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Wednesday, April 23, 1997

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THE HONOURABLE GERALD R. OTTENHEIMER
SPEAKER *PRO TEMPORE*

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THE SENATE

Wednesday, April 23, 1997

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

Prayers.

SENATORS' STATEMENTS

THE LATE RIGHT HONOURABLE LESTER BOWLES PEARSON

TRIBUTES ON ONE HUNDREDTH ANNIVERSARY OF HIS BIRTH

Hon. Landon Pearson: Honourable senators, the best tribute I can offer to Lester Pearson is to allow him to speak for himself. I should like to share with you a couple of extracts from his speech to the Liberal Leadership Convention held on April 4, 1968, when he was leaving politics.

The first extract will, I am sure, resonate with many of us here. He had agreed with my mother-in-law that he would retire when he was 70. This is what he said:

I have now reached three score years and ten, normally the age, the Bible tells us, for permanent discharge. My difficulty is that, as I get older, I refuse to feel older, or at times even act my age. I have grandchildren whom I embarrass and exhaust...

I can attest to that. As a grandfather, he was more Pied Piper than patriarch, and his grandchildren adored him.

Later in his speech he sums up his career, and this gives the very flavour of the man:

I have been greatly privileged in having been able to serve my country for so many years; in wartime and in peacetime; at home and abroad; in good days and dark ones; in the classroom, the embassy, the Commons Chamber, the Cabinet Room, and the prime minister's office.

For a long time I had the comfort and protection of relative obscurity. Then great responsibility and great opportunity came my way, without any conscious plan on my part. I remembered that I had been brought up in the belief that if I always did the best I could in any situation I had to face, remained true to the best in myself, there would be no cause for fear or loss of faith; that as Montaigne put it — my parents would have expressed it less poetically — “la plus grande chose du monde, c'est de savoir être à soi.”

And he did.

In the privacy of his family and in the glare of public life, he was always consistent. He was never arrogant. His profound commitment to national unity and to world peace was rooted in his deep love for this country and for the people in it. My mother used to talk of his epic good humour. I thought of him — I think of him — as the quintessential Canadian.

Hon. Senators: Hear, hear!

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, as Senator Pearson has noted, we mark an extremely important event in our nation's history today, the 100th anniversary of the birth of one of our country's finest leaders, a man who will be remembered always for his humanity, his resourcefulness and his vision. I refer, of course, to the Right Honourable Lester B. Pearson.

On this centennial of his birth, we are reminded that Mr. Pearson was the architect who oversaw much of what we in this country now take for granted. To mention a few, they include the Canada Labour Code, the Canada Student Loans Act, the Canada Pension Plan, the Guaranteed Income Supplement, our medicare program, our policy of bilingualism and biculturalism and our Canadian flag. Back in the 1950s, as our Secretary of State for External Affairs, he gave the world a common sense system of keeping peace.

He had a very direct effect on my life. When I was a 16-year-old high school student in Lethbridge, Alberta, I wanted to see the world. I entered a speaking contest and the prize was a trip all across the country, to New York, Washington, and back home. I had never been east of Medicine Hat. I picked a subject called “India's Role in International Affairs” and then I discovered that there was no information available on that subject of a nature that I could pull in, in Lethbridge. My mother, with whom I had not checked all this out, said, in a state of exasperation, “Well, why don't you write to Mr. Pearson? I am sure he would send you something.”

That is what I did; I wrote to Mr. Pearson. He sent me back a wonderful letter, and mounds of material, some of it in Sanskrit. He kept on writing me, and wiring me, and asking me how the contest was going. At any rate, in the end, I took that trip. From that day onward, my goal was not just journalism, but journalism here on Parliament Hill, which I had experienced for the first time. Mr. Pearson, with his interest in young people, pulled me in a direction that has ended up in a very challenging and fascinating career.

His own road to the office of Prime Minister took a different route than most. He was asked by then Prime Minister Louis St. Laurent to leave a distinguished career in diplomacy and join the federal cabinet in 1948. As history shows, he rose quickly in the ranks. Honourable senators, when he was awarded that Nobel Peace Prize in 1956 for proposing an international peacekeeping force for the Sinai Peninsula, I shared in the pride that all Canadians felt for that historic contribution from one of our own.

Mr. Pearson was a man of many facets. His humour was deep and infectious, particularly when it was about himself. He was a passionate fan of the world's most wonderful game, baseball. He was a conciliator without equal; and he was a fine parliamentarian. He was kind; he was fair; his genial manner concealed a toughness and determination which carried him through the demands of politics and public life, particularly during his activist leadership of two minority governments. I am proud to say that he was my friend. My life is much the richer for that friendship.

To his son Geoffrey, his daughter Patricia, to our colleague Senator Pearson and all the members of the family, we share their pride and affection as we honour his memory today.

Hon. John Lynch-Staunton (Leader of the Opposition): Honourable senators, the 100th birthday of Lester B. Pearson allows us once again to speak of his accomplishments as the anniversary of his birth is honoured today in the city of his most celebrated accomplishments. We must, of course, beware the lesser fry who believe that, by puffing up the Nobel Peace Prize winner, they inflate themselves.

He was taken from us too recently to have need of false or pretended admiration. What struck me about him, as a citizen admirer, was how, in spite of all the plagues of politics and, even worse, the slings of statesmanship, he kept his charm, his poise, and at all times his humour in a sea of obligations, fast by a mountain of work, and sometimes deep in a valley of disappointments.

When least expected, the chin would go up, the head back, the mouth stretched open, while a tear or two acknowledged the hilarity of the moment. He knew how to laugh, even at himself — especially how to laugh at himself.

He never thrived on the trappings of power; rather, he many times seemed embarrassed by them. For instance, I recall when he came to Montreal to speak at a dinner meeting of the local branch of the United Nations Association. I went to meet him at Dorval airport, as a representative of the city administration, with a police motorcycle escort, and his plane arrived at the height of the rush hour. As we entered downtown Montreal with sirens wailing and traffic opening up, with the curses of homeward bound drivers fortunately unheard, Mr. Pearson suddenly slumped into his seat in the back of the car, facing the floor.

“Mr. Pearson, what happened? Are you all right?” I said with obvious concern. “Of course, I am all right,” he replied. “I am just terrified that someone will recognize me.”

In volume two of his memoirs, he writes about being in political harness with Newfoundland's father of Confederation, Joey Smallwood. This is what he wrote:

Joey was a spellbinder and he knew it. So I let him do the talking, not that I could do anything about it, anyway. His introduction was usually longer than my speech as he explained what a great man I was, and what clowns or villains the opposition were. Above all, how wonderful it was to be a Newfoundlander living in the best place in the world, now better than ever, thanks to Confederation, Liberalism, and Mr. Pearson's Liberal government. This kind of introduction always had the desired result of ensuring that I got a good reception for my own brief remarks. I remember especially a television interview in St. John's during one campaign. The Premier decided that he would take the place of the interviewer. Joey was certainly qualified to do so, for he was an experienced and skilled radio and television performer. It was the easiest half-hour I ever had before the camera, and may have been my most successful. Mr. Smallwood introduced me in a few flattering sentences and then asked the first question. This took ten minutes or so, more statement than question, at the end of which came the query, “Do you agree with me on my assessment?” My reply had to be, “Yes, indeed,” for it had been a paean of praise for our party, its record and its leader. Two more statement-questions and my hearty agreement, and the broadcast was over, with a “Thank you” and “Benediction.”

Honourable senators, if you have not yet read the Pearson memoirs, treat yourself on his 100th birthday.

[*Translation*]

Hon. Marcel Prud'homme: Honourable senators, I cannot let this opportunity pass without recalling my memories of this man, whom I came to know well as a student in 1953, 44 years ago. I met Mr. Pearson because I was very active in politics, not just Liberal politics, but student politics as well. He had strongly encouraged me, which is why I was one of the young Liberals at the Chateau Laurier in 1958 endorsing his leadership bid for the Liberal Party.

I was involved in the election campaigns starting with the disastrous 1958 campaign which could have wiped out the entire party establishment. Yet the Liberals regrouped behind Mr. Pearson from 1958 to 1962. When the Honourable Azellus Denis retired from the House of Commons — where he had served for 28 years — to be appointed to the Senate, Mr. Pearson

asked him whether young Prud'homme was ready to take over from him. That is how my campaign and my political career began. I had always wanted to be a member of Parliament. My first choice had been the Quebec National Assembly, where I had been chosen as a Liberal candidate in 1960. I had to relinquish my place to René Lévesque, at the request of Jean Lesage.

