk wanted to move the adjournment of the debate after the amendments were put. Would it be agreeable if I were to read the amendments? Then Senator Tkachuk can adjourn the debate. I can have a look at them from the standpoint of whether they are proper, and honourable senators will have an opportunity to read them to see what effect they have.

Senator Robertson: May I ask further questions?

The Hon. the Speaker: Yes. If the honourable senator has further questions for Senator Nolin, that is perfectly in order at this point.

Senator Robertson: Honourable senators, further to my first inquiry, I would assume that Senator Nolin was at the committee hearings when this bill was studied?

Senator Nolin: Yes.

Senator Robertson: Did the minister or the government give an indication that this opportunity of competing with the private sector would spread or would be applied equally in other departments of government?

Senator Nolin: Honourable senators, we put that question to two ministers. First, we put that question to the President of the Treasury Board prior to the study on Bill C-7. He refused to say, "No, it is not a policy of our government to compete with the private sector." We also put the question to the Minister of Public Works. She said what I have just read to you, and she wanted to be very clear: A department should not compete with the private sector.

As we know, ministers will sometimes say one thing and the department will do another. Even if the minister repeats *ad nauseum* the policies and intent of the ministry not to compete, the law is still the law and the department is allowed to compete. She did not say, "We want to spread this attitude." She did not say, "We want to change our attitude." They did not amend their Main Estimates; the indications are there in black and white. The government wants to reposition their mandate and their approach to the delivery of those services. It is appropriate that we amend the bill to ensure that they will not compete with a very strong segment of our industrial base in Canada.

Senator Robertson: Honourable senators, further to Senator Nolin's comments, I believe we must get to the bottom of this matter somehow or other. Perhaps we can hear the minister in this chamber. I am thinking of the Department of the Solicitor General as an example. For example, the government has spent a great deal of money on an institution at Renous, New Brunswick, hiring staff for woodworking and finished products. Until recently, all they were able to do was rent a warehouse and store their product. They were not allowed to sell it or give it to other departments of government because they would be in competition with the private sector.

Will government be in competition with the private sector or not? Perhaps we should have a clear answer on this. I must go over to the warehouse and have another look.

It seems that the public works department cannot be in competition with the private sector. Products from prison greenhouses cannot be sold because that would be creating competition with the private sector. What is happening here? If it is happening in one department, then surely we have a totally new policy for the federal government in departmental dealings with the public.

I do not know who will answer those questions but they must be answered.

Senator Nolin: Honourable senators, I do not want to answer for the government but I can tell you what I asked of the minister and her deputy minister and what they told me. It was compelling evidence. I asked because the deputy minister was strongly positioning the department by saying that 100 per cent of all the construction work is done by the private sector.

I then asked the deputy minister why the stairway in front of Parliament, leading from the Senate to the East Block, was redone by his department and not by the private sector. That constitutes construction work. His answer was, "I did not know that."

There is a problem. It is a lack of confidence. They do not trust each other but they must work together.

If they want Canadian companies to compete for the subway in Ankara or Bangkok, they must show to the world that they are doing good work for their own government. They must be able to work together. They must trust each other. Now they do not. That was the message that we received from those people in front of the committee.

Is the government policy not to compete? We asked that of the Treasury Board president and he was not able to answer.

Senator Robertson: It deserves watching.

[*Translation*]

The Hon. the Speaker: Honourable senators, the Honourable Senator Nolin moved, seconded by the Honourable Senator LeBreton:

> That Bill C–7 be not now read a third time but that it be amended, in clause 2, in the French version, by adding, after line 12, the following:
>
> "« ministre » S'entend du ministre des Travaux publics et des Services gouvernementaux."

Honourable senators, the Honourable Senator Nolin moved, seconded by the Honourable Senator LeBreton:

> That Bill C–7 be not now read a third time but that it be amended, in clause 10, on page 4, by replacing line 22 with the following:
>
> "consent of its owner, if the expenditure or performance is in the completion of a public work.".

Honourable senators, the Honourable Senator Nolin moved, seconded by the Honourable Senator LeBreton:

> That Bill C–7 be not now read a third time but that it be amended, in clause 16 on page 5, by:
>
> (*a*) replacing line 34 with the following:
>
> "16.(1) The Minister may do any thing for or on",
>
> (*b*) replacing lines 41 and 42 with the following:
>
> "Canada that requests the Minister to do that thing"; and
>
> (*c*) in clause 16 on page 6, by adding after line 2 the following:
>
> "(2) Nothing in paragraph (1)(*b*)confers on the Minister the power to provide architectural or engineering services.".

Honourable senators, the Honourable Senator Nolin moved, seconded by the Honourable Senator LeBreton:

> That Bill C–7 be not now read a third time but that it be amended in clause 62 by replacing line 21, on page 23, with the following:
>
> "**62. If Bill C–8, An Act respecting the".**

[*English*]

Honourable senators, as I mentioned, it is impossible for the Chair, having received no notice of these amendments, to determine whether or not they are in order or how they fit into the bill.

• (1530)

However, I am prepared to accept the motion of adjournment by the Honourable Senator Tkachuk subject to the proviso that we will have to review these amendments.

With that understanding, is it agreeable that Honourable Senator Tkachuk takes the adjournment?

Hon. Senators: Agreed.

On motion of Senator Tkachuk, debate adjourned.

NEWFOUNDLAND

CHANGES TO SCHOOL SYSTEM—AMENDMENT TO CONSTITUTION—MOTION IN AMENDMENT—DEBATE CONTINUED

On the Order:

> Resuming the debate on the motion of the Honourable Senator Fairbairn, seconded by the Honourable Senator Stanbury:

Whereas section 43 of the *Constitution Act, 1982* provides that an amendment to the Constitution of Canada may be made by proclamation issued by the Governor General under the Great Seal of Canada where so authorized by resolutions of the Senate and House of Commons and of the legislative assembly of each province to which the amendment applies;

Now therefore the Senate resolves that an amendment to the Constitution of Canada be authorized to be made by proclamation issued by His Excellency the Governor General under the Great Seal of Canada in accordance with the schedule hereto.

SCHEDULE

AMENDMENT TO THE CONSTITUTION OF CANADA

I. Term 17 of the Terms of Union of Newfoundland with Canada set out in the Schedule to the Newfoundland Act is repealed and the following substituted therefor:

"17. In lieu of section ninety-three of the Constitution Act 1867, the following shall apply in respect of the Province of Newfoundland:

In and for the Province of Newfoundland, the Legislature shall have exclusive authority to make laws in relation to education but

(*a*) except as provided in paragraphs (*b*) and (*c*), schools established, maintained and operated with public funds shall be denominational schools, and any class of persons having rights under this Term as it read on January 1, 1995 shall continue to have the right to provide for religious education, activities and observances for the children of that class in those schools, and the group of classes that formed one integrated school system by agreement in 1969 may exercise the same rights under this Term as a single class of persons;

(*b*) subject to provincial legislation that is uniformly applicable to all schools specifying conditions for the establishment or continued operation of schools,

(i) any class of persons referred to in paragraph (*a*) shall have the right to have a publicly funded denominational school established, maintained and operated especially for that class, and

(ii) the Legislature may approve the establishment, maintenance and operation of a publicly funded school, whether denominational or non-denominational;

(*c*) where a school is established, maintained and operated pursuant to subparagraph (*b*)(i), the class of persons referred to in that subparagraph shall continue to have the right to provide for religious education, activities and observances and to direct the teaching of aspects of curriculum affecting religious beliefs, student admission policy and the assignment and dismissal of teachers in that school;

(*d*) all schools referred to in paragraphs (*a*) and (*b*) shall receive their share of public funds in accordance with scales determined on a non-discriminatory basis from time to time by the Legislature; and

(*e*) if the classes of persons having rights under this Term so desire, they shall have the right to elect in total not less than two thirds of the members of a school board, and any class so desiring shall have the right to elect the portion of that total that is proportionate to the population of that class in the area under the board's jurisdiction."

Citation

2. This Amendment may be cited as the Constitution Amendment, year of proclamation (Newfoundland Act).

And on the motion in amendment of the Honourable Senator Doody, seconded by the Honourable Senator Kinsella, that the motion be not now adopted but that it be referred to the Standing Senate Committee on Legal and Constitutional Affairs.

Hon. Nicholas W. Taylor: Honourable senators, I want to say a few words on this matter. I know it is a resolution being referred to committee, rather than second reading, so I will try to phrase my thoughts in the way of questions that I think the committee should examine.

One thing that concerns me is the basic principle of changing the Constitution wherever there is a minority involved. It seems to me that you do not need a Constitution if the majority always rules. The whole idea of a Constitution is to protect minority rights. If 50 per cent plus one could carry the day, then you would not need constitutions. Fifty per cent plus one of the legislature of the day could pass whatever it wanted.

One of the questions I think the committee should examine is whether there is any protection for a minority group where a vote of 50 plus one can do away with that protection.

It would seem to me that to change the Constitution where minority rights are concerned should require a referendum within the minority group that will be affected, not right across the broad base. If a proposed change affected the rights of francophones or schools or any group in our society that has special rights, it would seem logical that that group should be polled, not a broad cross-section. I would like the committee to look into that.

In the speech which introduced this resolution, our house leader mentioned Term 17 which she says was changed in 1987 for the Pentecostal Assemblies. She also mentioned a change in New Brunswick regarding official language status in 1993. The motion before us has nothing to do with language but, if we used a similar process to change the official language status of New Brunswick, could not the mirror image of that occur, whereby a constitutional change could have changed or taken away an official language right? In other words, if we were able to grant a right to a group by constitutional change, which everyone seemed to think was the right thing to do, it seems to me that the opposite end of that would mean that you could also take away a right from a group.

At page 563 of the *Debates of the Senate* of June 6, about halfway down the page, Senator Fairbairn quotes from Term 17 as follows:

> ...schools shall receive their share of such funds in accordance with scales determined on a non-discriminatory basis from time to time by the Legislature for all schools then being conducted under the authority of the Legislature.

Who is to decide what is a non-discriminatory basis? I would like to see that question examined thoroughly in committee. Many sins against minorities have been committed in the past by legislatures and other groups on the ground that the rule was fair. Quite often, the rule can be written so that it appears to be equitable but is strongly discriminatory against a particular group.

In Western Canada we use property taxes to finance education — a retrograde step, in my opinion but, nevertheless, that is the system. One of the reasons that we have property taxes financing education in Alberta, and to a lesser extent in other provinces, is that, when the education system was set up in the west after the Manitoba question, parents and others in the area did not trust the legislature. They decided to have schools financed out of their own property taxes so that they would not have to worry about negative legislation out of the legislature.

In Newfoundland, my understanding is that there is no property tax financing schools. All money comes to schools directly out of the central government. Therefore, the property tax does not act as a check and balance against the legislature; the legislature is supreme when it comes to financing education. Consequently, any harm that may be done by the way the legislature allots money cannot be counterbalanced by the property taxes. Also, the fact that property owners and parents are not hit directly in their pocket possibly removes the impetus to have as much interest in the school system as one otherwise would.

That worries me a bit. I know the legislature is always supposed to be supreme, but there should perhaps be a monitoring body or something similar to an ombudsman to give an opinion on these matters, which may not be binding on the legislature, but at least it would point out to the legislature where they are not being equitable in their financing. That is something I would like the committee to study.

The other area of concern is the modern trend — and I am speaking now more as a philosopher — in education where we seem to be moving to a monolithic basis of education, with the idea that we are turning out something like a General Motors product. The factory gets bigger and bigger, we get more and more teachers and bigger and bigger schools, and somehow or other that is supposed to produce a better product. I do not think that concept has proved successful. I would like to see the committee examine that.

The whole thrust here is to try to make education more efficient. I am not sure that the old one-room school and pluralistic type of teaching did not turn out a better educated product than the large factories of today. Perhaps we are moving in the wrong direction. In the 21st century we may want a system that teaches pupils how to think and how to investigate things rather than our present 20th century thinking that a better education system is one that turns out more plumbers, welders and engineers. In other words, education in the future may not be so much giving practical training as training in how to think.

Our civilization, with its inventions in cybernetics or computers or whatever, is moving so fast that we need to teach students how to think, and possibly that could be done by smaller units rather than larger ones. The raison d'être of this motion seems to be to have a large, efficient system, and that may not be the best way to be looking at education.

I keep hearing an analogy of overcrowded school buses and undercrowded school buses. I have often seen that situation in areas that I represented for 20 years. I am not too sure we should be trying to get rid of a pluralistic system. In other words, is it really that wrong? We keep hearing people saying there are seven or eight different systems. Big deal. The U.K. for many years has had a multitude of so-called public schools, which are really private schools working within the public system. Therefore, there is no proof that a monolithic system which ensures that everyone goes back and forth efficiently in one big bus is necessarily a good education system.

• (1540)

One of the major reasons for the Senate's existence is the protection of minority rights. That is, I suppose, one of the reasons we are appointed rather than elected. If there is anything that will sell the Senate to the present generation and future generations it will be the stand it takes on minority rights, be they religious, racial, rights of sexual orientation or whatever. The majority can look after itself.

It is my impression that the question put to the people in Newfoundland and Labrador was as complicated as Mr. Bouchard's question on sovereignty association, and perhaps even more so. I do not believe that each minority was able to decide whether it wanted to give up its rights to the majority. We are taking the result as a whole as saying that they want change. I do not think that the rights of minorities should be taken away, based on a large cross-section. The committee should perhaps consider having a referendum in each minority group, asking whether they want to give up what they have in exchange for what is being offered, rather than asking one broad question.

Hon. Gerald R. Ottenheimer: Honourable senators, I first wish to compliment other senators who have spoken on this matter. The issue has been addressed with a seriousness which does us credit both as an institution and as individuals. It is evident, honourable senators, and it may well become more so, that this is a matter upon which people may sincerely and honestly hold very specific opinions that will be at variance with the opinions of others which are held with equal conviction.

It is not often that the Senate, or indeed any legislature, is faced with the kind of decision we are being asked to make. I have been involved in legislatures for about 30 years. Much of that time was in the legislature of Newfoundland, both in opposition and in government, including a short period in the chair. I have been in the Senate for about eight years, both in government and in opposition. I am not aware that I have ever been posed a question of this specific type. There have been other constitutional amendments which have given rights, but that is a somewhat different matter.