All of my life, I shall remember Mr. Pearson, his kindness, and his good humour.

[English]

Who does not remember Mr. Pearson when we were going through so much difficulty between 1963 and 1968? Who would not remember him saying, "Oh, my gosh," which was his favourite expression? Any time there was trouble, he did not change character, he did not lose his temper; he would just say, "Oh, my gosh." Yet, those of us who have known him — and there are many here in this chamber who knew him better than I — will always remember him as a great statesman, a great parliamentarian, and the kind of man who is missed by Canada today as it is facing its future with great difficulty.

Hon. Philippe Deane Gigantès: Honourable senators, I will not talk about the few occasions on which I had the privilege of venerating Mr. Pearson close up, but I venerated him, and I venerate him still.

CANADA BOOK DAY

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, I have great pleasure today in informing colleagues that we are celebrating Canada Book Day. This is a time when people in every part of the country will be celebrating the second Canada Book Day. It is now an annual event.

It is a day of giving, receiving and, more important, reading books. Schools and libraries all across the country will be hosting events. Authors will be doing public readings and book signings. Families will be reading together to celebrate this occasion.

I should like to pay a special tribute to author and former journalist Lawrence Martin for launching this wonderful idea in Canada.

• (1350)

At Christmas, I was fortunate enough to receive a book entitled *The Great Adventure, How the Mounties Conquered the West*, by David Cruise and Alison Griffiths. It is a story of amazing hardship and courage, a story of adventure and misadventure. It is a story of a young country's development in the west. In short, it is a wonderful snapshot of this important time in Canadian history, told partly in the words of the young men who were on that trek, through recently discovered letters and diaries.

On this day, Canada Book Day, we are encouraged to give a book to a friend. It is in that spirit that I am delighted to give my honourable colleague the Leader of the Opposition in the Senate a copy of *The Great Adventure*.

Senator Lynch-Staunton's family has deep roots in southwestern Alberta, where the Northwest Mounted Police remain an indelible part of our history. In spite of the political events that are swirling around us, I sincerely hope he will find some time to read this book. It is an amazing story. I hope he enjoys it as much as I did.

Hon. John Lynch-Staunton (Leader of the Opposition): Honourable senators, this is one of the few times I am at a loss for words.

I was absent on the same occasion last year when the Leader of the Government was kind enough to give me a book. I promised myself that this year I would give her a copy of *Red Book, Volume 2*. I am told it is not quite ready yet; however, when it is, I will send her my own autographed copy.

Hon. Janis Johnson: Honourable senators, I wish to join Senator Fairbairn in making a comment about Canada Book Day. Canada Book Day occurs on the same day as International Book Day which has now been proclaimed by UNESCO. It is organized by the Writers' Development Trust, whose efforts are complemented by authors, booksellers, publishers and corporate supporters.

The goal of this day is to foster a love of books among Canadians and to encourage them to share that love by giving a book to a friend, as Senator Fairbairn has done, by reading to their children or grandchildren, and by attending readings, events, receptions, contests and other activities associated with the day.

Author and journalist Lawrence Martin came up with the idea, and it has grown quickly. His words regarding Canada Book Day are extremely relevant. He said:

Canada Book Day could provide the spark to get an intellectual fitness movement going in this country... We hear a lot about physical fitness and... to succeed in today's economy what's needed is intellectual fitness and the book is its best provider...

I draw your attention to the release detailing all the events of the day across Canada; it should be in your offices now. Please look at it and participate on this occasion via the television, radio, Internet or newspapers. Give a book to a friend, and join in the world-wide celebration of reading and the wonderful worlds it opens for everyone.

ROUTINE PROCEEDINGS

CRIMINAL LAW IMPROVEMENT BILL, 1996

REPORT OF COMMITTEE

Hon. Sharon Carstairs, Chair of the Standing Senate Committee on Legal and Constitutional Affairs, presented the following report:

Wednesday, April 23, 1997

The Standing Senate Committee on Legal and Constitutional Affairs has the honour to present its

TWENTY-EIGHTH REPORT

Your Committee, to which was referred Bill C-17, An Act to amend the Criminal Code and certain other Acts, has, in obedience to the Order of Reference of Thursday, April 17, 1997, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

SHARON CARSTAIRS
Chair

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

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

BILL CONCERNING AN ORDER UNDER THE INTERNATIONAL DEVELOPMENT (FINANCIAL INSTITUTIONS) ASSISTANCE ACT

REPORT OF COMMITTEE

Hon. John B. Stewart, Chairman of the Standing Senate Committee on Foreign Affairs, presented the following report:

Wednesday, April 23, 1997

The Standing Senate Committee on Foreign Affairs has the honour to present its

SEVENTH REPORT

Your Committee, to which was referred the Bill C-77, An Act concerning an order under the International Development (Financial Institutions) Assistance Act, has examined the said Bill in obedience to its Order of Reference dated, Tuesday, April 22, 1997, and now reports the same without amendment.

Respectfully submitted,

JOHN B. STEWART
Chairman

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

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

[*Translation*]

STATE OF FINANCIAL SYSTEM

HARMONIZED SALES TAX—REPORT OF BANKING, TRADE AND COMMERCE COMMITTEE ON STUDY TABLED

Hon. Céline Hervieux-Payette, for Senator Kirby, Chairman of the Standing Senate Committee on Banking, Trade and Commerce, tabled the following report:

WEDNESDAY, April 23, 1997

The Standing Senate Committee on Banking, Trade and Commerce has the honour to table its

FIFTEENTH REPORT

Your Committee, which was authorized by the Senate on Thursday, March 21, 1996 and Thursday, December 12, 1996, to examine and report upon the present state of the financial system in Canada, now presents a report entitled *Summary of concerns regarding Harmonized Sales Tax*.

Respectfully submitted,

MICHAEL J.L. KIRBY
Chairman

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

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

[*English*]

AGRICULTURAL MARKETING PROGRAMS BILL

REPORT OF COMMITTEE

Hon. Leonard J. Gustafson, Chairman of the Standing Senate Committee on Agriculture and Forestry, presented the following report:

Wednesday, April 23, 1997

The Standing Senate Committee on Agriculture and Forestry has the honour to present its

SIXTH REPORT

Your Committee, to which was referred the Bill C-34, An Act to establish programs for the marketing of agricultural products, to repeal the Agricultural Products Board Act, the Agricultural Products Cooperative Marketing Act, the Advance Payments for Crops Act and the Prairie Grain Advance Payments Act and to make consequential amendments to other Acts, has, in obedience to the Order of Reference of Tuesday, April 22, 1997, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

LEONARD J. GUSTAFSON
Chairman

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

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

FARM DEBT MEDIATION BILL

REPORT OF COMMITTEE

Hon. Leonard J. Gustafson, Chairman of the Standing Senate Committee on Agriculture and Forestry, presented the following report:

Wednesday, April 23, 1997

The Standing Senate Committee on Agriculture and Forestry has the honour to present its

FIFTH REPORT

Your Committee, to which was referred the Bill C-38, An Act to provide for mediation between insolvent farmers and their creditors, to amend the Agriculture and Agri-Food Administrative Monetary Penalties Act and to repeal the Farm Debt Review Act, has, in obedience to the Order of Reference of Monday, April 21, 1997, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

LEONARD J. GUSTAFSON
Chairman

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

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

CITIZENSHIP ACT IMMIGRATION ACT

BILL TO AMEND—REPORT OF COMMITTEE

Hon. Mabel M. DeWare, Chair of the Standing Senate Committee on Social Affairs, Science and Technology, presented the following report:

Wednesday, April 23, 1997

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

SIXTEENTH REPORT

Your Committee, to which was referred the Bill C-84, An Act to amend the Citizenship Act and the Immigration Act, has, in obedience to its Order of Reference of Monday, April 21, 1997, examined the said Bill and now reports the same without amendment, but with the following recommendation:

That the Government of Canada establish, under the legislation, regulations to ensure that any review conducted by a retired judge of a superior court acting in place of the Security Intelligence Review Committee is completed within a period of time agreed upon in advance by the judge and the Minister requesting the review.

Respectfully submitted,

MABEL M. DeWARE
Chair

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

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

LEGAL AND CONSTITUTIONAL AFFAIRS

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

Hon. Sharon Carstairs: Honourable senators, with leave of the Senate, and notwithstanding rule 58(1)(a), I move:

That the Standing Senate Committee on Legal and Constitutional Affairs have power to sit at 3:15 today, Wednesday April 23, 1997, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto.

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

Hon. Anne C. Cools: Your honour, I am quite prepared to give leave for the Legal and Constitutional Affairs Committee to meet at 3:15 p.m. However, I wish to attend that meeting in order to raise certain questions before the committee. I should like to know whether I am defeating my own purpose of attending the meeting —

The Hon. the Speaker pro tempore: Order, please. I am sorry to interrupt the honourable senator. However, at this particular stage, a senator may be recognized only to give leave or to withhold leave, not to speak on the matter itself.

Is leave granted, honourable senators?

Some Hon. Senators: Agreed.

Senator Cools: Denied, because I was asking a question.

The Hon. the Speaker pro tempore: My understanding of the rules is that at this time, honourable senator may give leave or withdraw leave. That is all.

I ask again: Is leave granted?

Some Hon. Senators: Agreed.

Senator Cools: Denied

AFRICA

SITUATION IN RWANDA—NOTICE OF INQUIRY

Leave having been given to revert to Notices of Inquiries:

Hon. Anne C. Cools: Honourable senators, pursuant to rule 56(1)(2) and 57(2), I give notice that, in two days' time, I will call the attention of the Senate to the military invasion of Rwanda by the Rwandese Patriotic Army, RPA, and the Ugandan National Resistance Army, the NRA, on October 1, 1990; and to the deaths of the Rwandese President Juvénal Habyarimana and Burundi President Cyprien Ntaryamira in an aeroplane crash on April 6, 1994, and the situation in Rwanda; and to the United Nations Security Council Resolution 955(1994) constituting the United Nations War Crimes Tribunal for Rwanda whose Chief Prosecutor is Justice Louise Arbour, a Canadian judge; and to the legal and constitutional foundations in international law for this and like tribunals; and to the prosecution of accused Rwandan citizens for violations of humanitarian law and war crimes during the period January 1 to December 31, 1994; and to my visit to Arusha, Tanzania, as prompted by the International Lawyers Organization, which includes barrister Ramsey Clark, former Attorney General of the United States of America, and barrister Luc De Temmerman of Belgium, to observe the operations of the United Nations War Crimes Tribunal for Rwanda.

QUESTION PERIOD

INTERGOVERNMENTAL AFFAIRS

LABOUR AGREEMENT WITH QUEBEC—FUNDS TO BE PAID OUT ON RATIFICATION OF AGREEMENT—GOVERNMENT POSITION

Hon. John Lynch-Staunton (Leader of the Opposition): The nearly \$1-billion, which the Liberal government had to pay to three Atlantic provinces to convince them to blend their sales taxes with the Liberal-supported Goods and Services Tax, was remitted even before Bill C-92, the enabling legislation, had been passed by Parliament. This is another example of this government's disdain for the democratic process.

On Monday last, the Governments of Canada and Quebec signed the Labour Training Agreement in principle, not in final form as was the case with Alberta, New Brunswick, Newfoundland and Manitoba when agreements with them were signed.

In fact, the agreement with Quebec is not scheduled to go into effect until January 1, 1998, and there is no assurance that this date will be respected or even that all the features of the agreement in principle announced on Monday will be in the final agreement.

My question to the Leader of the Government is: Can the minister assure us that none of the \$457 million which the Government of Canada has committed in the current fiscal year will be paid before a final agreement is signed by both parties?

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, in response to Senator Lynch-Staunton, I will make inquiries of my colleagues the Minister of Finance and the Minister of Human Resources Development, and report back to you tomorrow.

Senator Lynch-Staunton: Will the minister agree that it would be highly improper for any moneys to be paid before that agreement has been formally ratified and is in force?

Senator Fairbairn: In answer to my honourable friend, I shall speak to my colleagues to learn the exact circumstances of the undertaking.

Senator Lynch-Staunton: The circumstances are quite simple. To help the minister in her questioning of the Minister of Finance, there was an agreement in principle and there was a commitment that, once a final agreement comes into effect, a sum of \$457 million would be paid in the current fiscal year.

• (1410)

The question is: Will that money be paid only after the agreement is ratified, if and when it is; or, as in the case of the GST agreement with the maritime provinces, will the money be paid out before the enabling legislation is passed by this Parliament?

HEALTH

SPONSORSHIP PROMOTIONS—PLEDGE OF MINISTER AND PRIME MINISTER TO AMEND NEW TOBACCO LEGISLATION— GOVERNMENT POSITION

Hon. Terry Stratton: Honourable senators, I have a question for the Leader of the Government in the Senate.

I read from an article from *The Ottawa Citizen*, April 18, having to do with the tobacco bill:

But as the legislation was passing the Senate, Mr. Dingwall wrote to Brent Scrimshaw, Molson Indy Canada president, saying: '...I fully agree that motor racing is important to Canada, and I wish to make it clear that before the end of 1997, we will have time to finalize our consultations with the motor sports promoters in Canada and to present to Parliament amendments necessary to respect the international standard concerning the use of logos on cars, drivers, pit crew, and transport equipment.'

Honourable senators, I am flabbergasted. We were in the process of trying to have amendments passed which, indeed, would look after this very situation. While we were in this process, the minister was negotiating with these people. Is that true or not?

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, I will need to ascertain the timing to which Senator Stratton refers. We have said several times in this house that the government has been consulting with parties all along the way on some of the issues surrounding the bill. I will take the question to my colleague and seek more specific information on timing.

Senator Stratton: Honourable senators, it is not only Minister Dingwall who is making statements. I refer to a letter from the Alliance for Sponsorship Freedom to the Prime Minister. It is dated April 22, and they stated that they were very troubled about various statements that he made to the press on April 17, 1997. In particular, they referred to his comment that sponsorship promotions, like billboards, had not influenced him to start smoking, indicated that that was precisely the point they had repeatedly made to his government, and informed him that such promotions would be illegal under Bill C-71.

As well, the Minister of Health conceded, during his appearance before the Standing Senate Committee on Legal and Constitutional Affairs on March 19, that posters of Jacques Villeneuve with Rothman's logos do not influence people to start smoking either. There is clearly no rationale for making these kinds of sponsorship promotions illegal off-site.

The Prime Minister and the Minister of Health are talking about amendments during debate on a bill. Especially

considering the confusion raised with respect to this whole issue, is it not a double standard, knowing full well that the bill and the amendments were in front of the Senate, to be negotiating with the tobacco sponsors regarding sponsorship and logos on auto racers?

Senator Fairbairn: Honourable senators, my friend is reading the comments, and I will check them out from the media reports. My friend has referred to negotiations, and I am not aware of such negotiations.

HUMAN RIGHTS

REFUGEE SITUATION IN RWANDA—DIFFERING RESPONSES OF GOVERNMENT TO CHANGING SITUATION

Hon. A. Raynell Andreychuk: Honourable senators, I should like to direct a series of questions to the Leader of the Government in the Senate with respect to the human rights issue and the United Nations Human Rights Commission.

In 1994, the government appeared to want to place its emphasis into the issue of Rwanda with a special rapporteur. We were instrumental in encouraging the United Nations to have a special rapporteur. I understand now that we have abandoned that suggestion and instead proposed that a special representative of the United Nations, or the Secretary General perhaps, investigate the Rwanda situation. The government is well aware that the special rapporteur would have rights and duties that would have some impact on the situation in Rwanda whereas, in fact, a special representative would not. Why would the government change its position?

If Rwanda is of concern to the government, would we not have wished to take the most effective mechanism available and continue it in a consistent way?

There appears to be a crisis building again around air-lifting Rwandan refugees. At this point, there is a need for some cohesion to deal with the issue. Why is it that a mission was mounted at a time when the aid workers and others were saying it was not necessary, particularly in the form that the government was proposing, and why is the government now not responding by pushing the issue of mounting some cohesive effort in Rwanda?

We went to the United Nations with a proposition on Rwanda, despite the fact that France was not in our coalition. Why did we not believe that the presence of France was necessary in the Rwanda situation but necessary for co-sponsorship on the China resolution?

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, I expect my friend will understand when I tell her that I shall take all of her questions, which are related but involve much more than human rights, and determine if I can obtain answers for her.