It is absolutely essential that we are clear on what the specific effect of this resolution would be. There has been agreement on both sides that this matter should go to the Standing Senate Committee on Legal and Constitutional Affairs. The committee will need to address a number of things, but it is essential that it address the root question.

Even proponents of the amendment realize that it will affect minority rights. That is obvious. It is equally obvious that it will affect minority rights without the consent of those minorities. It will affect the minority rights of two minorities in Newfoundland. It will affect minority rights which were given a constitutional reference in the Terms of Union between Newfoundland and Canada in 1949, and given a further constitutional reference in 1987, when the rights of one of the minorities, whose rights would be altered without their consent, were recognized constitutionally and unanimously endorsed in the Senate.

There should be no doubt on what this is about. Certainly one can speak about education, about the quality of education, about transportation in education and about how many schools or school boards there should be. One can compare Newfoundland's system to that in Ontario and elsewhere. One can consider, and perhaps should, a number of other interesting and related matters. However, the subject-matter is minority rights, and the resolution purports to alter the minority rights of two minorities without their consent.

An essential question for that senatorial committee, and for us all, collectively and individually, is: Under what circumstances is it appropriate to alter minority rights which have a constitutional reference without the consent of that minority or those minorities? That is what we must ask ourselves. That is the point upon which I hope the committee will be able to give us some guidance.

Are there circumstances under which it is appropriate to alter minority rights, constitutionally referenced, without the consent of those minorities? Perhaps there are; I do not know. If there are, I would like to know what they are. I do not think we can open a barn door with respect to minority rights, constitutionally referenced. We must know what those circumstances are.

I have read quite carefully the speeches by the Minister of Justice in the House of Commons and Honourable Senator Fairbairn in the Senate when introducing this amendment. I have been asking myself whether the government and those who are urging the adoption of this amendment, recognizing that minority rights are affected, should not indicate to us the circumstances under which they feel it is appropriate to alter minority rights. It is difficult to extract that information, that value judgment, that approach and that philosophy with respect to minority rights from the government's statement in both houses.

• (1550)

I have endeavoured to extract what I think might occur, but it is only a personal effort and a personal interpretation, and I do not wish to place my own personal interpretation on other people's initiatives. It will be important — indeed necessary — for us to consider that specific question.

When determining the government's philosophy or justification for urging the adoption of this resolution in its introductions by the ministers in both houses, I looked first at the House of Commons *Hansard* of Friday, May 31, 1996 and the introduction of the Honourable Minister of Justice. One is able to find hints contained in these introductions. There are a number of peripheral matters referred to and then a suggestion that we must go through a process of induction to try to answer the question concerning the circumstances under which it is appropriate for the government to act. The Minister of Justice says:

> We looked at the present term 17 and the manner in which it provides for the organization and administration of denominational schools in Newfoundland. We had regard for the fact that that arrangement is antiquated and reflects an age long past.

I am not suggesting that the minister is saying that that is the circumstance, but in fact that is part of the reasoning that was put forward. In a sense, it is like a shotgun approach. Different targets are shot at and the main objective, namely the alteration of minority rights without consent, is perhaps hinted at under the guise of the circumstances under which a change must be made. Surely the arrangement is "antiquated and reflects an age long past." But, is it indeed "antiquated" and does it "reflect an age long past"? The Terms of Union between Newfoundland and Canada of 1949 —

Senator Murray: And in 1987.

Senator Ottenheimer: — and 1987 were amended to include another minority, and were passed unanimously in the Senate. No one said, "This is all antiquated. We are doing it for a short term. We are recognizing the Pentecostal people and we are giving constitutional effect to their rights, but for a short time." The argument that the arrangement is antiquated and reflects an age long past, even going back to 1949, it is not that long past. If it is, we are all antiquated! Section 93 of the Constitution goes back to 1867. Is that antiquated? Does it reflect "an age long passed" and, therefore, is its continuing value or integrity undermined? Does chronology, or the basis upon which a minority right is given a constitutional reference, determine its continuing validity?

Surely the fact that in the minister's opinion the arrangement is antiquated and reflects an age long passed cannot be very meaningful. Actually, it is an ambiguous statement. If 1949 reflects an age long passed and 1987 reflects an age long passed, what are we to say to the people who, in 1987, had these rights constitutionally referenced but nine years later are witnessing them being taken away? Those rights were not constitutionally referenced in a great controversy; there was unanimous agreement that this was fair and appropriate. Surely the people, not only of Newfoundland but also of Canada, must ask themselves: What does a constitutional reference of a minority right mean? What sanctity does it have?

The minister also went on to say:

> We considered the factual arguments put forward by the government of the province of Newfoundland and Labrador with respect to the cost and the quality of education under the terms and conditions reflected in the 1949 constitutional arrangement. Quite apart from the cost and the modernity of the school system, we also looked at other issues.

What he was referring to here is the quality of education in Newfoundland. There is an inference that there is something which makes the quality of education in Newfoundland substantially different, or of a lesser quality than education in other parts of Canada.

Later on, the minister went on to say that after the change in the Constitution,

> ...the circumstances prevailing in Newfoundland and Labrador will be roughly comparable to those in other Canadian provinces in terms of denominational education.

To what extent is it necessary or advisable that they be roughly comparable to those in other Canadian provinces? It is somewhat like the columnist in *The Globe and Mail* who wrote a few days ago that, if these changes are made, the system of education in Newfoundland will more closely resemble the system of education in Ontario.

Education is a provincial responsibility. We had an educational system in Newfoundland prior to Confederation. There has been a certain amount of condescension about what we do in Newfoundland.

Allow me to read a previous extract from the speech a member of Parliament in the other place. This is found at page 3296 of *Hansard* on June 3, 1996. The honourable member for Mississauga West said:

> We cannot allow unwarranted fear of what may happen to blind us to what is already happening. The children of Newfoundland and Labrador of every religion desperately need our support before truly effective change will happen. No tiny six-year-old should ride for hours on a bus past three or four schools to go to the school which will accept her. All children of Newfoundland should be able to go to their nearest school and receive a quality education.

Education is a provincial responsibility in Newfoundland as much as it is anywhere else. We do not accept to be a protectorate of the Government of Canada in terms of education. That was the mentality in international usage whereby a people who were adjudged not to have reached sufficient levels of looking after their own affairs —

• (1600)

The Hon. the Speaker: Regretfully, senator, I must advise you that your 15 minutes have expired. Are you asking for leave to continue?

Senator Ottenheimer: I am.

The Hon. the Speaker: Is leave granted?

Hon. Senators: Agreed.

Senator Ottenheimer: We do not accept that we are a protectorate of education. We do not accept that the concerns of the people of Newfoundland, including the concerns of the teachers, the school boards and the churches, are not of the same quality as their counterparts in other provinces.

This is not about education. However, since so much has been made of it, I will make some reference to it. In many areas, the Government of Newfoundland has complete control, the same control as other governments — in pupil-teacher ratio, matters of curriculum, and matters of certification of teachers.

Recently a framework agreement was reached, but I shall comment on that later because I am informed that certain elements of the framework are not as solidly framed as they were. That agreement provided with respect to busing that there be one school transportation system, and, as far as I know, that stands; that there would be a reduction in the number of school boards from 27 to 10, and, as far as I know, that stands; and that the majority of these boards would be interdenominational school boards.

If the participants have identified problems in those areas of substantial agreement within the framework agreement, if there is need for further discussion and further negotiation, then surely that is the route to take. From a bureaucratic point of view, it might be nice for a government to say, "Well, now we have had enough discussions and negotiations. We have dealt with the authority. This is the way it will be done." In today's age, however, that is not the way things work. We cannot look at it from the point of view of bureaucratic efficiency. We must consider it from a sociopolitical point of view in terms of the body politic and in terms of recognizing the diversity of opinions which exist in the country and the various provinces.

That is not to suggest that the people of Newfoundland, the participants in the educational system of Newfoundland, the churches of Newfoundland and the Government of Newfoundland do not have the ability, the goodwill and the seriousness of purpose to arrive at a system which will work. It may not be perfect from everyone's perspective. I am not talking about any objective perfection here — that is seldom attained — or what the government might regard as ideal or some of the minorities might regard as ideal. It will probably be that neither will get their way entirely. Nor am I suggesting that the people of Newfoundland are somewhat less sensitive, that the people who are responsible for education in Newfoundland, including the churches, are less sensitive, less aware of their responsibilities, less responsive to their public responsibilities, than are people in similar positions in other parts of Canada. I cannot accept that. That would mean there is an inherent flaw in the character of Newfoundland and in the character of those people in the educational establishment which makes it impossible for them to come to arrive at a working agreement and fulfil their public responsibility. I cannot accept that, any more than I can accept the fact that in order to improve the system of education in Newfoundland it is necessary for the Parliament of Canada to deny or alter the rights of minorities without the consent of those minorities.

We are an equal province in the fullness of our provincial jurisdiction as a province and of our recognition of our responsibility.

I appreciate the patience of honourable senators, and I will try to summarize the other points I wish to make. I became sidetracked, as many of us do, on the issue of education.

The main issue before us is under what circumstances, if any, minority rights which have a constitutional reference can be altered without the concurrence of that minority. After reviewing the minister's speech, I considered that various things are peripheral. I would say that quality of education is important in itself, but in this context it is not the real heart of the matter, nor is the assumed antiquity of the arrangements, or the viewpoint that these arrangements will take us closer to the Canadian system or the transCanada system.

I think it comes down to precedent. I believe that is what the committee will consider. Is the answer to the question I posed that it is permissible when it does not create a precedent which may have an effect in other provinces in terms of confessional rights or elsewhere in terms of linguistic rights? Is that what is being assumed?

To quote the Leader of the Government in the Senate:

> Term 17 guarantees rights to several different minority groups in Newfoundland and Labrador which, together, comprise over 95 per cent of the province's population. Therefore, unlike the other provinces, there is no majority denomination in Newfoundland and Labrador.

With all due respect, that is open to at least some comment. Of the people whose rights will be affected, 7 per cent are Pentecostal and 37 per cent Roman Catholic. That totals 44 per cent. Perhaps 4 or 5 per cent are of no religious identification. That leaves about 51 per cent. Some time ago, the people of the Anglican, United Church, Salvationist and Presbyterian faiths met and freely agreed to operate one system — the integrated school boards.

Roughly 51 per cent makes up the majority. I point that out because defining a majority is a question of choice. In Ontario, obviously, you can say that the minority in terms of confessional rights would be Roman Catholic; and that there is, if you wish, a Protestant majority. However, you can break down the others into Methodists, Anglicans, Presbyterians, Salvationists, et cetera, and say that they are all minorities. It depends upon the perspective from which you approach it.

Irrespective of whether one views those who do not object to this alteration of minority rights as a number of other minorities, that does not alter the fact that two minorities are having their rights affected without their concurrence.

• (1610)

Then the Minister of Justice said, quite apart from the particular circumstances in Newfoundland and Labrador, that some people worry that if we act in this instance, we might be establishing a precedent of interference by the national government in collaboration with the provincial government to affect denominational involvement in education in a province, a precedent that would imperil religious education elsewhere. He went on to show that Newfoundland's situation is unique.

These next couple of sentences by the Minister of Justice were quoted by the Leader of the Government in the Senate:

> Precedents require similar facts or similar principles and it would be difficult to find a future circumstance in a different province where the same principles and circumstances would prevail.

Honourable senators, the same circumstances would prevail; where the same principles would prevail, I am not sure.

When we are dealing with a matter of precedence, we must ask ourselves if it is precedence in terms of confessional rights in other jurisdictions with respect to linguistic minority rights. I have said that those are protected by the Charter. They have their special way of amendment, but as Senator Murray pointed out in his remarks during the opening day of debate, some of those matters are covered in terms of linguistic rights. In terms of their exercise, they are covered by bilateral agreements.

Honourable senators, the question is this: Is it the circumstance that it is permissible to alter minority rights without consent if such alteration does not create a precedent for confessional rights in other jurisdictions or if it does not create a precedent in terms of minority linguistic rights or their enforcement and development in a specific province? That is an important consideration. People in the other provinces of Canada will want to know to what extent, if any, such a change could affect their confessional rights. People with minority linguistic rights may wish to know to what extent, if any, this may affect a bilateral agreement to give effect to the exercise and development — not the theoretical formulation — of minority linguistic rights.

Honourable senators, it is important that the people of Canada know what effect such a precedent might have. However, I do not accept that that can be the sole criterion. Even if it is established — and I do not think it can be established without reasonable doubt — that one can alter the rights of minorities in Newfoundland without their consent without affecting the rights of anyone else as expressed in the Constitution, can that be the criterion for saying the rights of minorities in Newfoundland are less valuable and are less protected than the rights of minorities elsewhere?

I hope the committee will look into that question. Perhaps it will offer some guidance.

Is that the circumstance? If I am right in saying that this is about minority rights and that the effect of Term 17 will be to alter constitutionally entrenched minority rights without the consent of the minority in Newfoundland, then it is a legitimate question.

Under what circumstances may such a proposal be put? If the answer is that it may be so put and that the Government of Canada is introducing it into Parliament for a variety of reasons, it is not being introduced because of the quality of education. We are not a protectorate. Newfoundlanders involved in the educational responsibility have just as great a sense of responsibility as people from elsewhere. It cannot be for that reason. It cannot be that the system is antiquated; the years 1949 and 1987 are not that far behind us.

Honourable senators, it is one thing if the proposal is such that it affects other provinces. Even if it does not, even if it only affects the minorities in Newfoundland, the rights of those minorities in Newfoundland cannot be and should not be subordinated to what the effect of their alteration might be in other jurisdictions.

Honourable senators, we need answers. Under what circumstances does the Government of Canada believe it can alter minority rights in a Constitution without the consent of those minorities?

Hon. John G. Bryden: Honourable senators, would the Honourable Senator Ottenheimer entertain a question?

Senator Ottenheimer: Certainly.