THE ECONOMY

ESCALATING RATE OF BANKRUPTCIES—GOVERNMENT POSITION

Hon. Terry Stratton: Honourable senators, I wish to turn now to my favourite topic — economy and jobs. It has come to my attention that bankruptcies have skyrocketed dramatically. In 1996 alone, a record 93,860 Canadian consumers and businesses declared bankruptcy. The annual number of bankruptcies has jumped by 26,877, or 40 per cent in just three years. For example, from 1993 to 1996, in Newfoundland, the number of bankruptcies has increased 56.2 per cent; in Prince Edward Island, 52.9 per cent; in New Brunswick, 73.6 per cent; in Quebec, 50.8 per cent; in Alberta, 75.2 per cent; and in British Columbia, 50.5 per cent.

When the government is speaking of their economic record, I think they owe it to Canadians to explain this surge. Why have bankruptcies skyrocketed by 40 per cent in three years?

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, my honourable friend is quite aware of the concern of the government on the rate of bankruptcies. These things do not happen in one or two years. They are caused by underlying economic issues, including high unemployment. The government is confident that the strong growth we have been experiencing in our economy will result in more Canadians finding jobs. In fact, the figures of the last month have been encouraging. As well, the significant reduction in interest rates will lessen the debt burden on Canadian families.

If the conditions we have tried to put into place to stimulate the Canadian economy continue to progress, then the bankruptcy rates, which are far too high, will begin to recede. I believe that trend has already started in the case of business bankruptcies.

LACK OF GROWTH IN EMPLOYMENT RATE— GOVERNMENT POSITION

Hon. Terry Stratton: Honourable senators, I quote Mr. Jim Frank, Chief Economist, the Conference Board of Canada, as reported in *The Ottawa Citizen* on April 9:

Employment is not coming through the way we had hoped even one or two forecasts ago, so it's a significant setback.

If, at the federal level, we are looking at a setback and are not likely to see any dramatic improvement, is the leader willing to bet me lunch in October that the employment rate will be still above 9 per cent?

Hon. Joyce Fairbairn (Leader of the Government): Honourable senators, I am not a betting woman on anything. However, if we stay the course that we have been working on and continue to have the same results that we have been experiencing over the last three years, I reckon that we will have a much more positive conversation in October than we are having today.

The signals are good. My honourable friend may know that the IMF has had some extremely encouraging things to say about the Canadian economy, the growth of the Canadian economy, and its strength in comparison to our competitors. I believe we will have positive results to show the Canadian people, and these will be reflected in a reduction in unemployment.

Senator Stratton: Honourable senators, I understand what the leader is saying because I have been listening to her for a while now, but the same conference board expects the deficit will fall much faster than the government has forecast, to \$10 billion this year and to less than \$5 billion in 1998. This is not pie in the sky, because the deficit has been forecast at \$24 billion, dropping to \$19 billion, now to \$16 billion, perhaps to \$13 billion, and now we have numbers of \$10 billion for this year and, for next year, \$5 billion.

Consider the poverty profile and what is happening to the poor. The unemployment rate for youth is at over 16 per cent, and youth from 15 to 24 are being completely left out of our economy. Can the government not do something about this problem?

Senator Fairbairn: Honourable senators, my friend quotes the Conference Board of Canada, which is a very distinguished organization. I must tell him that my best source is the Minister of Finance, who is working directly with the finances of the country.

The Minister of Finance, while very interested in the projections of the conference board and other private sector forecasters, is, and I think rightly so, prudent in his own comments because he is relying on the reality of the situation. Senator Stratton will know, as we have discussed this many times, that the concerns that he has and the concerns that the government have are the same. The government, in the last budget, moved a considerable way to find relief for the very groups about which my honourable friend expresses his concern: children in poverty, poor families, and young people. We have been putting together programs for them, for their education, to improve their ability to move into the job market, and for their training. Those are all the types of things about which my friend is concerned. So are we, and we are acting on them.

CUT IN TRANSFER PAYMENTS TO PROVINCES— EFFECT ON POOR—GOVERNMENT POSITION

Hon. Terry Stratton: The government cut transfer payments to the provinces by \$8 billion. You are in the process of cutting a further \$3.5 billion over the next three years. How can you say you are doing something when transfer payments are for health care and education. What you are cutting is huge; what you are giving back is a pittance.

Hon. Joyce Fairbairn, (Leader of the Government): Honourable senators, in the last three and a half years, we have taken hold of the economy of this country to reduce the deficit, which had been growing year by year. We have cut the deficit substantially. If my honourable friend thinks that cutting

the deficit in half is a minimal achievement, I can only say we certainly did not hear that from the previous government. We have been chipping away at it systematically, and the Minister of Finance will continue to do that, systematically. In the process of reducing the deficit, we have been and will be able to increase selective investment in human resources in this country.

My honourable friend also knows that the tax points of the social transfer have continued to go up, and this government has taken the step of ensuring that the cash floor will not fall below \$11 billion. That is not peanuts.

JUSTICE

REFUSAL OF MINISTER TO PAY LEGAL FEES OF FORMER MINISTER OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT—
REQUEST FOR RESPONSE

Hon. Eric Arthur Berntson: Honourable senators, I am curious as to whether the Leader of the Government in the Senate has been given any indication as to when we might be receiving an answer relative to the Munro situation.

Hon. Joyce Fairbairn (Leader of the Government): Not at this moment, Senator Berntson.

Senator Berntson: Might we receive an answer prior to the end of next week? By then, I understand the government will have completed its legislative agenda and will likely be dissolving Parliament to go to an election.

Senator Fairbairn: Senator Berntson, I am endeavouring to obtain a comment on timing. I cannot make a commitment.

DELAYED ANSWER TO ORAL QUESTION

Hon. B. Alasdair Graham (Deputy Leader of the Government): Honourable senators, I have a response to a question raised in the Senate on April 16, 1997 by the Honourable Senator Oliver regarding the failure of federal employees to secure sensitive information.

TREASURY BOARD

FAILURE OF FEDERAL EMPLOYEES TO SECURE SENSITIVE INFORMATION—GOVERNMENT POSITION

(Response to question raised by Hon. Donald H. Oliver on April 16, 1997)

The Government of Canada is well aware that the files held by the Department of Human Resources Canada and other departments contain important information. This is why individual departments are regularly audited to ensure that the files are properly handled.

Audits of HRDC have helped the government to identify where there were weaknesses. The government then took the necessary corrective measures.

HRDC's procedures manuals have been re-written so that employees understand more specifically the security implications involved with certain files and how these files must be handled.

In addition, when a number of departments were merged to create HRDC, this meant a large number of security reclassifications and positions had to be reviewed.

All positions now have the proper security classifications, and processing of security clearances for the nearly 23,000 affected employees are almost complete.

BUSINESS OF THE SENATE

Hon. B. Alasdair Graham (Deputy Leader of the Government): Honourable senators, as we proceed through the day, I wish to give honourable senators a sense of the order in which we will be calling government bills. We will be calling Bill C-95, then Bill C-92, both for second reading, and then Bill C-55 and Bill C-32, both for third reading.

ORDERS OF THE DAY

CRIMINAL CODE

BILL TO AMEND—SECOND READING

Hon. Richard J. Stanbury moved second reading of Bill C-95, to amend the Criminal Code (criminal organizations) and to amend other Acts in consequence.

He said: Honourable senators, it is a particular pleasure for me to speak today in support of Bill C-95.

For the last two years, Quebec has been in the grip of a war between two rival gangs, the Rock Machine and the Hell's Angels. The war has claimed over 40 lives, caused millions of dollars in damage and caused far too many citizens to fear that they could die or be injured as a result of the gangs' indiscriminate use of explosives. It also resulted in the death of an 11-year-old boy who was killed while playing in the streets of Montreal.

• (1430)

Over the last two years, in response to this urgent situation, the Montreal Urban Community Police set up a special task force called Carcajou, while the police from the Quebec City region set up a special task force called GRICO. These task forces made dozens of arrests, seized many kilograms of explosives and drugs, but the bombings continued.

A few weeks ago, a bombing attempt on a Hell's Angels bunker, located in a residential neighbourhood in the town of Saint-Nicolas, just across the St. Lawrence River from Quebec City, resulted in a terrible explosion that rocked the foundations of neighbouring houses. In one instance, shards of glass landed on a six-month-old baby. These events only strengthened the community's resolve to rid itself of the social scourge of the Hells' Angels bunker. That week, the mayor of Saint-Nicolas organized a rally in front of the bunker and a plea was made to every level of government to do what they could to rid Quebec communities of these outlaw motorcycle gangs.

At the end of March, Minister Rock met with Robert Perreault, Quebec Minister of Public Security, and Paul Begin, Quebec Minister of Justice, and 13 Quebec City area mayors to discuss the issue of gangs. He was told that the citizens of Quebec were fearful for their communities and wanted an end to this terrible gang war.

Quebec's first proposal was that simple membership in a gang be made criminal. That would have infringed the right of freedom of association guaranteed by both the Canadian and Quebec Charters of Rights. It was written over 100 years ago that the criminal law:

...must be confined within narrow limits, and can be applied only to definite overt acts or omissions capable of being distinctly proved, which acts or omissions inflict definite evils, either on specific persons or the community at large.

That quote is from Stephen's *History of Criminal Law*, written in 1883.

The federal justice minister has developed the targeted and well-designed legislation which we now have before us. This legislation is the federal government's first response to the plea of those Canadians who live in fear because they have an organized crime presence in their communities. The proposals in Bill C-95 are the result of extensive consultations undertaken with police, provincial attorneys general and other law enforcement agencies from across Canada.

This issue is more widespread than in Quebec. Biker gangs and other criminal organizations exist in varying degrees all over Canada. The gangs in Vancouver, Toronto and Winnipeg are just some examples that demonstrate that organized crime is a national issue. Indeed, many have postulated that the Hell's Angels are preparing to move into Ontario next and that we could soon have biker wars there.

These organizations have become increasingly more complex, secretive and sophisticated. The police are finding it more and more difficult to acquire the evidence needed to make charges stick. Bill C-95 will provide the police and law enforcement agencies with better tools to investigate and prosecute those who choose to participate in criminal gang activity.

Bill C-95 provides a new approach to fighting gang activity by introducing, for the first time in Canada, a definition of a "criminal organization" and "criminal organization offence." The definition of "criminal organization" would be sufficiently circumscribed so as to be applicable only to serious federal offences and to those who have, as one of their primary activities, the commission of serious indictable offences.

By limiting the definition in this way, only those people assisting in groups which are engaged in serious crimes that form a pattern of criminal activity will be subject to the increased power of investigation these proposals contemplate. The new offence, along with other new definitions in the Criminal Code, lays the groundwork for the targeted use of proposed new investigative tools and Criminal Code provisions.

These include a new peace bond designed to target gang leadership and to make it difficult for criminal organizations to carry out their criminal activities. These individuals are often able to shield themselves from investigation and prosecution. To address this, the proposals would allow a judge, upon the application of an attorney general and where there are reasonable grounds to fear that the person will commit a criminal organization offence, to impose an order to keep the peace on a member of a criminal organization. The judge could place strict conditions on the order, including prohibiting the person from associating with other gang members. If the order is breached, the person would be committing an offence and could be sent to jail. This proposal could hit gangs where it hurts the most by making it difficult for the leaders and their membership to conduct their criminal activities.

Second are new Criminal Code offences and penalties that target the use of explosives in criminal gang activity. It would be an offence to possess explosives for the benefit of, at the direction of, or in association with a criminal organization. The new maximum sentence of 14 years for this offence would be higher than for illegal possession of explosives not related to criminal organizations. The sentence for this offence would be consecutive to other sentences.

Third, there are new powers that will allow police to seize the proceeds of organized crime activity and, with a judge's order, to access income tax information related to gang activity. One of the best ways to target gangs is to take away the profits they make from their crimes as well as the things they use to commit crimes. Proceeds-of-crime legislation would be expanded to allow seizure and forfeiture of proceeds related to all criminal offences. Property such as vehicles or weapons used to commit a criminal organization offence would also be subject to forfeiture. Even real property, built or significantly modified for the purpose of facilitating the commission of a criminal organization offence, could be made the subject of forfeiture. With a judicial order, police would also be able to access income tax information related to the offence of participation in a criminal organization.

Fourth, there are new sentencing provisions in the Criminal Code aimed at criminal gangs, including the delay of parole eligibility for certain criminal organization offences. The sentences criminal members receive should reflect the fact that criminal gang activity is very serious and causes harm not only to the victim but to society as a whole. Sentencing provisions of the Criminal Code would be amended so that evidence that an offence was committed for the benefit of, at the direction of, or in association with a criminal organization becomes an aggravating factor that must be considered by the judge in sentencing. The judge would also have the power to delay parole eligibility for criminal organization offences.

Fifth are measures to support police surveillance of gang activity. A judge would still have to approve the use of electronic surveillance to ensure that these increased powers are used appropriately by police. This includes eliminating the need for police to demonstrate that electronic surveillance is a last resort in their investigation of gangs and extending the period of validity of a wiretap authorization from the present 60 days up to 1 year when the police are investigating a criminal organization offence.

I have noted that there have been some concerns raised that this package has been made in haste and that, given the technical nature and complicated issues arising from criminal law and Charter rights, we should consider slowing down the process.

I have looked into this question and can report that these proposed measures have been under consideration for some time now. The current situation in Quebec has underscored the need to accelerate the process, which began several months ago, of identifying and bringing forth legislative proposals to combat the problem of organized crime in Canada. Indeed, in September 1996, a forum on organized crime was held in Ottawa and brought together police, representatives from provincial and federal governments, the legal community, private industry and academics. The purpose of the forum was to examine the increasingly complex problem of organized crime in Canada and to recommend integrated, effective measures to address it. Bill C-95 is based on the forum's recommendations.

Bill C-95 has been enthusiastically received by police organizations from across the country and by municipal officials who must deal with the problems posed by criminal organizations. The Quebec government has also supported it and has indicated a willingness to hire more prosecutors to help apply these measures.

I understand that other provincial governments have also endorsed the bill, most notably Ontario, Manitoba, and British Columbia, all of whom have particular problems with criminal organizations.

In the other place, we witnessed the impressive collaboration and cooperation of the opposition parties. I am optimistic that members of this chamber will demonstrate the same spirit within the time available to us to undertake a comprehensive and reasonable approach to this issue.

[*Translation*]

Hon. Fernand Roberge: Honourable senators, on behalf of my colleagues on this side of the house, I must advise you that we intend to examine Bill C-95 in an extremely positive manner. We shall, however, reserve our comments for the third reading stage of the bill.

[*English*]

Senator Stanbury: Honourable senators —

The Hon. the Speaker *pro tempore*: If the Honourable Senator Stanbury speaks now, his speech will have the effect of closing the debate.

Senator Stanbury: Honourable senators, I simply reiterate my motion that this bill receive second reading now.

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE

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

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

INCOME TAX BUDGET AMENDMENTS BILL, 1996

SECOND READING

Hon. Philippe Deane Gigantès moved second reading of Bill C-92, to amend the Income Tax Act, the Income Tax Application Rules and another Act related to the Income Tax Act.

He said: Honourable senators, Bill C-92 concerns the Income Tax Budget Amendments Act, 1996. This bill will implement tax measures proposed in the 1996 federal budget. That budget has been thoroughly debated and long since approved. In terms of social policy, the government took action to preserve the Old Age Security system and to provide stable federal funding for programs run by provinces.

For future jobs and growth, the budget proposed investment in priority areas like youth, technology and international trade. It achieved all of this without increasing tax rates; hence, the bill before us contains a range of measures to improve the fairness and efficiency of the tax system.

In the area of personal income taxation, there are several important changes designed to improve tax assistance to retirement savings. First, contribution limits for registered retirement savings plans will be frozen at \$13,500 through the year 2003, then increased to \$14,500 in 2004, and to \$15,500 in the year 2005. To provide comparable treatment to defined benefit pension plans, the maximum pension limit for these plans will be frozen at its current level of \$1,722 per year of service until the year 2005.

Federal tax assistance to retirement assistance is generous and costly, amounting to nearly \$16 billion in 1993 alone. The change I have just referred to will help keep the cost of this assistance more in line with fiscal reality while affecting only individuals with incomes over \$75,000.

The second measure relating to retirement savings is the reduction of the age limit for maturing RPPs and RRSPs from 71 to 69. Individuals will not be able to contribute to RRSPs or accrue benefits after age 69 and will have to start drawing income out of these plans by that time. This change will help to move the maturation age for retirement savings and pension plans closer into line with ages at which most Canadians are actually retiring. By doing so, it will reduce the use of the system for purposes of estate planning.