Senator Bryden: The question relates to my honourable friend's statement that how one defines minority rights is a matter of choice. My question relates to the 4 per cent or 5 per cent of people to whom the honourable senator referred — those who do not have denominational rights to education systems in Newfoundland. If a Muslim family, a Jewish family or an aboriginal family does not participate in any of the denominations in Newfoundland, how are their minority rights to education protected? Believe me, I do not wish to restart the clock, but, similarly, for those people who in good conscience do not want their children's conscience affected in their formative years by any religious rights, how are they protected? Since we have religious protection, should we not at some point consider introducing an amendment, such as the 1987 amendment, to protect, let us say, the half-dozen Jewish people, or whatever number, to give them the same right as the Pentecostals received in 1987?

Senator Ottenheimer: My honourable friend's question is interesting and valid. Obviously there would be some atheists and agnostics among the 3 to 4 per cent of Newfoundlanders who are not affiliated with the Christian denomination. They might make up the larger part of that 4 per cent. There are Jewish families in Newfoundland. There are some Muslim families in Newfoundland, and I believe there are also some Hindu and Buddhist families. Newfoundland has never been an area that has received a great deal of immigration. It has gone the other way. All I can say in answer to the honourable senator is that what he has suggested has never been a problem in the past.

• (1620)

No child in Newfoundland has been refused an education because of their denomination or because they or their parents are agnostic or of a non-Christian faith. Most simply go to the school nearest to them, I would think. We are not talking about many people here, but a large proportion of a small number of people would live in the cities. They would choose the school they wished to attend. I am not aware that any child has ever been refused entry to a school in Newfoundland because of their religious affiliation or lack thereof.

We have educated Jewish families for decades and, more recently, probably a larger number of agnostic people and a smaller number of Muslim and Hindu people. It has never been a problem before and I would not visualize it becoming a problem in the future. It is understood that none of these students is required to attend any religious instruction or observance.

There are hundreds of children in Newfoundland who live in an area where their denomination has no school. They attend an integrated school. Hundreds of children of different denominations live in areas where there is no integrated school and no appropriate denominational school. They would then attend the neighbourhood Roman Catholic or Anglican or Salvation Army school. It is always understood that those students would not be required to participate in any religious observance or instruction. That holds equally for people whose parents might be agnostic or of non-Christian faiths.

This has never been a problem. We appreciate that these rights must also be respected.

Senator Bryden: Honourable senators, I have a quizzical supplementary question for the honourable senator. How many people in a religious denomination or minority does it take to be a recognizable minority? Perhaps Senator Beaudoin will puzzle over this, also.

If a Muslim family brought a constitutional challenge under the situation as it exists now, without any amendment, it would be interesting to know what the Supreme Court would do with that. Although Senator Ottenheimer has indicated that no student has ever been denied and they do not have to participate in religious service, there is law that says that taking a child out of his normal environment so that he does not participate in the religious instruction may itself be discriminatory.

That may be rhetorical. The honourable senator may or may not wish to reply.

As you know, I used to represent the teachers' association in Newfoundland. While you may be right that no child has ever been refused, it certainly is the case that school boards have refused to hire or continue to employ teachers who did not subscribe to the board's denomination.

Senator Ottenheimer: Dealing with the latter part first, yes, that has happened. I do not necessarily agree with it. It has happened, but it has also happened in other areas outside Newfoundland.

As to the first part of the question, nothing in the current legislation prohibits the Government of Newfoundland from establishing public or, if you wish, public secular schools, completely unrelated whatsoever to any denomination. Nothing prohibits that.

I would assume that if the numbers were such that there were a sufficient number to make a viable school, then there could well be a public secular school for people who do not adhere to the other faiths. That number is small, but that does not make their rights less important. Rights are not questions of arithmetic.

I suppose the only answer I can give is that if they were to go to court, obviously the courts would have to define their specific rights. Other parties, whether that be the state or other school boards, would have to act in accordance with what the court said. That has never happened.

The Hon. the Speaker: Honourable senators, if Senator Rompkey speaks now, it will have the effect of closing the debate.

Hon. Bill Rompkey: Honourable senators, at the outset, I wish to congratulate Senator Ottenheimer on a thoughtful speech. He has raised many questions. I am sure he and I will disagree on some of the answers, but I do congratulate him on a thoughtful speech.

May I say that the longer I spend in this chamber the more I am impressed not only with the level of the debate but with the tone of the debate as well. I will try to stay within those guidelines.

I know that senators are considering this issue seriously; I agree with Senator Ottenheimer on that point. I know that all senators are giving serious consideration to this matter, and that is as it should be. This is a chamber of second thought. It is not a place for rubber stamps.

No one would expect the Senate to accept blindly legislation even if it is from a province and even if education is a provincial responsibility. I do not think any legislation should be simply rubber-stamped without giving it any thought. We all have positions. I hope we can convince a majority of senators to vote for this legislation because I consider it very important. In fact, I consider it urgent.

I also understand that senators must think this through for themselves. I appreciate the fact that it will go to committee where I hope all sides can be heard and all points of view can be put forward and we can have a full discussion.

It may be difficult for senators to realize the uniqueness of the Newfoundland system, as Senator Ottenheimer has already pointed out. There is really no other jurisdiction in this country with a school administration similar to that in Newfoundland. No other provincial jurisdiction in this country, now or in the past, as far as I know, has a similar administration. By that, I mean that each Christian denomination has had the right, constitutionally and in law, to administer schools and a right to the public purse. There may be jurisdictions where Christian denominations have the right to administer schools, but I submit there is no other jurisdiction where they have the right, constitutionally guaranteed, to a portion of the public purse. That is the right that is being changed.

Senator Ottenheimer asks what rights are being changed. Is it proper for rights to be changed without proper consent? Leaving aside that question for a moment, let us be clear on what rights are being changed and what rights are not being changed.

Let us deal first with the rights that are not being changed. It is important that the new Term 17 should appear in the record:

> 17...(a) except as provided in paragraphs (*b*) and (*c*), schools established, maintained and operated with public funds shall be denominational schools...

That is what Term 17 actually says.

• (1630)

> ...and any class of persons having rights under this Term as it read on January 1, 1995 shall continue to have the right to provide for religious education, activities and observances for the children of that class in those schools...

Subclause (a) simply refers to religious observances and teachings, which clearly will still be a right.

Although I am not a lawyer, I am told that Term 17(*b*) is in proper legal wording.

It states:

> (*b*) subject to provincial legislation that is uniformly applicable to all schools specifying conditions for the establishment or continued operation of schools,
>
> (i) any class of persons referred to in paragraph (*a*) shall have the right to have a publicly funded denominational school established, maintained and operated especially for that class...

Historically there have been Catholic schools in St. John's, Newfoundland, and this clause says that there will be Catholic schools in the future in St. John's, Newfoundland and that Roman Catholics will have the right to operate those schools. They will have the right not only to religious observances, but the right to operate those schools with public funds. That is what it says. That right is to be maintained.

What right will not be maintained? The automatic right of any church to an equal demand on the public purse; that right will not be maintained. That right will be changed. I do not think it exists in any other jurisdiction in the country. In no other jurisdiction does a Christian church have the automatic right to draw on the public purse. That is what is being changed.

I wish to tell honourable senators of my own experience. Before I decided, in a moment of weakness, to run for office, I was a school superintendent. I was a school principal and a school superintendent in Labrador, and I worked for a school board which came under the integrated system. The integrated system was made up of the Salvation Army, the United Church and the Anglican Church. Those three churches, those three Christian denominations, decided to pool their resources to form a collective, to operate as one unit. If I wanted to build a school in Labrador, I would not go to the Government of Newfoundland; I would go to the denominational education committee in St. John's, made up of the Anglican Church, the Salvation Army Church and the United Church, and I would ask them for money to build a school.

Honourable senators, I can tell you that on the coast of Labrador now, in the community of Hopedale, is a school which, in my opinion, is disgraceful and should be replaced immediately. It is mainly an Inuit school, and that brings up an another interesting point. If that integrated board wanted money to replace that school, they would have to go, not to the government but to the denominational education committee operated by the churches in St. John's.

What is being changed is not the right to have religious observances, or even to operate denominational schools, where numbers warrant, with public funds. What is being changed is the power of the government to give it more control over public funds rather than an automatic control by the Christian denominations.

I should like to mention a more recent example of what I mean by duplication and by this automatic draw on government funds, that of the capital funding for schools in Gander Bay on the Island of Newfoundland. During 1993 it was determined that two integrated schools in the Gander Bay area had become contaminated with a toxic fungus and had to be closed; the Nova Consolidated School Board decided to construct one new school to replace the other two buildings. I appreciate the fact that Senators Taylor and Ottenheimer said perhaps two schools are better than one, but leaving that aside, what was the action taken? The estimated cost of the new building was $3.5 million. Since the integrated education council had already committed its funding for the 1993-94 fiscal year, the Minister of Education sought approval to pre-commit funds for this project for the 1994-95 budget. In order to commit $3.5 million to the Integrated Education Council for this emergency construction, the government was required to commit a total of $6.2 million. The additional $2.7 million was distributed to the Roman Catholic and Pentecostal councils in accordance with their respective proportions of the provincial population, as required by legislation. The law says that you must give public funds — the taxes that are collected — equally to the denominations, and that was the situation as late as 1993.

That, senators, is what is being changed, to give the government the power to disburse funds, to rationalize funds, to take some responsibility for spending the taxpayers' money in a reasonable way.

It has been suggested that there is some effect on minority rights here. I have to ask the question: What is a minority? Senator Bryden has rightly identified some minorities which clearly have not been protected under the law in Newfoundland. I went to an Anglican school in St. John's, Newfoundland, a boys' school. We had Jewish students at that school. I am feeling, I guess, like the antiquated people from an age long past, as Senator Ottenheimer mentioned, but I have to speak from experience. My wife went to a school operated by the United Church, and there were Jewish students at that school, too. They had to become quasi-Anglican or United Church or some other Christian denomination in order to enter. They were not denied, that is true, but I suspect that they may not have chosen to have that kind of education under other circumstances. I do not know what the Muslim or Hindu populations are in Newfoundland but it is conceivable that they could be equal to the Seventh-Day Adventist population, for example, which has rights under the present law enshrined in the Constitution. I do not know how many Seventh-Day Adventists there are, but they have rights that Muslims, Hindus and Jews do not have.

Who is the minority? I argue that if you add up all the churches, the Anglican Church, the United Church, the Salvation Army Church, the Roman Catholic Church and the Pentecostal Church, they are not the minority; they are the majority in Newfoundland. Added together, they make up 94 per cent of the population, and they all have rights, and they will have rights under this Constitution. I would argue that the 55 per cent who voted in the referendum are people spread across those denominational lines.

What is a minority? How are minority rights being affected? I think that the Christian denominations will still have rights under the new Constitution and that they will not be significantly affected.

On the question of the impact in other parts of Canada, I would argue that each case has to be seen on its own merits. This case is about Newfoundland asking for a change in the administration of education in that province under section 43, which is the only section to which we have recourse, a matter concerning only one province and the federal government. That is the way it is to be decided under our Constitution. If Newfoundland cannot take that position, and if other provinces cannot use it, then indeed Confederation does make us muscle-bound.

That is the issue. The Newfoundland terms of union are clear and unique, as I have pointed out.

Another jurisdiction, another province, may come with a case which is somewhat similar, but surely that case will have to be decided on its merits. Surely we cannot vote against the Newfoundland proposal because some other proposal may come forward in the future from some other province with some other conditions based on some other terms of union.

• (1640)

I submit that each case must be decided on its own merits. We have to decide the Newfoundland case on its merits. If a case comes forward from Manitoba, we must decide it on its merits; if a case comes forward from Quebec, we must decide it on its merits, and so on. In that way, I do not see that a precedent would be set here which could be applied elsewhere.

On the question of whether there is another way, whether there can be a negotiated deal, we have been arguing this in Newfoundland and Labrador for generations. There was an attempt to make a deal with the churches and that attempt failed. I want to read into the record, because I think it is important, the latest word from the Minister of Education in Newfoundland on what happened to the deal.

The deal was negotiated by the former premier and I think the present premier has tried to negotiate a deal as well. No one wanted to go through the process if it could be avoided. Obviously, any politician would rather have a negotiated deal than public disruption.

The latest word I have from the Minister of Education is as follows:

> You have asked for a report on the status of an agreement between the Government of Newfoundland and Labrador and representatives of the religious denominations —

That should really read “Christian denominations.”

> — on the matter of reform and reorganization of the education system in this province.
>
> I can advise you, unequivocally, that there is no such agreement.
>
> After nearly three years of discussions, government and the denominational representatives were unable to reach an agreement on a restructured school system, which had been recommended in the 1992 report of a Royal Commission on Education. Consequently, in the spring of 1995 government decided to seek the approval of the people for an amendment to Term 17, in order to proceed with the restructuring plans. A referendum followed in September, 1995.

I remind senators that not only have we had a referendum and a unanimous vote in the provincial legislature, but we went through a provincial election in which the premier, who supports this measure, was elected overwhelmingly. I do not say that this was the major issue in the election, but it was part of the Liberal platform. Anyone who wanted to make it an issue during the campaign certainly could have done so. We had an election and the people spoke. They elected the premier who supports this course of action. The letter goes on:

> Following the 1996 general election I directed senior officials in the Department of Education to enter into further exploratory discussions with the denominational representatives to assess the possibility of moving ahead with educational reform for the 1996-97 school year. After several days of discussions a framework was developed which I had hoped would become the basis of an agreement for restructuring of the administration of school boards.
>
> The framework, which was accepted by the leaders of all the denominational groups...contained only two points of agreement:
>
> 1. the establishment of ten interdenominational school boards.
>
> 2. the establishment of a provincial school construction board.
>
> The framework contained references to several items, yet to be resolved, which are key to the completion of the province’s education reforms, including:
>
> the substance of provincial parameters governing school closures, consolidations and new construction.
>
> the designation of schools as uni-denominational or interdenominational; and
>
> a process for determining parental preference for the designation of schools.

> There was no agreement with the denominations on these points. It has since become clear that a negotiated solution is not within reach since, despite their earlier concurrence with the framework, the leaders of several of the churches in integration have publicly withdrawn their support and rejected the notion of reform and reorganization of school board administration.... In short, an agreement satisfactory to all denominations has not been reached and it is the considered opinion of the Government of Newfoundland and Labrador that a negotiated agreement is not possible.