Third, the bill proposes the elimination of the seven-year limit on carrying forward any unused portion of your maximum allowable RRSP contribution. This is an important change, especially for many younger Canadians who find it hard to contribute large amounts to their RRSPs, especially if they are raising families. They will now have the opportunity to make up for years of lower contributions by contributing later on when they are likely to have more disposable income.

The bill will also increase tax assistance to students and their families. Thus the bill proposes a more generous system for Registered Education Savings Plans, or RESPs. These plans help people save for their children's education by exempting the growth of assets within the plan from taxation. Eventually, this growth is distributed to students who are typically taxed at a lower marginal rate.

Bill C-92 proposes to increase the annual contribution limit from \$1,500 to \$2,000 per beneficiary. It would increase the lifetime limit from \$31,500 to \$42,000. The 1997 budget proposed to further enhance tax assistance delivered through RESP funds, notably by doubling the annual contribution from the \$2,000 I just mentioned to \$4,000 per beneficiary, and by improving the potential flexibility of these plans.

Bill C-92 also proposes to increase the amount on which the education tax credit is calculated from \$80 to \$100, an amount which the 1997 budget has proposed to increase still further. The bill will increase from \$4,000 to \$5,000 per year the limit on unused tuition fees and education amounts that students may transfer to spouses or parents.

Of course, for many Canadian parents, especially those who are single parents, school is not an option without day care for their children. That is why Bill C-92 proposes to broaden eligibility for the child care expense deduction by allowing parents who are full-time students to claim the deduction against all types of income. The bill would also raise the age limit for children for whom child care expenses may be claimed from 14 to 16.

• (1450)

A further measure in this bill that will benefit taxpayers with children is the change to the rules governing child support. The bill provides that child support paid under a court order or written agreement after April 1997 not be deductible by the payer nor included in the recipient's income. This change reflects the widely held view that the whole system of deduction inclusion was not working to the benefit of the child.

In addition, not only will support for education and child care be increased, but Bill C-92 will also improve the position of the charitable sector. The 1996 budget increased from 20 per cent to 50 per cent the annual limit on the amount of taxpayers' net income eligible for tax-assisted charitable donations. Again, this is an area in which the 1997 budget has further enhanced assistance.

There are other measures: for instance, labour-sponsored venture capital corporations, or LSVCCs. These funds are sponsored by labour organizations and generously assisted by both federal and provincial tax credits. By the time of the 1996 budget, they had generated more than a three-year supply of venture capital for small- and medium-sized businesses. Consequently, today's bill contains several measures designed to keep the level of special tax assistance to these funds in line with current fiscal realities. These measures include reducing federal LSVCC tax credits from 20 per cent to 15 per cent and reducing the maximum purchase eligible for the credit from \$5,000 to \$3,500.

Honourable senators, the bill also includes some important measures for the energy and resource sectors. For the oil, gas and mining industries, the bill would modify rules relating to the resource allowance, thereby resulting in a more stable and consistent tax structure. Also for the oil, gas and mining industries, the bill proposes significant improvements to the flow-through share regime, which is an important mechanism for financing exploration and development programs in these resource industries.

Among the other provisions of the bill is a change to the accelerated cost allowance rules for new mines, including oil sands. The change will ensure that all types of oil sands recovery projects are treated more consistently.

The bill also includes measures to promote sustainable development of energy resources by providing an essentially level playing field between certain renewable and non-renewable energy investments.

The measures in the bill will enhance the fairness and economic efficiency of our tax system while providing tax relief in a significant range of instances. They will help to ensure that tax assistance for retirement savings remains sustainable, and they target important assistance to education, children and the charitable sector.

I urge my honourable colleagues to support this bill.

Hon. Terry Stratton: Honourable senators, as Senator Gigantès has done, I rise to speak on Bill C-92, to amend the Income Tax Act, the Income Tax Application Rules and another Act related to the Income Tax Act.

This bill will make several changes to the income tax rules, most of which were announced in the March 1996 budget. The changes in this bill are significant.

In the area of personal tax credits, the education amount is increased to \$100 per month from \$80, and the question you must ask is this: Is tinkering with the Income Tax Act the best way to assist Canadian students and our youth?

The small savings in the form of changes to the education tax credit as a result of this bill will do little to guarantee students a decent job once they graduate from university or college. Unemployment among Canadians between the ages of 15 and 24, as I have said before and I will repeat again and again, is a cause of significant concern. It is up at 16.6 per cent for March. That is way too high. The concern is that a whole generation is being left out of the economy and left out of society, as I have reiterated time and again.

The United Way of Winnipeg tabled a report in the provincial Legislature of Manitoba whereby it expressed serious and grave concerns about what is happening to our youth. The report warns that, unless we do something to help this generation, the concern about our youth having no jobs will come back and kick us hard in the teeth, again and again over the years.

By way of example, students will be looking for summer employment opportunities in order to gain valuable experience in the work force and to enable them to continue their education. The summer unemployment rate for 1996 was 18.4 per cent. Let us hope this year is much better.

Further, the huge tax cuts in transfer payments by the government — transfer payments have been slashed by over 40 per cent — have hurt health care and education. As a result, what happens? The federal government cuts transfer payments, which, in turn, affects education. University and college fees go up, and students cannot afford to go to school. They remain unemployed and unemployable. That is the greatest concern we have. They are not being educated and are therefore not getting jobs. Then, if they become educated, there are no jobs out there for them.

Honourable senators, Bill C-92 increases the annual limit on contributions to a Registered Education Savings Plan to \$2,000 per year from \$1,500. The lifetime contribution limit rises to \$42,000 from \$31,500. That is all very nice. However, the employment rate has been stuck above 9 per cent now for close to 78 months, the longest rate of high unemployment since the Great Depression. How can a family with unemployed parents afford an RESP for their kids? That is a concern.

At the same time, students and all Canadians see the Liberal government in Ottawa continuing to waste taxpayers' dollars. Under the Liberal infrastructure program, taxpayers' money has been spent in fixing up golf courses and building tennis courts in dozens of cities — not your typical infrastructure works.

In addition, millions of taxpayers' dollars were spent on the federal government's flag program — \$20 million — cancellation of the Pearson Airport Agreement — close to \$1 billion — and the cancellation of the helicopter contract — well over \$400 million. Would it not have been nice to have taken that money and done something to help create new areas for students to get work, new areas in education, rather than using the typical, cold-hearted, calculatingly political method of doing anything as long as you can win an election? What a remarkable record with which to speak to our youth.

It seems that with Bill C-92, planned increases in RRSP contribution limits are further delayed. They were set to rise from \$13,500 in 1996 to \$14,500 in 1998 and \$15,500 in 1999. Instead, they will rise to 14,500 in 2004 and 15,500 in 2005. Why the delay?

- (1500)

Honourable senators, the Prime Minister said in the House of Commons on February 11 of this year:

There have been absolutely no tax increases since we have been here.

Well, let me read into the record the impact of tax changes contained in the 1996 budget. There are changes which will restrict RRSP pension plans for 1997-98 — \$40 million and deny deductibility of RRSP fees — \$5 million. If these are not tax increases and tax grabs, what are they? There are changes which will tax the world income of non-resident pensioners — \$10 million; reduce the tax credit for labour-sponsored venture capital funds — \$45 million. On and on it goes. There are changes with respect to the tax treatment of child support — \$10 million.

I look at this, honourable senators, and I am appalled because this government really has done nothing but grab taxes.

Bill C-92 deals with the bank surtax. The extra capital tax on banks and other deposit institutions is extended for one year, and the tax on life insurance companies is extended for another three years. Is this not a tax hike? Is this not a tax grab? Could you not at least give something back instead of continually taking and taking?

Honourable senators, Bill C-92 deals with child care expenses by increasing the maximum age for which the child tax care credit may be claimed from 14 to 16. In addition, child support paid under a court order made after April 1997 will no longer be deductible from the income of the support payer or included in the income of recipients.

I know that groups have already indicated they wish to appear before the Senate Banking Committee concerning the proposed changes in taxation of child support. I hope they will have a fair chance to be heard, and that their testimony will be considered fairly, because there are many upset folks out there.

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE

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

On motion of Senator Gigantès, bill referred to the Standing Senate Committee on Banking, Trade and Commerce.

**CRIMINAL CODE
CORRECTIONS AND CONDITIONAL RELEASE ACT
CRIMINAL RECORDS ACT
PRISONS AND REFORMATORIES ACT
DEPARTMENT OF THE SOLICITOR GENERAL ACT**

BILL TO AMEND—THIRD READING

Hon. Wilfred P. Moore moved third reading of Bill C-55, to amend the Criminal Code (high risk offenders), the Corrections and Conditional Release Act, the Criminal Records Act, the Prisons and Reformatories Act and the Department of the Solicitor General.