That is the situation according to the Government of Newfoundland and Labrador.

This is the matter with which we must deal with. There is no recourse but to change the Constitution and allow the Government of Newfoundland to proceed to operate schools rationally and responsibly, but to save $25 million a year by eliminating duplication to preserve denominational rights, but to spend that $25 million on the real education of children.

I agree with Senator Ottenheimer that our schools and our people are no worse or no better than anywhere else in the country, but the fact remains that, according to statistics, we have the highest rate of illiteracy in the country. The Leader of the Government in the Senate will know that that is the case. The figure is approximately 43 per cent. Those statistics are on the record. They are not pleasant statistics, but that is the fact. Is it not better to spend that $25 million on the real education of children rather than on duplication of schools? I argue that education is of great importance to our province today. It is more important than ever before.

We have experienced a crisis in the fishery. I do not have to tell any of you about that. There are some opportunities ahead for our people, but they will not get the jobs available unless they have the required skills. I have gone through this before on the construction of Churchill Falls. When Churchill Falls was constructed, our people did not get the jobs. They did not get the jobs because they did not have the skills. That essentially translates into education. I do not want the same thing to happen again. It is better to put our resources into real education rather than the duplication of buildings.

Newfoundland simply wants equality with other provinces. We want a system of education like that of everyone else. We want a system of administration like that of everyone else which will provide an opportunity for pluralities and minorities. That is all that is being requested.

I appreciate the fact that this matter is going to committee. I hope and expect that the committee proceedings will provide an opportunity to hear all points of view. I certainly intend to vote for the motion. I encourage honourable senators to give it some thought, and I hope they will come to the same conclusion.

Hon. Lowell Murray: Honourable senators, the previous speakers have set such a high standard of debate that one approaches the matter with some trepidation. I defer, of course, to our friends Senator Rompkey, Senator Ottenheimer and others on the uniqueness and complexities of the Newfoundland education system, or systems.

A couple of years ago, I went to Poland on a delegation led by Senator Hébert. In the office of the Polish Minister of Education, I witnessed Senator Petten explaining to our Polish interlocutors the denominational school system of Newfoundland. I did not fully understood it when it was explained in English. I can only imagine what it must have sounded like in Polish.

Hon. William J. Petten: If I may be permitted to interject for a moment, I do not know to what my honourable colleague is referring. It is true that we were in Poland together. It was an excellent delegation and I learned much about Poland. However, it was the fishery I was talking about and not education.

Senator Murray: There you go; my friend was talking about the fishery and I thought he was talking about education.

In a nutshell, honourable senators, notwithstanding the eloquent appeal we have just heard from our friend Senator Rompkey, it would be difficult, if not impossible, to persuade me to vote for such a resolution on the basis of a turnout so small and a majority so small as was achieved in favour of this resolution in the referendum in Newfoundland.

• (1650)

My friend asks, "What is a minority?" He adds up the various religious denominations in Newfoundland to the sum of approximately 96 per cent of the population. The Catholics and the Pentecostals are a minority, and the evidence is that they are opposed to the resolution that is before us. There is a principle here about changing minority rights without the consent — indeed, over the opposition — of the minority affected.

If ever a resolution arrives here from the legislature of New Brunswick under section 43 affecting the constitutional rights of the francophones in that province, I will vote against it unless I can be convinced that the Acadian people have given their consent to it. Similarly, if a resolution arrives here under section 43 from Manitoba affecting the rights of the *Franco-Manitobains*, I would vote against it unless it could be demonstrated to me that the francophones of that province supported it.

[*Translation*]

Honourable senators, if some day we have before us a resolution of the Quebec National Assembly respecting certain provisions in clause 133 of the Constitution Act, 1867 — certain provisions applying only to Quebec — the English minority's agreement or disagreement would be the criterion on which I would base my decision.

If some day a resolution of the Quebec National Assembly to change or eliminate the denominational system is before us, the agreement or disagreement of the Protestant minority — whose vested rights should be protected by section 93 of the Constitution Act, 1867 — will determine my judgment and decision.

[*English*]

If we get a resolution some day from Queen's Park, from the provincial government of Ontario seeking to change the denominational school system in that province, the criterion that I would pose is whether or not the Catholic minority of this province, whose rights were supposed to be protected under section 93, supported the change.

To me, it is clear. It is a question of minority rights. The reason you put minority rights in the Constitution is to put them beyond the reach of the majority acting alone. You should not and must not change them without the consent of the minority affected.

Senator Beaudoin did well last night to draw to our attention what was done in Saskatchewan and in Alberta within our own memory, a few years ago when the Supreme Court of Canada told them that they could unilaterally do away with the bilingual character that was part of their laws when they entered Confederation. They went ahead on the basis of the Supreme Court decision and did so. There have been many other examples over the years in this country. The Saskatchewan and Alberta cases, about which I spoke at the time on behalf of the government of the day, show us how fragile minority rights are and have been in this country over the years. We have had perhaps some great moments on the question of minority rights, but in some parts of Canada some of the most shameful moments in our history have been on the question of minority rights — both linguistic and denominational. I think we all know that.

In 1984, honourable senators, the question of the rights of the *Franco-Manitobain* was before the legislature in that province and before the Parliament of Canada. Without taking you through all the history of that issue in 1984, there was before the legislature of Manitoba a resolution which had the general support certainly of the francophone minority. A sub-amendment was proposed which would have diminished the rights that were about to be confirmed by the legislature of Manitoba. In the House of Commons, Prime Minister Trudeau was asked about this in Question Period. This was not a matter of a set speech; he was asked about it on February 21, 1984. I will read to honourable senators one paragraph of what he said:

> We have hesitated to intervene in the Manitoba situation because I believe it was the intention of the parties there to have a made-in-Manitoba solution to their problem. We have to keep in mind that any constitutional amendment would come before this House ultimately. I can say unequivocally that this Party would not support any amendment which went against the spirit of last May's resolution, which was not supported by the *Franco-Manitobains*.

That is the principle, honourable senators, that I would invoke for the *Franco-Manitobains* or for the Catholics and Pentecostals who object to what is being done to them in Newfoundland.

I am very glad to hear that the matter will go to committee and that there will be an opportunity to discuss the uniqueness and complexities of the Newfoundland school system.

I remind the Senate that we do have some six months and that the clock started to tick on the day that this resolution passed the House of Commons. There is no reason to rush our consideration of this matter. I believe it passed with unseemly haste in the House of Commons.

Senator Kinsella: Scandalous!

Senator Murray: While we have an amendment from our friend Senator Doody on the floor now which is the reference to the committee, I should like to propose a sub-amendment that would permit television coverage, would instruct the committee to travel to Newfoundland and Labrador, and would provide that the committee report no sooner than the end of September.

• (1700)

MOTION IN AMENDMENT

Hon. Lowell Murray: Honourable senators, I move, seconded by the Honourable Senator Robertson:

> That the motion be further amended by adding thereto the following:
>
> That the committee be authorized to permit coverage by the electronic media of its public proceedings with the least possible disruption of its hearings;
>
> That the committee be instructed to travel to Newfoundland and Labrador to hear representation on the proposed constitutional amendment;
>
> That the committee present its report no sooner than September 30, 1996; and
>
> That the committee be authorized to deposit its report 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 Senate.

The Hon. the Speaker: Honourable senators, is it your pleasure to adopt the motion?

Hon. Marcel Prud'homme: Would Senator Murray accept a short question? He mentioned "Newfoundland and Labrador" in his amendment, which of course is the name of the province. However, does that mean that we would or should travel to both Newfoundland and Labrador?

Senator Murray: Honourable senators, that would be up to the committee under the influence of Senator Rompkey.

On motion of Senator Graham, debate adjourned.

[*Translation*]

• (1710)

SPEECH FROM THE THRONE

ADDRESS IN REPLY ADOPTED

On the Order:

> Resuming the debate on the motion of the Honourable Senator Bacon, seconded by the Honourable Senator Rompkey, P.C., 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.—*(8th day of resuming debate)*

Hon. Roch Bolduc: Honourable senators, I will confine myself to only one aspect of the Throne Speech. In the Speech from the Throne the government always makes a great show of good will and tries to set out the major directions it intends to take over the next four years. Generally, what it says is fairly vague. In discussing the role of government, I am going to rely on a document that was prepared by the Treasury Board and is entitled: "Getting government right: a progress report."

I must say, by the way, that this is a laudable effort on the part of the President of the Treasury Board, Mr. Massé, and of the government. The government set itself four broad objectives: to clarify its role and responsibilities with respect to the provinces; to see that resources were linked to major priorities — our resources are dwindling, so it is important to allocate them where they will have the most effect; to follow up on the public's demand for better government and more accessible government. It is hard to object to such principles. Finally, the government is committed to reducing the cost of government, given the extent of government spending, the current deficits and the size of the debt.

To meet these objectives, the federal government will try to preserve its role and to focus it so as to reinforce the economic union; to improve the social union or solidarity; to create partnerships with the private sector, given the importance of the market system in our society; to maintain or reinforce the Canadian identity; to promote Canadian values and, finally, to ensure the country's sovereignty internationally.

Those are five sectors in which the government wishes to clarify its roles. It has established six criteria for program review. They are good criteria.

The first criterion is public interest. An answer must be provided to the question of whether the program or activity continues to serve the public interest.

Second, the government's role: is there a legitimate and necessary role for the government in the area of the program or activity in question?

Third, the criterion of federalism: Is the present governmental role appropriate, or must it be transferred to the provinces, and should the provinces be asked to transfer some of their roles to us? That also is possible. We always talk of handing things over to the provinces, but perhaps there are certain areas in which the opposite could take place.

The fourth criterion is partnership: What activities or programs could be transferred in whole or in part to the private or volunteer sector? We tend to forget the importance of volunteers to society. This is a very important element.

The fifth criterion is that of efficiency: Should the program continue and how can its effectiveness be improved?

Finally, the criterion of financial capability: Can the government now afford to play a role in 600 or 700 different programs?

Using those criteria, the government carried out a program review of all of the federal government's activities. Preceding governments have made efforts in the same direction. We all acknowledge that, in 1988 through 1993, the federal government of the time played an important role in those different areas. The present government, after having opposed such initiatives during the campaign, ended up following that same path. Since then, the government has followed the same direction, whether with regard to free trade or to taxation. Today, the government is very pleased to have the free trade agreement and NAFTA.

What has the government done since we heard the Speech from the Throne? I recognize that the government must be given its due: we are in opposition, but we must nevertheless acknowledge it when the government does good things. We have to say so. It has tried to trim its activities in the area of transport. I must say I agree with the policies of the government concerning transport operations, where it has set itself a safety planning and monitoring role. This strikes me as being very much in tune with the times and with the philosophy of our party, which the government is drawing on.

Second, in the area of agriculture, in response to the free trade agreement and to other international pressure, particularly the GATT, the government decided that our role needed changing.

Finally, the system of subsidies has been changed, especially in the area of the transportation of agricultural commodities. Not all the problems have been solved; significant ones remain.

We are not the worst. I was reading recently in *The Economist* that the Swiss are number one in agricultural protectionism. The rates are something like 350 per cent or 400 per cent. The Japanese follow at 320 per cent in some product areas, especially that of rice, and that surprised me.

It is interesting to see there is some protectionism here, given the fact that it is cold and that farming is not easy. We are a bit more protectionist than the Americans, but less than the Europeans and particularly the Scandinavians, the Austrians and the Swiss, who are the champions in protectionism, despite what we might think. In this regard, they are the exception to the rule of the free market.

The government has taken steps in this area. I am not saying it has done everything. There is a lot more to be done.

The government has lowered certain subsidies, which I agree with. Successful businesses do not need a crutch. Those that do are on the verge of collapse in any case. I have never believed in federal banks and in government help in obtaining credit.

Canada has a banking system. We live in a competitive system and, in my opinion, those in the best position to assess credit are bank managers. If a bank manager lends someone $5,000 and this person pays it back, he is then willing to lend him $10,000, and so on. This is how one builds up credit. Some of my colleagues may not agree, but this is what I think.

The government has taken action only on 30 per cent of the budget. It has examined its review program. That accounts for 30 per cent of the budget. It has bypassed the remaining 70 per cent.

In the area of defence, we received a first-class report from department officials. Senator MacEachen and others submitted a joint report. It is generally acceptable, although a little vague.

Having reviewed its programs, the government concluded that 30 per cent of them needed to be improved. It intends to pursue this matter, and I do not fault it for doing so. The government is playing an honest role in this, even though 70 per cent of the programs which form the fundamental area referred to as the social union will not be affected.

The social union is a very complex area which covers a considerable variety of activities. To name but a few, there is language, culture, communications, education, labour training and development, work and hiring practices, family issues, health and social services, income security, social assistance, and unemployment insurance.

As Minister of Human Resources Development, Mr. Axworthy undertook several projects. By the way, I do not like the department's name. Human resources development amounts to training, and I have always thought this was an area of provincial jurisdiction. I was never keen on the federal government getting involved in this area. In any case, it is the department's name and I will let it go.

I will come back to that later. For the time being, I will stick to the other aspects.

In other areas, the overall effect of government activities is precisely — according to their own documents — reduced government spending in the economic sector. The government will invest less in that sector, but it is committed to spending as much on defence and foreign policy and more on social programs.

Basically, we have here a government planning to spend more in the social sector. To do so becomes the Liberals, who are after all unconscious socio-democrats. They firmly believe in the government's ability to distribute people's money while ignoring what the market is doing. This is not a criticism. I realize that the market does not always do a perfect job of redistributing wealth, in the sense that some people's needs are not met through the kind of redistribution done by the market.

In the matter of the economic union, I believe that instead of transferring powers to the provinces in this area, discriminatory trade barriers introduced by the provinces as well as by the federal government shoudl be eliminated. The truth of the matter is that the federal government creates barriers, whether through tariffs, subsidies, legislation, regulations, treaties or otherwise.

Much provincial and federal legislation, in the event that we decided to amend the Constitution, would be less restrictve. This does not mean that certain activities could not be maintained. For instance, those activities associated with specific characteristics of our Canadian federation, such as the existence of poorer provinces or regions, the Canadian people's traditional and characteristic sense of social fairness, the linguistic issue.