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

Hon. Richard J. Doyle: Honourable senators, this is rush season in the rooms where the Standing Committee on Legal and Constitutional Affairs meets. The Senate's busiest committee has just finished its examination of Bill C-55 in two quick sessions, and today is asked to pass the bill without amendment so that Minister Rock and the Department of Justice can introduce long-term sentences. Up to seven years can be imposed for offences such as invitations to sexual touching. It is an area where all of us want to see maximum precautions against high risk offenders.

Monday, we were offered a defence on the act from Justice Department officials. On Tuesday, we listened to Professor Allen Manson, who spoke for the bar association and cautioned us that the introduction of this bill would give Canada the toughest penal powers in effect in any western democracy. We were also told that the bill would provide nothing to protect Canadians that could not be achieved through the exercise of existing powers.

Professor Manson is a former trial judge and he was impressive as a witness — a man who worries about the trend to pass new laws while our protections for those accused of breaking them are being diminished by the collapse of legal aid and other court resources.

Honourable senators, I am not prepared at this stage to argue *Manson v. the Justice Department*, but I am willing to ask why all the haste? Why are we being rushed from bill to bill? On Tuesday afternoon, we had Bill C-17, all 97 pages of it. This afternoon, if we ever get to it, we will have Bill C-46, a contentious bill dealing with the production of records in sexual offence proceedings. I am told that tomorrow the committee will consider Bill C-95, another difficult bill, this time to control organized crime in criminal gangs.

It is not for me to complain about the government's tendency to do business at a snail's pace, nor is it for me to say that Mr. Chrétien and his team of Villeneuves are inclined to pick up speed whenever an election is within sight. Old-timers tell me the government has bought the belief that the Senate, on the precipice of a ballot, will pass the government's bills no matter how late the delivery date, and the Senate will pass them without bothersome amendments to gum up the nation's business.

Cynical twaddle? Maybe. However, a look at the Commons birthdays of some of the bills, suddenly wanted out of the Senate on an urgent basis, should shock Canadian taxpayers and voters.

Let us start with Bill C-66, the Canada Labour Code — Commons birthday November 4, 1996. Now, over here. Bill C-55, September 17, 1996; Bill C-84, February 20, 1997; Bill C-46, June 12, 1996; Bill C-38, May 17, 1996; Bill C-34, May 3, 1996; and Bill C-77, December 11, 1996. Bill C-44 was born on June 10, 1996, and Bill C-92 on April 9, 1997. What about Bill C-37? The date was May 17, 1996. Bills C-39 and 40 were born on May 17, 1996, and Bill C-32 on April 25, 1996.

Is this kind of performance good for our committees, for the Senate — or even for an election?

Senator Lynch-Staunton: Good point!

Motion agreed to and bill read third time and passed.

COPYRIGHT ACT

BILL TO AMEND—THIRD READING—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Gigantès, seconded by the Honourable Senator Cools, for the third reading of Bill C-32, to amend the Copyright Act.

Hon. Janis Johnson: Honourable senators, I rise today to speak at third reading debate on Bill C-32, to amend the Copyright Act. This legislation has been through quite a process. It was first introduced in the House of Commons one year ago. After considerable debate, second reading took place in June, and the bill was then referred to the Standing Committee on Canadian Heritage later that month.

That committee heard from a number of witnesses and received numerous written submissions before reporting back to the House of Commons with substantial amendments. During the report stage, further amendments were incorporated into the bill. In total, over 125 amendments were made to Bill C-32 in the House of Commons.

Finally, the bill passed on March 20, 1997 on the House side, and later that day was introduced in the Senate. Shortly after, it was referred to the Standing Senate Committee on Transport and Communications. With an election clock ticking loudly in the background, the committee was under pressure to move quickly. This was unfortunate.

Some of the best work done in the Senate is done at the committee level. Although we senators on the committee did our job as best we could, there was simply insufficient time to give this very important bill the "sober second thought" it deserves. However, I do commend my colleagues for the fine work that was done in the time available. We heard countless witnesses and spent long hours trying to do justice to their concerns.

Honourable senators, I have been a follower and supporter of Canadian culture for a long time, and I know from my contacts in the cultural community that artists feel very strongly about this legislation. Our job is a serious one, and we are not here to hastily rubber-stamp an important bill just because the Prime Minister may have decided to call an election.

Some critics have argued that this highly detailed piece of legislation is the result of 10 years of hard work, and that the Senate should not stand in its way. However, 10 years' work hardly deserves less than the full and complete consideration of honourable senators at committee and in this chamber. We are now at third reading, and we must take the time to consider the bill and ask the central question: Does Bill C-32 reflect a fair balance between creators and users?

Bill C-32 addresses the issue of copyright. At the heart of the bill is the recognition that artists and other creators own their work. For about a century, artists in the developed nations of the world have been protected by various forms of copyright. Writers and artists do not own their work figuratively, or in a manner of speaking; they own it by law, just as surely as any other citizen owns a patent or a piece of property. Every time we turn on a television or walk past a book store, we encounter Canadian books, musical compositions and films. As consumers, we sometimes forget that these works are created by individual artists.

How many times have we watched the Academy Awards ceremony on television, and listened to an award winner thank a dozen people and forget to mention the name of the solitary artist who created the original story? I was encouraged to see that this tradition was recently broken at the most recent Academy Awards ceremony, when our own Mr. Michael Ondaatje was mentioned 27 times.

I remind you of this because it is very typical that consumers of art tend to take the producers of art for granted. As legislators, we must not further that injustice by enshrining it in legislation. If the public wishes to use an artist's work, they are obliged by law to approach that individual and negotiate some reasonable compensation. For cultural workers, this compensation is usually very modest. The average full-time writer in Canada earns about \$15,000 a year.

In the last decade or so, the rapid proliferation of computers, the Internet and on-line information networks have come to threaten this tradition of copyright. Large news and media organizations are selling the work of writers on the Internet without compensating the writers, and in both Canada and the United States these rather blatant examples of unauthorized use have resulted in class action lawsuits.

Libraries and institutions such as universities also feel that they should be entitled to the liberal use of a writer's property. They speak highly of the importance of having a "free flow of information," as if writers are somehow arguing for censorship. Writers are not asking for censorship. They insist only that they be included in the profits that are being made from the sale of their materials.

Our Senate committee heard from witnesses arguing for swift passage of the bill, and from others who want the bill amended. Generally speaking, the "consumers" of cultural materials favour the swift passage of this bill. Producers of cultural materials — in other words, the artists themselves — have some serious concerns with this legislation. I support those concerns.

The Writers' Union of Canada and the Periodical Writers Association of Canada, the Playwriters' Union of Canada, the League of Canadian Poets, and the Writers Guild of Canada represent more than 1,700 professional writers, poets and playwrights. They made a joint submission to the Senate committee. These groups called on the Senate to amend Bill C-32, as did SOCAN.

I agree with those concerns, and support their desire for amendments. However, I do support as well the spirit of this bill, and I feel that the Canadian cultural environment will be healthier with it than without it. I do not believe that it would be responsible to jeopardize the passage of Bill C-32 by pursuing further amendments, no matter how legitimate they may be.

I am also encouraged that the Minister of Culture and Heritage has reacted to strong pressure from the Senate committee and has agreed to review the act within three years instead of five years, as the acts now reads. In the words of the minister:

I shall cause to be laid before both Houses of Parliament a report on the provisions and operations of this act, including any recommendations for amendments. This will allow sufficient time to assess the impact of the renewed act, and bring about any changes that may be required in the new communications environment.

It is likewise good news that the Minister of Canadian Heritage has agreed to apprise the Senate of the next very crucial phase of this legislation, namely, the phase dealing with digital technologies. This is particularly important given the drastic impact that these technologies will have on our cultural industries in the coming years. It is also part of our Senate study on telecommunications.

Honourable senators, culture and the arts are in constant evolution. Bill C-32 is evidence of this. I believe that the Senate has played a very important role — and will continue to play a very important role — in fostering our cultural industries. As a senator with a long-standing passion for Canadian arts and culture, I urge you to support Bill C-32. I look forward to the start of Phase III in the near future, as well as complete cooperation on both sides of this chamber with regard to the work that must be done on Phase III, which will be so critical in looking at those concerns that we were unable to include in the amendment process of this legislation.