Certain aspects, like equalization, would not disappear. The problem is to know how far equalization should go. Should it remain the same or could we not have a revised equalization system? I think equalization is necessary to ensure a degree of fairness throughout the nation, by taking money from wealthier regions and giving it to poorer regions.

A certain effort must be made by the government to transfer the funds necessary to provide essential public services such as justice, protective services, health care, elementary and secondary education, and social assistance to the poor. In other words, an effort must be made to ensure a degree of fairness at the national level.

There is a second dimension to social union, namely social equity within the regions. Indeed, even in rich regions, there are poor people, and vice versa. Should the federal government get involved? I will deal with this issue later on.

If there is one area where I dissociate myself from the constitutional or philosophical perspective of the federal government regarding the concept of social union, it is this one. I agree with the attitude of the government regarding economic union. I would even go further than the government in the areas I just mentioned. As a good and reasonable Quebec nationalist, I am in favour of partly decentralizing the system as we have known it since the beginning of the post-war period.

I disagree with the government when it tells us that a good federal government in a sound financial position will be better able to distribute the resources among individuals, families, regions and generations, and to ensure that the needy will be protected by social security programs. I agree with that. However, I do not believe that this is the federal government's primary responsibility.

There is a cultural aspect to this issue. I once said that:

> Social services, in all their diversity, naturally emerge from the cultural background of a society, and its evolution.
>
> For example, how else can the major and diversified contributions by the religious congregations in Quebec be explained?

This is an example from our own society. No one can understand our system; one can only gain an understanding through people. One must actually have lived in that society at the time to understand the role played by religious congregations in Quebec.

The establishment of the various institutions for the aged and for young offenders, for instance, is something which the equalization system must help support, but without standardizing, without using the federal spending power, and without any ad hoc agreements between governments.

It is, in my view, a healthy form of federalism that lets each province meet such needs in its own way and reconcile the charitable contributions of the public and private sectors according to its own culture.

The Hon. the Speaker: Honourable senators, the 15-minute period is up. Is leave granted to continue?

Hon. Senators: Agreed.

• (1720)

Senator Bolduc: It is with this in mind that a close look will have to be taken at the proposals concerning a rebalancing of powers between the federal government and the provinces.

I saw recently that Conference 2000 dealt with this question. They emphasized the social union. It is all in how you look at it. That is not too clear in the Liberal documents to date.

I believe the Liberals continue to take a rather centralizing view of things in this sector. That worries me, because it is not how we will resolve the problem. I fear that it will fuel conflicts, as in the past, and Balkanize the country.

On questions of international policy, I do not wish to go too far, except to say that this is an area that needs re-examination, because the federal policy is a continuation of the great past tradition of administrative discretion.

When we realize that an organization as important as CIDA, the Canadian International Development Agency, spends $3 billion a year and was not even created by an act of Parliament, but rather by Order in Council, it seems to me that something is wrong. Has anyone else given this any thought? Imagine, an organization that has been spending $3 billion a year for 35 years. This in itself does not bother me, but there is no statutory basis. There is no criterion for how the money is spent, just internal policies, and they often change.

I had an opportunity to read many documents on the studies done in this regard. One of these days, they should be gone over carefully. As for the other matters, I will take them up another time.

Motion agreed to, and Address in Reply to the Speech from the Throne adopted.

On motion of the Honourable B. Alasdair Graham, ordered that the Address be engrossed and presented to His Excellency the Governor General by the Honourable the Speaker.

[*English*]

PEARSON INTERNATIONAL AIRPORT AGREEMENTS BILL

CONSIDERATION OF REPORT OF COMMITTEE—
POINT OF ORDER—DEBATE ON MOTION FOR ADOPTION
ADJOURNED TO AWAIT RULING OF SPEAKER

The Senate proceeded to consideration of the ninth report of the Standing Senate Committee on Legal and Constitutional Affairs (Bill C-28, An Act respecting certain agreements concerning the redevelopment and operation of Terminals 1 and 2 at Lester B. Pearson International Airport, with amendments and observations), presented in the Senate on June 10, 1996.

Hon. Sharon Carstairs moved the adoption of the report.

POINT OF ORDER

Hon. Noël A. Kinsella: Honourable senators, I rise on a point of order. The point of order is as a consequence of the conundrum caused by the bill which was presented to this house by the Message from the House of Commons.

The Standing Senate Committee on Legal and Constitutional Affairs has exceeded its authority and power in dealing with Bill C-28. Honourable senators will find that rule 90 of the *Rules of the Senate* states:

> A standing committee shall be empowered to inquire into and report upon such matters as are referred to it from time to time by the Senate...

Honourable senators, Bill C-28 received second reading by the Senate and was then referred to the Standing Senate Committee on Legal and Constitutional Affairs for study.

That being done, we find at rule 75 that the principle of a bill is usually debated on second reading. The principle of Bill C-28, as debated and adopted by the Senate, is to the effect that the agreements relating to the Requests for Proposal for the Terminal Redevelopment Project at Lester B. Pearson International Airport are declared by Bill C-28 not to have come into force and to have no legal effect. Bill C-28 bars certain actions or other proceedings against Her Majesty in the right of Canada in relation to the agreements.

Honourable senators, the principle of Bill C-28 also authorizes the Minister of Transport, with the approval of the Governor in Council, to enter into agreements for the payment of amounts in connection with the coming into force of Bill C-28. The clear principle of Bill C-28 as adopted by this house at second reading is outlined in unambiguous language in the summary at page 1a of the bill.

The committee attempted to present amendments which would negate the principle of Bill C-28 concerning the effects of the agreements. Bill C-28 provides that the agreements are declared not to have come into force and to have no legal effect. However, the committee, with its amendment, declares that the agreements do have legal effect prior to December 15, 1993. In other words, very clearly, in a prima facie manner, we see that the bill adopted by the Senate at second reading and the bill reported with this amendment by the committee are not only contrary opposite propositions, but, honourable senators, they are contradictory opposite propositions.

In terms of obligations and rights, the Senate at second reading of Bill C-28 adopted the principle that all undertakings, obligations, rights and interests arising out of the agreements are to be declared by Bill C-28 not to have come into existence; but, the committee amendment contradicts this principle and provides that such obligations and rights have been in existence up to December 15, 1993.

Further, in regard to clause 7, Bill C-28 as adopted at second reading by the Senate provided for no liability, whereas the committee amendment provides for liability.

There are no conditions, honourable senators, attached to the second reading of a bill or to the adoption of Bill C-28 at second reading. We could not anticipate the second reading amendments.

Notwithstanding that, honourable senators will recall that Senator Kirby in his — to use his own language — "Dick and Jane" speech made reference to amendments. Honourable senators, if you turn to Beauchesne's Sixth Edition at page 199, it is clear that:

> The principle of relevancy in an amendment governs every proposed motion which, on the second reading of a bill, must not...anticipate amendments thereto which may be moved in committee...

Therefore, it is Bill C-28 as adopted by the Senate and based on the principles which underlay the bill which we examined here at second reading that must be considered by the committee. They do not have the authority to go beyond that.

• (1730)

The function of the Standing Senate Committee on Legal and Constitutional Affairs was to consider Bill C-28 as adopted at second reading by the Senate. The committee was bound by the decision of the Senate, made at second reading, in favour of the principle of Bill C-28.

The Standing Senate Committee on Legal and Constitutional Affairs does not have the power to amend Bill C-28 in a manner destructive of this bill's principle. The committee report tabled last evening in the Senate attempts to have the committee exercise a power which it clearly does not have.

Honourable senators, I refer you to Erskine May, 21st edition at page 486, which reads:

> A committee is bound by the decision of the House, given on second reading, in favour of the principle of the bill, and should not, therefore, amend the bill in a manner destructive of its principle.

Further, in that same work of Erskine May, at page 491, it is written:

> (1) An amendment is out of order if it is irrelevant to the subject matter or beyond the scope of the bill...

I am glad that our colleague Senator Stewart is in the chamber, honourable senators. Senator Stewart has indicated to us previously that Erskine May is a descriptive work. I refer to the *Debates of the Senate* of May 29, 1996, at page 466:

> ...this house is being asked to adopt the principle of the bill. As he knows, no amendment can be moved in committee that is not consistent with the principle of a bill. The prospect that he holds out before us —

He was referring there to Senator Lynch-Staunton.

> — that if the principle of the bill is approved here today, eventually there will be an entirely different bill — is impossible. The committee will not be eligible to adopt amendments that are not consistent with the principle of the bill.

No more need be said. However, I wish to note that Senator Stewart's summation of the rules on this matter are also confirmed in Beauchesne at page 205, paragraph 689:

> (1) A committee is bound by the decision of the House, given on second reading, in favour of the principle of the bill, and should not, therefore, amend the bill in a manner destructive of this principle.

The report that has been received from the Standing Senate Committee on Legal and Constitutional Affairs, I submit, as a matter of order, as a matter of procedure, is itself not in order. The amendments made by the committee are inconsistent with the principle of the bill as decided at second reading. This is unacceptable.

The report of the committee includes amendments which are equivalent to a negative of the bill, or a reversal of the principle of the bill as agreed to on second reading. They are therefore inadmissible. To repeat, they are not admissible and, as such, the report of the committee is inadmissible.

Honourable senators, amendments to a bill after second reading must be in keeping with the principle of the bill as agreed to at second reading. The general rule for this is set out in all of the literature, including the 6th Edition of Beauchesne, at paragraph 698:

> An amendment which is out of order on any of the following grounds cannot be put from the chair...

I do not want to cite all of the grounds listed. For example:

> (1) An amendment is out of order if it is irrelevant to the bill, beyond its scope or governed by or dependent upon amendments already negatived.
>
> (2) An amendment must not be inconsistent with or contradictory to, the bill as so far agreed to by the committee, nor must it be inconsistent with a decision which the committee has given upon a former amendment.

The fifth point in paragraph 698 states:

> (5) An amendment which is equivalent to a negative of the bill, or which would reverse the principle of the bill as agreed to at the second reading stage is not admissible.

Honourable senators, so it continues. I do not want to read them all.

The most common grounds for ruling amendments out of order is that they go beyond the scope of the bill, or that they would reverse or contravene the principle of the bill.

Honourable senators, to help us and to help His Honour in this matter, I should like to draw your attention to a debate which took place in this chamber on November 21, 1973, and a ruling made by the Honourable Senator Alan Macnaughton, who was Chairman of the Committee of the Whole at that time. An amendment was moved by Senator Argue.

The chairman at that time was called upon to consider and rule upon the admissibility of a package amendment to a bill which was then numbered Bill C-2, to amend the Criminal Code on capital punishment. The chairman cited Bourinot's *Parliamentary Procedure*:

> Though a committee has full power to amend, even to the extent of nullifying the provisions of a bill, they cannot insert a clause, reversing the principle affirmed by the second reading.

The chairman, Senator Macnaughton, went on and cited Erskine May's *Parliamentary Practice*, at that time it was the eighteenth edition, at page 497:

> The function of a committee on a bill is to go through the text of the bill clause by clause and, if necessary, word by word, with a view to making such amendments in it as may seem likely to render it more generally acceptable. The rules as to the admissibility of amendments are explained in detail on pages 507-10 below, but the general powers of a committee and the limitations by which it is bound should be clearly borne in mind.
>
> (1) A committee is bound by the decision of the House, given on second reading, in favour of the principle of the bill, and should not, therefore, amend the bill in a manner destructive of this principle.

The chairman, Senator Macnaughton, also went on to give the example of the Parliamentary Elections Bill of 1880, and he drew this lesson from Erskine May at page 509 of the eighteenth edition:

> The scope of the...Bill...being restricted to the repeal of a section in a statute, an amendment which proposed the continuance and extension of that section was ruled out of order. The chairman stated that, though the committee had full power to amend, even to the extent of nullifying the provisions of a bill, they could not insert a clause reversing the principle which the bill, as read a second time, sought to affirm.

Honourable senators, at page 1182 of the *Debates of the Senate* for November 21, 1973, we read:

> **Hon. Mr. Grosart:** Mr. Chairman, I rise on a point of order...
>
> And I suggest that, the principle of the bill having been passed by the Senate, it is not in order to discuss the question...at this time.

• (1740)

At page 1191, the chairman, Senator Macnaughton, gave his ruling as follows:

> Therefore, as the principle of this bill has been approved on second reading, the amendment as proposed...is contrary to the general principle of the bill and is, in my view, out of order.

Honourable senators, it is interesting to see what then happened. Senator Macnaughton's ruling was appealed to the full Senate and the Senate upheld the decision of Senator Macnaughton, the chairman of the Committee of the Whole, and voting in favour of the ruling by the chair were, among others, Senators Graham, Stanbury, Perrault, and Riel, who are in the Senate today.

Generally, honourable senators, in addition to the references we can find and have cited, three tests have evolved in parliamentary procedure regarding the acceptability of an amendment. An amendment must be, first, relevant to the subject matter of the bill; second, consistent with the principle of the bill; and, third, within the scope of the bill.

I believe that I have established that the committee has attempted to submit amendments to Bill C-28 which are not consistent with the principle of the bill, which indeed are not simply the contrary opposite but are the contradictory opposite and clearly should be ruled procedurally out of order. They certainly do not meet that second test.

The Speaker is always in a difficult position when faced with these points of order, but this is a serious matter. The conundrum was started because the government had in mind to introduce a bill that was going to contain the amendments which we see in this committee's report. That should have been done in the other place, and we should have received a proper bill. There has been a complete disregard for parliamentary procedure, and inevitably, when you start navigating down new territory, you will run onto the shoals. That is exactly what has happened. We have been placed in a conundrum. The Speaker is in a conundrum. The committee itself is in a conundrum as well.

I ask therefore that we reflect carefully. If the Speaker and this chamber were to accept the report from the Standing Senate Committee on Legal and Constitutional Affairs, then such a decision would have the effect of negating the bill, and Bill C-28 would not be able to continue on the Order Paper.

I ask the Speaker to rule on the point of order and in his ruling to consider the following three questions. First, are the amendments proposed by the committee procedurally in order or out of order because they are *prima facie* contrary to the principle of the bill as adopted by the Senate at second reading? Second, if the committee report with amendments were adopted by the Senate, would this not have the effect of negating the bill and preventing it from appearing on the Order Paper for third reading? Third, should the report be sent back to the committee for its examination of these procedural difficulties?

I thank honourable senators for their attention to this matter.

Hon. B. Alasdair Graham (Deputy Leader of the Government): Honourable senators, we have before us, of course, the report of the Standing Senate Committee on Legal and Constitutional Affairs on Bill C-28. Let me establish a bit of the background.

The report was adopted by the committee following discussion among all the members present, both Liberal and Conservative. The report contains the amendments proposed by Liberal senators as well as the observations of Conservative senators on the committee.

At no time did any member of the committee object to the procedure used to come to the final report.

When the committee went through a clause-by-clause study of the bill, the amendments were proposed and carried. The transcript shows that at the end of the clause-by-clause study and after the committee agreed to carry the bill as amended, Senator Lynch-Staunton said:

> Madam Chair, before you close the proceedings, I would hope to have it recorded again that this side did not take a position on the amendments one way or the other. We did not vote in favour. We did not vote against. We abstained. That should be noted for the reasons already given. I would like those reasons included in the report. It does happen, when there is not unanimity, that the comments of the dissenting side can be included. I have a very short statement here which I would like you to include in your report. I will read it:

That statement to which he was referring can be found in the *Debates of the Senate* at page 584.

Senator Lynch-Staunton had no objections to the clause-by-clause process which was followed, and went on to convince the committee to include in its report the dissenting comments of the Progressive Conservative members of the committee.

After all that took place, partly at the insistence of the Leader of the Opposition, we now have the opposition whip, a member of the leadership on the other side, raising a point of order about, among other things, what occurred at the committee, under the watchful eye of his leader. To me, it sounds somewhat bizarre. In committee, the amendments carried.

Senator Berntson: That does not change the rules.

Senator Graham: The observations carried, and the report was tabled in the Senate.

Senator Berntson: That does not change the rules.

Senator Graham: Procedurally, nothing could be clearer or more proper.

I also remind honourable senators of a 1990 ruling in which the Speaker indicated that any procedural difficulties should be settled in the committee itself, not in the Senate. On October 4, 1990, the then Speaker ruled as follows:

> In addition, a number of the points raised seemed to deal with questions relating to committee rules and procedure. *Beauchesne* is quite clear in this respect. I have here Citation 608: "Procedural difficulties which arise in committees ought to be settled in the committee and not in the House."

There were no procedural difficulties that were even raised in the committee, let alone discussed.

I submit that Senator Kinsella is wrong about what is the principle of Bill C-28. I believe he is confusing the details of the bill with the principle.

The principle is to cancel the agreements, to compensate for reasonable expenses incurred, but to deny the parties compensation for lost profits or lobbyists' fees. That is what Bill C-28, as unamended, does. That is what Bill C-28, if the amendments are adopted, will do. I submit that Senator Kinsella is talking about the details of how those principles would be achieved, not the principles themselves.

These amendments, honourable senators, have their genesis in proposals that the government first made to members opposite more than a year ago in an effort to address their alleged constitutional concerns. Those proposals included the provision that would allow all interested parties to go before the courts. At that time, instead of complaining that the proposed amendments were out of order, my friends opposite complained that they did not go far enough, that there should be even more amendments.

My first point is that it is passing strange that the opposition, when it finally gets amendments which Professor Monahan says clear up any substantive constitutional concerns, now protests that the amendments are out of order. These are the amendments that the opposition has been seeking.

My next point is that these amendments do not change the principle of the bill.

• (1750)

The government's position from the beginning has been that it is prepared to reimburse the Pearson developers for their reasonable expenses but that no taxpayers' money would be paid for lobbyist fees or lost profits. That principle remains unchanged by these amendments. The only difference is that instead of the minister having the power to determine what expenses are reimbursable, the courts will now decide.

Hon. John Lynch-Staunton (Leader of the Opposition): A minor detail.

Senator Graham: Just in case anyone has forgotten, this is what my friends opposite have been arguing for since day one. This is the modification they have been demanding from the very beginning. This modification preserves the principle of Bill C-28. It preserves its integrity; it confirms the underlying rationale and purpose behind the bill.

If these amendments are out of order, the Senate will find itself seriously constrained when it deals with other pieces of legislation. This would be used as a precedent every time an amendment were proposed in the Senate.

I appreciate that this is a very important bill, but equally important, and perhaps even more important, is the ability of the Senate to play a relevant and meaningful role in the legislative process. That is the purpose of the amendments to Bill C-28 proposed by the committee. This is the tradition and practice which Senator Kinsella's point of order, if accepted, would destroy.

I know of no precedent, at least of no recent precedent, of amendments proposed to a bill by a committee being challenged and ruled out of order in the Senate. I admit that I have not had an opportunity to do exhaustive research on this point, but I am not aware of a similar situation. I recall discussions about whether amendments proposed at second reading or third reading were acceptable, but this is the first time in my recollection that amendments to a bill coming out of committee have been challenged.

On the grounds that I have already mentioned, I argue that the report is properly before us and that it contains proposed amendments and observations which are properly before the Senate and which should be dealt with on their merits.

Senator Lynch-Staunton: Honourable senators, if Senator Graham's attention were drawn to the entire transcript of the committee proceedings on the clause-by-clause study, he would find that at the very beginning, before the first amendment was to be presented by Senator Bryden on behalf of the government, I brought up the question of whether the amendments were to be, word for word, the same as those which had been distributed to the committee sometime before, and the answer given was yes. I then said that we were not opposed to the amendments as such but that we were not prepared to support them because we felt that they violated the principle of the bill. If we had raised a point of order at that time, it is quite obvious that it would not have been sustained strictly on numbers — seven to five — so it would have been fruitless to have brought it up.

To reinforce the view which was expressed at the very beginning, just as clause-by-clause study was beginning, we asked, and the committee kindly accepted, to include that view in the conclusion. The view is that which we have held since second reading; that the amendments proposed by the government are contrary to the principle of Bill C-28.

There is no inconsistency in the position taken by Senator Kinsella and no contradiction of the position stated as clause-by-clause was starting and as confirmed in the observations included in the committee's report.

Senator Graham has obviously not followed the debate on Bill C-22 and Bill C-28. Otherwise, he could not, in all seriousness, maintain that the principle of this bill has not been completely violated by the amendments. The purpose of this bill is stated in the summary as follows:

> The enactment concerns agreements arising out of the Request for Proposals for the Terminal Redevelopment Project at Lester B. Pearson International Airport or the negotiations following that Request.

It declares the agreements not to have come into force and to have no legal effect. The amendments declare the contracts to be in force until December 15 and to be in effect; an absolute contradiction between what the government has purported for two years and the amendments brought to the committee.

The summary goes on:

> ...and bars certain actions or other proceedings against Her Majesty in right of Canada in relation to the agreements.

The original bill denied access to the courts. It even provided for any court action already under way related to the agreements to be declared null and void. The amendments allow limited access to the courts, including the continuation of any action taken prior to the introduction of this bill. So it goes, honourable senators.

To reinforce Senator Kinsella's argument, I draw the attention of colleagues to clause 7. Clause 7 of the original bill is headed "No Liability." The amendment reads "Liability." The total change in tenor and significance is indicative of how this bill is being changed so drastically that it is unrecognizable from the principle which was accepted at second reading.

Clause 7 in the original bill begins:

> No action or other proceeding, including any action or proceeding in restitution, or for damages of any kind in tort or contract, that is based on or in relation to...

— and then there are six topics listed here —

> ...lies or may be instituted by anyone against Her Majesty...

Thus it is quite specific that anything to do with the agreements or anything related to them cannot be brought before the courts.

The original bill said "no liability." The new bill says "liability." Clause 7 of the new bill begins, "No action or other proceeding...that is based" — again on the same six topics — "or may be instituted..."

There is another flagrant example of violating the principle of the bill. One of the principles was denial of access to the courts, and the amendments say that you may file actions following certain conditions.

The ministerial discretion to which we objected is part of the body of the bill and therefore part of the principle which was accepted, with no access to the courts and only limited claims to be decided upon by the minister at his own discretion on a take-it-or-leave-it basis within 30 days after the minister has made the offer. That was very Draconian. That disappears completely. There is no longer reference to ministerial discretion. Therefore, it is extraordinary to suggest that the amendments, if adopted, would make this bill similar, with regard to principle, to the original bill.

Again, as Senator Kinsella has said, the government is caught in a problem of its own creation. It had hoped, and still hopes no doubt, that by forcing amendments through here with a compliant majority it could then take the bill back to the House of Commons two or three days before summer recess and ram it through there. It should have followed proper procedure. It should have realized that it was creating a new bill, initiated the new bill in the House of Commons, had it debated there, incorporated the amendments into the new bill and had it sent here. I can assure you that had that been done, we would not be raising the point of order we are now raising or objecting to the procedure as being a gross violation of accepted procedure for both Houses of this Parliament.

• (1800)

Hon. Sharon Carstairs: Honourable senators, Beauchesne states clearly that the function of a committee on a bill is to go through the text of the bill clause by clause and, if necessary, word by word, with a view to making such amendments in it as may seem likely to render it more generally acceptable. I repeat, "generally acceptable." The only thing that the committee is bound not to do is to go against the principle adopted at second reading. That is the crux of the debate that we are having right now, namely, what is the principle of Bill C-28?

Senator Berntson: She has abandoned you, Senator Graham.

Senator Carstairs: The principle of the bill is clear, namely that the Crown's liability should be limited — not, as the honourable senator suggests, that the contract should be nullified. The amendments change the limitation of the Crown's liability; they do not interfere with the principle adopted at second reading, namely, that liability should be limited.

It is clear what took place in our committee, honourable senators. We had many days of discussion on Bill C-28. At no time, including the fact that the amendments were tabled on the very first day so that it would be clear to the honourable members what may be acceptable, were any concerns raised in committee. From the moment of that debate, no point of order was ever raised in the committee. No challenge was ever made to the procedure followed in the committee at that particular point in time.

We debated it. We discussed it. We had witnesses. We heard clear testimony. We finally ended with testimony from Professor Monahan, who agreed that, while in his view Bill C-22 had been unconstitutional, Bill C-28, as amended in the committee —

The Hon. the Speaker: Honourable Senator Carstairs, I hesitate to interrupt you but the clock now says six o'clock. I understand that there is an agreement that I shall not see the clock. Therefore, please proceed.

Senator Berntson: The agreement is that we should not see the clock while the arguments on the point of order are being heard.

Senator Carstairs: Professor Monahan, in his final testimony before the committee, agreed that in his judgment Bill C-28 was legal and constitutional, and that the courts of the land would so rule. The amendments then passed clause by clause. Again, no points of order or objections were raised.

Honourable senators, if senators opposite had points of order to raise, surely they would have been raised in the committee and long before we got to this chamber.

Senator Lynch-Staunton: Could I ask a question of the Honourable Senator Carstairs? The honourable senator said that she feels that the principle of the bill is being kept despite the amendments because the question of limited liability has been honoured. Could the honourable senator explain what she means by "limited liability"? Is that an amount of money? Where does it say that in the bill, so that I can appreciate what she is arguing?

Senator Carstairs: Honourable senators, from the very beginning of the discussion of this bill, the principle was clear, namely, that the government was laying before this house and before the other House a means by which liability could be limited. In other words, there were some issues in which the government did not believe that liability should be granted, for example, lobbyists' fees.

Senator Lynch-Staunton: How much money are we talking about in terms of dollars? Does the government have a figure in mind?

Senator Carstairs: Senator Lynch-Staunton knows very well that we are not talking dollars and cents here; we are talking about categories.

Hon. John B. Stewart: Honourable senators, I think we should all be grateful to Senator Kinsella for his careful analysis of the powers of a committee. As I understand it, the situation is that the Standing Senate Committee on Legal and Constitutional Affairs considered Bill C-28, amended certain clauses of it, and has reported the bill to the Senate with those amendments in place.

This afternoon, Senator Kinsella questions the propriety of the report of the bill as reported by the committee. At this point there is not very much to be said, but let me describe the situation as I see it, and let me describe it in my own words.

I think Senator Kinsella was accurate in stating what is required for an orderly amendment. First, for an amendment to be in order, it must be in accordance with the principle of the bill.

What is the principle of the bill? If honourable senators followed Senator Lynch-Staunton on his interventions, I think they would all agree that Senator Lynch-Staunton has gone into the details of the bill, some of which are very important, and he has carried those details up to the level of principle.

As I read the bill, I look at clause 3 of the original bill, which reads:

> The agreements —
>
> — those are the agreements concerning the Pearson Airport terminals —
>
> — are hereby declared not to have come into force and to have no legal effect.

I conclude that the principle of the bill was to set aside those agreements and, at the same time, as Senator Carstairs has just said, to define the liability of the Crown consequent upon the enactment of that clause. I do not see that the clause 3, as reworded, changes that principle.

Let me read the amended clause 3. It states:

> The agreements are hereby declared to have no legal effect after December 15, 1993.

In other words, the principle has been retained, namely, that the agreements are set aside. The bill then goes on, as Senator Carstairs has said, to limit the liability consequent upon having set the agreements aside.

Insofar as the principle is concerned, it seems to me that the agreements are in order.

The second question is: Are the amendments relevant? I can find nothing in the amendments that does not deal with those Pearson Airport Agreements. Every aspect of those amendments is relevant to those agreements. Therefore, the second criterion is satisfied.

The third question is: Are the amendments within the scope of the bill? In other words, has any extraneous matter been introduced by the amendments? I can find none. I find that every one of those amendments — indeed, every word contained in those amendments — concerns the matter or matters of the bill. There is no matter in the report of the committee, other than what was contained in the original bill and in this bill, as approved by the Senate at second reading.

• (1810)

This is an important discussion, honourable senators. As I said initially, we have to be grateful to the Honourable Senator Kinsella for initiating it. It is important because of a point made by Senator Graham. If I heard him correctly, his point was that we must be careful in dealing with the question of the orderliness of amendments that we do not mind ourselves, that we do not define the principle of a bill so elaborately, that we do not carry up so many of the details of the bill into the principle of the bill as to restrict the powers of the Senate. The government will be sending bills here from the other place, and governments being governments, it will be delighted to say that a committee of the Senate has very little leeway to amend a government bill. I think we should resist that proclivity of governments to limit the power of the Senate.

Honourable senators, we must be consistent with our amendments of the principle, but we should not allow the principle to be defined elaborately and inclusively. At the extreme, it could be defined to the point where one could not change anything of substance in the bill. We must be careful that we do not allow our interpretation of the principle to be so broad and inclusive that we really restrict the powers of the Senate. I think that is a very important point.

Honourable senators, I make that point as an *obiter dictum* to my main point, which is that the amendments are consistent with the principle of the bill. They are relevant and within the scope of the bill. Consequently, I think the bill as reported by the committee is proper and in order.

Senator Lynch-Staunton: Honourable senators, I am delighted that Senator Stewart has cited clauses 3 and 4 in upholding the principle of the bill because, in fact, it is in clauses 3 and 4 where the grossest violation takes place. In the original bill, Bill C-22, clause 3 reads:

> The agreements are hereby declared not to have come into force and to have no legal effect.

In other words, the contracts are not there.

Clause 4 reinforces that notion by stating:

> For greater certainty, all undertakings, obligations, liabilities, estates, rights, titles and interests arising out of the agreements are hereby declared not to have come into existence.

In other words, not only do the contracts no longer exist, they never existed in the first place. One finds that at clauses 3 and 4 of the original bill.

In the committee's amended clause 3 to Bill C-28, we read:

> The agreements are hereby declared to have no legal effect after December 15, 1993.

In other words, the government goes from the position of saying there were never any contracts to saying that there were contracts until December 15, 1993. They were buried, and suddenly they have been disinterred and kept alive until December 15.

Clause 4 modified, repeats what clause 4 of Bill C-28 states, but adds:

> ...no legal effect after December 15, 1993.

The contracts and everything related to the contracts in the amendments are totally contradictory to the original bill because the contracts and the issues arising from the contracts are declared to be legal until December 15, 1993.

Why December 15, 1993, honourable senators? That was an arbitrary date chosen which coincided more or less with the date when the government breached the agreements. In effect, the date was December 3, as we heard from one witness before the committee. Both parties agreed that on December 3, 1993, the contracts had been cancelled. One party breached them; the other party accepted the breach and had to go along with it. Therefore, the other party took the offending party to court. December 15 actually runs the contracts out 12 days beyond their lifespan because they were cancelled on December 3.

My main point, honourable senators, is that the government originally said, in two clauses, that not only were the agreements null and void, but they never existed in first place. Now the government is telling us to please accept the fact that there is no change in its position, but, by the way, the contracts were in existence, and they were in existence a few days beyond the date that they were cancelled by the government.

Honourable senators, the government cannot have it both ways. Clauses 3 and 4 are the basis for the argument that there is a gross violation of the principle that we accepted at second reading.

Senator Stewart: Honourable senators, I suppose I have as much right to get up a second time as does Senator Lynch-Staunton.

Senator Lynch-Staunton: I thought we could do so on a point of order.

Senator Stewart: Senator Lynch-Staunton, I think, rightly focuses on the core of the matter — that is, the significance of clause 3, taking into account clause 4. As I read clause 3, the purpose of the measure is to set aside the agreements. Objection was taken to the way that was to be achieved in the bill as put before Parliament. It was to be achieved by declaring that those agreements had never come into force and effect. Objection was taken to that technique. Consequently, the clause was amended so that the agreements are set aside, but as of a specified date — namely, December 15, 1993. In both cases, the agreements are set aside, and that is the purpose of the legislation, together with the limitation of the liability of the government consequent upon the action being proposed for Parliament.

I suppose I will not convince Senator Lynch-Staunton, but I suggest that a person who has been less completely engrossed in this matter than he might be inclined to agree with me.

Senator Kinsella: Honourable senators, I think Senator Stewart raises an important general concern in terms of the rules we have to follow so as not to impede the critical analysis the chamber has to undertake on legislation and to make amendments to improve legislation. In this sense, we have a classic classroom example of the violation of Aristotelian logic.

Senator Gigantès: Hold on one minute.

Senator Stewart: Wait until Aristotle sits down.

Senator Kinsella: As pointed out by Senator Stewart, the wording of the bill captures the principles in clauses 3 and 4. They establish that the agreements have no legal effect.

The amendment to clause 3 attempts to establish that the agreements have legal effect up until December 15, 1993. We are not dealing with an A and a B here; we are dealing with A and a "non-A." In the bill, we are dealing with the notion that these agreements do not exist and, in the amendment, we are dealing with the notion they do exist up until December 15, 1993.

• (1820)

That is a classic example of contradiction — not contrary opposition, but contradiction. I submit that the matter is indeed a violation of the principle as adopted by this chamber at second reading.

I do not blame this chamber nor my colleagues opposite for being forced into this position. We were presented with a bill and told, at the front end, that this is really not the bill. The conundrum is here. That is what happens.

The Hon. the Speaker: It seems to me these arguments are covering the same territory. If there are any new arguments, I will hear them.

Senator Lynch-Staunton: I hope this is a new argument because it was noted, but we have not replied to it; that is the question of liability. Limited liability was not allowed in the original bill, and the amendments confirm that.

In fact, there is no liability in the original bill. There is no liability. The government need not pay one cent. The only liability of the government is by its own creation. By denying access to the courts, all the offended parties can do is submit claims based on the government's own conditions to the minister who can decide the validity of the claims, the amount to be paid or not to be paid — whether it could be $30 million or 50 cents or nothing — and the party making the claims will have no recourse to the courts.

There is no liability in the original bill. There is only discretion given to the minister to decide on his own whether he will or will not satisfy the claims in amounts that he unilaterally decides within a time frame which he has imposed and from which there is no escape. That is on a "take it or leave it" basis; whereas the amendments accept a form of liability. At least, they accept recourse to the courts. We have gone from one absolute position to a totally different stance.

That is the end of my intervention, Your Honour.

The Hon. the Speaker: I thank all honourable senators who participated in this interesting point. I shall take the matter under advisement.

The Senate adjourned until Wednesday, June 12, 1996, at 1:30 p.m.

APPENDIX

ADDRESS

of

His Excellency Ernesto Zedillo

President of the United States of Mexico

to

both Houses of Parliament

in the

House of Commons, Ottawa

on

Tuesday, June 11, 1996

APPENDIX

Address
of
His Excellency Ernesto Zedillo
President of the United States of Mexico
to
both Houses of Parliament
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House of Commons, Ottawa
on
Tuesday, June 11, 1996

His Excellency and Madam Ernesto Zedillo were welcomed by the Right Honourable Jean Chrétien, Prime Minister of Canada, the Honourable Gildas L. Molgat, Speaker of the Senate, and the Honourable Gilbert Parent, Speaker of the House of Commons.

• (1035)

[*Translation*]

Hon. Gilbert Parent (Speaker of the House of Commons): Mr. President, Mr. Prime Minister, dear colleagues, Mexican friends and fellow Canadians.

[*English*]

I present to you the Right Honourable Prime Minister of Canada, Jean Chrétien.

The Right Honourable Jean Chrétien (Prime Minister of Canada): Mr. President, on behalf of all Canadians it is an honour to welcome you to this special joint session of Parliament.

I want to take this opportunity to relate a little known story about the relationship between our two countries. It is reported that in the summer of 1861, several years before Confederation here in Canada, a trade mission left the port of Montreal to look for new markets for our goods. Word had reached the north that Mexico was a promising destination. A small delegation of entrepreneurs arrived off the port of Veracruz later that year.

Their timing was not very good. A few weeks earlier Britain and France, our two founding nations, plus Spain had landed troops in the city. In May 1862 Mexico fought a battle outside the city of Puebla. Of course our Mexican guests will know that Mexico won that battle. In fact, May 5 is still a national holiday. However, they may not know that in the meantime the Canadians had run away and decided to go to Brazil instead. They were not to come back empty handed. They always tried to do business. We are still like that.

Our bilateral relations may have been delayed somewhat in those very early days but we have made up for it since then. In 1905 Canada posted its first trade commissioner to Mexico. A few years ago we celebrated our 50th anniversary of official diplomatic relations. Over those years we have developed extensive political and economic links as well as countless personal connections between our citizens. Most recently, our commercial relations have been galvanized by the North American Free Trade Agreement.

• (1040)

[*Translation*]

Trade is an important part of our relationship. Since the first year of NAFTA, we have seen a dramatic increase in bilateral trade between Canada and Mexico, as well as expanded trade and investment in the entire continent. We must continue to build on these accomplishments.

Our trade with each other is boosting economic growth and job creation in both our countries. The scope for expanding our trade and our investment contacts is enormous. The impressive business delegation you have brought with you will be visiting some of the major economic centres of Canada and will meet with our business community. We intend to make our partnership grow.

Of course our friendship extends well beyond trade. Since March 1990 more than 35 bilateral agreements have been signed with Mexico on matters ranging from environmental co-operation and education to mining and energy. Your visit will see more agreements signed, including a technical co-operation agreement between Elections Canada and your federal electoral institute.

[*English*]

Your visit also comes at a time when Mexico is undergoing a profound transformation. Under your leadership Mexico is preparing itself for the challenges of the 21st century.

As you know, Mr. President, I have been to Mexico myself. My visit in March 1994 coincided with one of the most tragic events in your history. It was a challenging year for your country, and there were some who feared for Mexico at that time.

I did not. I said that very day that I had faith in the ability of your democracy to survive those difficult shocks. Today I am extremely pleased to see that I was right. Two years later your administration is moving ahead quickly with important political and economic reforms. The turnaround you have achieved within the last few months is dramatic. Mexico is set for solid growth this year and has become a market economy to be reckoned with. I congratulate you on these remarkable achievements.

Mr. President, I think you will agree that Canada and Mexico have more in common than many people realize. Like Mexico, Canada is a country proud of its indigenous past and proud of the traditions we inherited from the European colonists who settled this country. We also value the contribution made by more recent immigrants.

Both Mexicans and Canadians are proud to have built unique and independent nations here in North America.

Like Mexico, we share a border with a large and powerful neighbour, the United States. Both our countries have a bilateral relationship with that country which is sometimes frustrating, often complex, but generally very rewarding.

In the course of your visit, Mr. President, you will travel 5,000 kilometres and I hope you will gain a better picture of who we are and the land we live in. Because the friendship between our two countries is important to Canada as we approach the 21st century, your visit is an opportunity for us to look to our common future, to assess how we can work together for our mutual benefit and to lead the way forward.

• (1045)

I am delighted that you have accepted our invitation to speak to the Parliament of Canada today.

Fellow parliamentarians, honoured guests, mes chers amis, please join me in welcoming our neighbour, y nuestro estimado amigo, the President of Mexico, Ernesto Zedillo.

Some Hon. Members: Hear, hear!

[*Editor's Note: President Ernesto Zedillo spoke in Spanish and provided the following translation:*]

[*Translation*]

His Excellency Ernesto Zedillo (President of the United Mexican States): Excellency Mr. Jean Chrétien, Prime Minister of Canada; Very distinguished Mrs. Aline Chrétien; Mr. Speaker of the Senate; Mr. Speaker of the House of Commons; Honourable Senators and members of the House of Commons; Distinguished members of the Diplomatic Corps; ladies and gentlemen:

I deeply thank the Prime Minister for his words, those of a visionary statesman who has distinguished himself by serving his country and his people, the Chief of Government of a country respected and admired by all.

It is a great honour to address the representatives of a country founded in the values of peace and liberty, pluralism and respect, personal achievement and harmonious co-existence, democracy and justice.

Canadians are greatly appreciated in Mexico and throughout all the Continent due to their multiple origins which have become the strength of this great country, and because it has been able to prosper thanks to its rich diversity.

Mexico sees Canada as a nation with which we have the vision for a high-potential hemisphere with rising opportunities.

Mexico sees Canada as a North American partner, as a permanent interlocutor and a partner of initiatives; as a friend that lives in and is a part of the American Continent, one who today looks towards the American Continent like never before.

This is why Mexicans are pleased and encouraged by Canada's presence in continental forums such as the Organization of American States.

We are pleased and encouraged by Canada's increasing relations with Latin America and the convergent positions towards the Atlantic and the Pacific.

Most of all, we are pleased and inspired by the new ties of friendship, the intensification of productive exchanges and mutually beneficial co-operation which have been developing between Canadians and Mexicans during the last few years.

We recognize and appreciate the conviction and determination with which the Honourable Members of this Parliament are contributing to increase the dialogue and the interparliamentary relationship with Mexico.

That is why I am very pleased to be accompanied here and throughout this State Visit, by representatives of parliamentary groups of the Honourable Mexican Senate.

• (1050)

Thanks to more intensive work done by the Legislative Powers of both countries, the private sectors, the academic and cultural communities of both our nations, and of both Executive Branches, Mexico and Canada have already become close friends as well as trusted and reliable partners.

These new links have certainly received a decisive momentum from our partnership in the North American Free Trade Agreement.

To this effect, I pay homage to Prime Minister Jean Chrétien for the vision and the determination with which he has steered the Agreement's application here in Canada.

With NAFTA, the initiatives and projects used to sporadically appear in decades, are currently proliferating in just a few months.

With NAFTA, we are proving that a framework of liberty brings us closer, multiplies opportunities and contributes to stimulate progress and mutual benefits.

Thus, Mexico and Canada share the will and the commitment to include Chile in NAFTA. The access of that industrious country and of its vigorous economy in NAFTA will increase the opportunities and the benefits for all of us.

Mexico and Canada also share the will to extend free trade throughout the Continent.

NAFTA constitutes the legal framework for constructive goals. Its essence and objectives are accuracy and consensus; the defence of each legitimate interest and the transparency and acceptance of solutions to each dispute; the recognition of rules we have jointly created and must jointly apply.

Mexico's conviction fully coincides with Canada's when it comes to applying and demanding respect of International Law principles.

Thus, like Canada, Mexico opposes legislation which entails an extraterritorial application contrary to International Law. Like Canada, Mexico deems inadmissible any action that, while undertaken against one country, affects other nations; that instead of promoting liberty, it hinders someone else's; that instead of tearing down barriers, it builds them while prejudicing international investment and trade.

During the period in which Mexico suffered a grave foreign threat, President Juarez was inspired by an ancient principle in order to reaffirm that true peace may only be founded on respect of the Law, be it between men and women as well as amongst nations.

• (1055)

Mexicans have been absolutely faithful to the ideals and aspirations of liberalism that unites us as a sovereign and independent nation. This is why we defend and believe in this principle's validity.

Based on the affinity of ideas and principles, and on our ever cordial relations, Mexicans wish to establish with Canada an alliance to achieve change, progress and justice.

Mexico has become a country dedicated to deep change, an intense transformation that will reform past imbalances and undertake future challenges.

These imbalances created a severe financial crisis that we had to deal with ever since the first days of my government.

The Mexican people decided to quickly confront it in unison and determination by means of a strategy that will be the quickest, the one least affecting society, and the one establishing strong and long-lasting foundations to advance a vigorous, continued and sustained growth.

When we first applied this strategy we had the efficient and timely financial support of friendly countries and trade partners such as Canada. Today, I reiterate Mexico's recognition and gratitude to the Canadian people and government for their solidarity and their ever respectful attitude.

I also reiterate that the strategy has begun to show evidence of being the right one. The short-term disequilibriums that brought about the crisis have been corrected.

We are determined to preserve this strategy.

Thus, we have kept and shall keep maintaining the discipline and rigor indispensable to recovery and growth.

That is why we shall also maintain responsible and consistent policies to promote productive investment, protect and create jobs, increase wages due to rising productivity, and promote our domestic savings.

Our transformation is not short term, but one projected into years to come.

This is why structural change has continued with greater momentum through constitutional, legal and institutional reforms towards a greater liberalization of our economy.

Thanks to the reforms carried out during almost a decade and that we have reinforced in the past years, today, Mexico is undoubtedly a market economy, an open economy founded on free initiatives of small and large businesses, and on the free will of all workers and farmers.

My government has not seen last year's difficulties as a reason for paralysis and frustration, nor to go back to past policies or delay changes, but as a challenge to renew efforts and expand the transformation.

That is why our transformation is not only economic, but one that also involves our justice system, our democracy and our social life.

Based on our Constitution and freedoms, we have begun the transformation of our justice system.

Law reinforcement lies on freedom: the antidote against crime, corruption and impunity.

That is why laws in Mexico are being reinforced and solid foundations have been laid so that the Judicial Power can genuinely be impartial and independent, increasingly more professional and better trained to honestly and reliably carry out its responsibilities.

Amidst freedom and due process, justice must prevail in strict compliance with the law. And amidst all of this, no human rights violation can be tolerated.

My government firmly believes that no violation should ever be concealed, but that all authorities have a duty to rectify it and to reconcile the rule of law with full respect to all individuals' rights and dignity, to harmonize the individual's and society's rights.

• (1100)

That is the reason why, six years after its establishment, Mexico has the world's largest ombudsman system. This system has become an efficient tool for the protection of fundamental rights and more important, for the creation of a new culture of respect and awareness of human rights.

Living conditions bound by law, foster citizen participation and are the foundation for democracy, governing and a plural and harmonious coexistence.

The Mexican people have been transforming the norms and practices of our political life in order to live today in a full democracy.

Thus, even before taking office as President, I summoned all political parties, social organizations and citizens representatives to undertake a reform that guarantees just and impartial electoral conditions and civility in its application.

Today, the national political parties and Congress are putting together an electoral reform so that the 1997 federal elections be legal, transparent and fair beyond question.

Due to my political and moral convictions, and because of the popular mandate, I have an unyielding commitment to the democratic development in Mexico.

Law, democracy and dialogue constitute the framework to resolve differences inherent to a society complex and diverse, plural and dynamic.

Our rich diversity is showing in our vigorous cultural vitality. It is also expressed by sharp contrasts, things left undone over the years, poverty and marginalization.

This explains why in our public policies the highest priority is placed on social policy. More than half of the federal government's budget is devoted toward children's education, training for youth, family health, support for men and women living in rural areas, and basic community services.

Social policy has been widely and efficiently applied and has significantly enabled modern and highly developed areas in Mexico.

By the same token, the limitations and failings in its application help to explain why underdevelopment, poverty and injustice still prevail in other areas.

Underdevelopment, poverty, discrimination and injustice are precisely at the origin of conflicts which are, as in Chiapas, a matter of concern for all Mexicans and that have attracted international attention.

I have and will continue to have the conviction that the solution in Chiapas lies not in violence but in the law, nor does it lie on rancour but on dialogue; nor in confrontation but on negotiation until concord is reached and a harmonious coexistence is consecrated to overcome substantive problems.

A concord and a harmonious coexistence that become the source of long-lasting tranquillity, certainty and encouragement for communities that wish to reconcile the building conditions for a dignified and productive life, while safe keeping their customs and traditions.

The Mexican people are proud of these traditions and customs, of the pluralism derived from the millennial roots of our culture which has marked our history with its own unique seal.

In Mexico's National Emblem, an eagle stands on a cactus and wrestles with a snake. This millennial symbol sums up duality in the universe: celestial and earth forces, air and earth, fire and water, are battling against each other.

• (1105)

The need for alignment, without putting aside opposite views, is the kernel of our identity and may be recognized throughout all our history. You can find it from the mythical creation of the sun and the moon in Teotihuacan, and the vigorous indigenous and European roots of our civilization, to the basic education transmitted today via satellite in indigenous languages to the most remote communities in our territory.

The need to not put aside opposite views but to keep and appease this duality is what Octavio Paz has referred to as the longing to live, that deep Mexican longing to prevail.

That is why we are committed to preserving and strengthening our indigenous community's rights to their cultural identity, their language and their customs.

We know that by preserving this plural vitality we cultivate the essential strength that nurtures our society.

We know that our transformation shall be complete only if it preserves that plural vitality; if it respects our history's and culture's legacy; if, united in diversity, it leads us to a future of well-being and dignity for all.

That is why Mexico is interested in developing closer ties with Canada, a nation built upon a rich diversity which is the foundation of its strength and which vigorously shoulders a continuous transformation.

All Mexicans share with Canadians the desire, in Margaret Atwood's words, of having good jobs, food on the table, a secure future for the children, as well as respect, social justice and cultural continuity.

Mexicans also share with Canadians that, as Prime Minister Jean Chrétien has put it, we are people who do not expect miracles to happen. We expect integrity, hard work and an environment of trust to overcome our challenges and benefit from opportunities.

I firmly believe that through the strengthening of our relationship we are creating this environment of trust for intense work and transformation, for peace and justice, for stronger partnership and mutual prosperity, and for a closer friendship between Mexico and Canada.

Merci beaucoup. Thank you very much. Muchas gracias.

Some Hon. Members: Hear, hear!

• (1110)

[*English*]

Hon. Gildas L. Molgat (Speaker of the Senate): Your Excellency, El Presidente de Mexico, monsieur le premier ministre du Canada, Mr. Speaker of the House of Commons, Your Excellencies, my colleagues in the Parliaments of Canada and Mexico, mesdames et messieurs, buenas dias a todos y bienvenida a Canada.

It is my honour to join my compatriots in welcoming you, Mr. President, to the Parliament of Canada and to thank you for the very gracious address which you have just given us. But my words are as nothing compared to the warmth of the applause that you heard from my colleagues.

We are doubly honoured by the attendance of so many distinguished visitors from your country in your delegation: many members of your Parliament and several of your cabinet ministers.

We welcome you to Canada in summer, just as so many Canadians have been welcomed to Mexico in winter, a practice which long preceded NAFTA.

[*Translation*]

Canadians greatly enjoy your climate and your culture, but, above all, they greatly enjoy the warmth of your people.

[*English*]

Some 200 years ago, England's Sir Horace Walpole wrote:

The new Augustan age will dawn on the other side of the Atlantic. There will perhaps be...a Virgil in Mexico.

[*Translation*]

Given your literature, your music, your history and your modern architecture, and also when we think about the economic recovery that you have achieved with Canada and with the United States, we share Walpole's opinion.

[*English*]

Your expanding outlook, your associations are far reaching indeed. They are world-encompassing associations. Your partnership in NAFTA, your links with the Rio Group, with the Organization of American States and with the United Nations, all of these are indications of the broad vision of Mexico.

Mexico and Canada have travelled far down the road to progress. While our histories may differ in many ways, Mexico and Canada have many similarities.

We both started from colonial roots and by the determination of our people we have created new nations; nations committed to human advancement. These purposes which we share, these links which we have forged, will stand us in good stead in the years ahead.

Co-operation now exists between us across a very diverse spectrum, from science to communications, labour to finance, from environment to culture. This co-operation has fostered solid relations between our people; relations that are enhanced by important visits such as this one.

The recently concluded 10th interparliamentary conference on Mexico and Canada held in Ottawa also attests to our deepening ties. I am delighted to see here, in your delegation, the Speaker of your Senate, Senator Fernando Ortiz Arana, and others who took part in those discussions.

Through increased tourism, student exchanges and business associations, Canada-Mexico links are becoming stronger.

[*Translation*]

Our respective governments must encourage these contacts. The friendships that these contacts build and also the opportunity to exchange ideas that they allow will play a crucial role in promoting mutual understanding in a world that is becoming a global village.

[*English*]

• (1115)

We thank you, Your Excellency, for your expressions of friendship which we deeply appreciate and warmly return. We also thank you for the insights that your address has given us. We look forward to further opportunities to increase our ties to your magnificent country.

Que la amistad entre Canada y Mexico continue prosperando.

Some Hon. Members: Hear, hear!

[*Translation*]

Hon. Gilbert Parent (Speaker of the House of Commons): Mr. President, we listened with a great deal of interest to the speech that you have delivered on behalf of your government and on behalf of the Mexican people. Your warm words reaffirm the solid links that bind our countries, and bear witness to a friendship that is deepening and intensifying.

[*English*]

Mr. President, this Chamber embodies our history and reflects the face of Canada. Here in Parliament our democracy finds its ultimate expression and Canadians shape their destiny.

Mr. President, you have brought a very friendly atmosphere to this normally fiery and partisan place. And I hope it stays this pleasant when we resume our debates this afternoon.

You know, Mr. President, we follow pretty strict rules to keep things civil in this House. For one thing, we rarely let in our colleagues from the other place but they are here today. And we never allow strangers to speak in this chamber.

You are no stranger to us, Mr. President.

Some Hon. Members: Hear, hear!

Mr. Speaker Parent: We reserve you this honour because you are more than just a neighbour. We count you among our friends.

Indeed, it is you who have honoured us with your presence and you have honoured all Canadians with your words of friendship.

It is on their behalf that I offer you our very deepest thanks for coming to be with us.

I now adjourn this meeting.

CONTENTS

Tuesday, June 11, 1996

PAGE

Pages Exchange Program with House of Commons
The Hon. the Speaker *pro tempore* 619

SENATORS' STATEMENTS

Rising Influence of Special Interest Groups
Senator St. Germain 619
Senator Ghitter 619

United Nations
Unicef Annual Progress of Nations Report—
Commentary on Women. Senator Pearson 620

ROUTINE PROCEEDINGS

Banking, Trade and Commerce
Study of Canadian Financial System—
Budget Report of Committee Presented. Senator Kirby 620

Agreement on Internal Trade Implementation Bill (Bill C-19)
Report of Committee. Senator Kirby 620

Adjournment
Senator Graham 620

Ernesto Zedillo Ponce de Leon
President of United Mexican States
Address to Members of the Senate and of
the House of Commons Printed as Appendix. Senator Graham 621

Legal and Constitutional Affairs
Committee Authorized to Meet During Sitting of the Senate.
Senator Carstairs 621
Senator Lynch-Staunton 621
Senator Stewart 621
Senator Prud'homme 621
Senator MacDonald 621

QUESTION PERIOD

International Trade
Change in Policy from Pre-Election Publication—
Government Position. Senator Lynch-Staunton 621
Senator Fairbairn 622

Health
Delay in Introducing Legislation on Tobacco Advertising—
Government Position. Senator Spivak 624
Senator Fairbairn 624

First Ministers Conference
National Unity—Inclusion on Agenda—Government Position.
Senator Rivest 624
Senator Fairbairn 625

National Unity
Possible Establishment of Special Committee—
Government Position. Senator Beaudoin 625
Senator Fairbairn 625

First Ministers Conference
Agenda—Purpose of Including Constitutional Issue—
Government Position. Senator Murray 625
Senator Fairbairn 626

Canadian Unity
Motion to Establish Special Committee—Government Position.
Senator Berntson 626
Senator Fairbairn 626

National Defence
Possible Purchase of British Submarines—Government Position.
Senator Forrestall 627
Senator Fairbairn 627

Business of the Senate
Senator Graham 627
Senator Prud'homme 627
Senator Fairbairn 627

Department of Public Works and
Government Services Bill (Bill C-7)
Third Reading—Motions in Amendment—Debate Continued.
Senator Nolin 628
Motions in Amendment. Senator Nolin 629
Senator Robertson 629
Point of Order. Senator Corbin 629
Senator Robertson 630
Senator Stewart 630
Senator Kinsella 630

Newfoundland
Changes to School System—Amendment to Constitution
Motion in Amendment—Debate Continued. Senator Taylor . . 632
Senator Ottenheimer 634
Senator Bryden 637
Senator Rompkey 638
Senator Petten 641
Senator Murray 641
Motion in Amendment. Senator Murray 642
Senator Prud'homme 642

Speech from the Throne
Address in Reply Adopted. Senator Bolduc 643

Pearson International Airport Agreements Bill (Bill C-28)
Consideration of Report of Committee—Point of Order—
Debate on Motion for Adoption Adjourned to Await
Ruling of Speaker. Senator Carstairs 645
Point of Order. Senator Kinsella 645
Senator Graham 648

Senator Lynch-Staunton 649
Senator Carstairs 650
Senator Stewart 651

Appendix
Address of His Excellency Ernesto Zedillo,
President of the United Mexican States to both
Houses of Parliament in the House of Commons Chamber,
Ottawa on Tuesday, June 11, 1996 654