On motion of Senator DeWare, for Senator Kinsella, debate adjourned.

INFORMATION COMMISSIONER

INCUMBENT REAPPOINTED

Hon. B. Alasdair Graham (Deputy Leader of the Government), pursuant to notice of April 22, 1997, moved:

That, in accordance with subsection 54(3) of the Act to extend the present laws of Canada that provide access to information under the control of the Government of Canada, Chapter A-1, of the Revised Statutes of Canada 1985, the Senate approve the reappointment of John Grace as Information Commissioner, to hold office until December 31, 1997.

Motion agreed to.

CANADIAN VOLUNTEER SERVICE MEDAL FOR UNITED NATIONS PEACEKEEPING BILL

THIRD READING

Hon. Bill Rompkey moved third reading of Bill C-300, respecting the establishment and award of a Canadian Peacekeeping Service Medal for Canadians who have served with an international peacekeeping mission.

Motion agreed to and bill read third time and passed.

ADJUDICATION OF PENSIONS

REPORT OF SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY COMMITTEE ON STUDY ADOPTED

The Senate proceeded to consideration of the fifteenth report of the Standing Senate Committee on Social Affairs, Science and

Technology entitled “Steadying the Course,” tabled in the Senate on April 22, 1997.

Hon. Mabel M. DeWare, Chair of the Standing Senate Committee on Social Affairs, Science and Technology, moved the adoption of the report.

Motion agreed to and report adopted.

FISHERIES

PRIVATIZATION AND LICENSING OF QUOTAS IN INDUSTRY—
REPORT OF COMMITTEE REQUESTING AUTHORITY
TO ENGAGE SERVICES ADOPTED

The Senate proceeded to consideration of the third report of the Standing Senate Committee on Fisheries (*budget—study on privatization and quota licensing in Canada’s Fisheries*), presented in the Senate on April 22, 1997.

Hon. Mabel M. DeWare, for the Honourable Senator Gérald Comeau, Chairman of the Standing Senate Committee on Fisheries, moved the adoption of the report.

Motion agreed to and report adopted.

POVERTY IN CANADA

INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Cohen, calling the attention of the Senate to the Report entitled: “Sounding the Alarm: Poverty in Canada.”—(*Honourable Senator Bosa*).

Hon. Norman K. Atkins: Honourable senators, if Senator Bosa would not mind, I should like to speak to this inquiry.

Hon. Peter Bosa: Be my guest.

Senator Atkins: Honourable senators, as you may recall, our colleague Senator Erminie Cohen recently tabled in this chamber her report called “Sounding the Alarm: Poverty in Canada.” In so doing, she succeeded in making the serious problem of poverty an issue not only in this chamber but also for all Canadians. I thank Senator Cohen for her dedication and hard work on behalf of Canada’s poor. Today, I should like to offer some remarks of my own about the unacceptable poverty situation that our country is facing.

In a perfect world, of course, there would be no poverty. Everyone would live in safe, secure, decent housing and they would never have to worry about where the money for next month’s rent was coming from.

In a perfect world, there would be no empty bellies, no children going to school hungry, no parents skipping meals so their kids could have the last box of Kraft Dinner, and food banks would not even exist as a concept because there would be absolutely no need for them.

In a perfect world, people would not be forced to make trade-offs among essential items because they could not afford everything they needed. No one would have to make tough choices between, for example, shoes and eyeglasses or warm clothing and dental care. In a perfect world, no one would have to suffer the indignities and humiliations that are often inflicted on people simply because they are poor, whether it be discrimination at the bank or housing rental office, or the evil eye in the grocery store check-out line.

Honourable senators, in 1976, Canada joined many other countries in taking what was supposed to be a first step towards a perfect world. It did that by signing the International Covenant on Economic Social and Cultural Rights, a United Nations agreement which recognizes the right of every Canadian to:

...an adequate standard of living by himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions.

It appears the journey ended almost as soon as it began with that first step. The result is that the world is not perfect and, as Senator Cohen reminded us, neither is Canada.

The reality is that a total of 5.2 million Canadians — that is, one person in six — lived in poverty last year, according to Statistics Canada. That number continues to grow. This is as a result of fewer full-time jobs, lower earnings, falling social assistance and Employment Insurance benefits.

While poverty has been alleviated somewhat among some of Canada's senior citizens, it has not by any means been eliminated. Indeed, it has increased significantly among children and their families, particularly in one-parent families and among youth. The rate of poverty among single mothers is very high.

The reality is that one in five Canadian children now live in poverty, which means that 1.4 million children in Canadian families are living a life filled with various levels of desperation, an increase of 46 per cent since the late 1980s. The problem has grown worse since the federal government's pledge in 1989 to end child poverty by the year 2000. Since that time, the percentage of children living below the poverty line has risen to 19 per cent, an increase of 5 per cent.

We must not lose sight of the fact that children living in poverty are poor because their parents are poor.

• (1530)

Poverty rates for adults tend to move up and down with changes in the unemployment rate. The workers most likely to be

pushed into poverty are the marginally employed workers who often have low-paying skills, are poorly educated or may be disabled, aboriginals and older workers.

While having a job reduces the likelihood of poverty, it certainly does not prevent it. Consider, for example, the significant growth in part-time employment, particularly the involuntary part-time employment of those who are unable to find full-time work.

A large number of Canadians are poor because their earnings are below the low-income cut-offs determined by Statistics Canada. A low-income situation, as described by Statistics Canada, is a family spending more than 56.2 per cent of its income on food, shelter and clothing. A low-income cut-off is a level of income below which a person or family is judged to be living in poverty. It offers a means of distinguishing between the poor and the non-poor, and allows us to measure the extent of poverty.

In urban areas such as Toronto, with populations larger than half a million, Statistics Canada sets the low-income cut-off at \$15,175 for a single person and \$20,569 for a family of two, based on 1992 figures.

One difficulty with statistics compiled by Statistics Canada, however, is that they exclude groups such as the homeless and aboriginal people on reserves whose poverty rates are historically high. The reality is that Canada's official unemployment rate at the moment is, on average, 9.3 per cent, twice that of the United States, and in some provinces, particularly in the Atlantic region, that number is higher by a large margin. The youth unemployment rate is reported at 16.6 per cent. However, because many Canadian workers have given up looking for work and have dropped out of the labour force, real unemployment rates are probably much higher. In fact, some private sector economists tell us that if one includes the discouraged workers, the real jobless rate is closer to 13 per cent.

The youth jobless rate is probably closer to 25 per cent because so many young Canadians have simply given up on getting a job. The youth participation rate in the labour force dropped to its lowest level in 20 years last month. Sadly, it is expected that jobless rates will remain high throughout 1997. With the election just around the corner, the Liberal government's forecast is optimistic, but those results remain to be seen.

We should not assume that poverty is confined to the unemployed and welfare recipients. That is a mistake. Many Canadians belong to the ranks of the working poor. These Canadians and their families are working increasingly long hours, usually at minimum wages, just to reach the poverty level. Jobs among the working poor are often not long-term, which means that they must switch between work and government

programs. At the same time, an increasing number of young Canadian high school, college and university graduates, as well as unskilled workers with no job prospects, are moving into the poverty ranks. They are joined by cast-offs from the work force, those in the 54 to 65 age bracket and those who have lost part of their work week.

The reality is that since the current government was elected in 1993, personal disposable income per capita has actually fallen by 1 per cent. We can do better. In fact, our neighbours to the south are doing much better. During that same period, personal disposable income per capita in the United States climbed by 11 per cent, and that is over and above inflation.

One result of the continued high unemployment and falling disposable incomes in this country has been a sharp increase in the level of consumer bankruptcies. Moreover, savings are at their lowest level since 1961, as Canadians find that they must spend more and more of their pay cheques just to make ends meet. The level of consumer debt has also risen to record highs.

The reality is that there are alarming numbers of homeless people in Canada today. The demand for food banks, soup kitchens and hostels has increased by approximately 30 per cent, with record numbers in major centres. This is explained partly by the fact that Canadians, over the past few years, have found that their economic welfare has diminished. Currently, agencies are reporting that donations seem to be keeping pace, but what will happen if they do not keep pace?

Honourable senators, poverty is an extremely complex problem, the dimensions of which change over time and the important aspects of which are altered by government policy and programs. We owe it to our fellow Canadians to examine the effect that current programs and policies are having on poverty in Canada. Such a critical examination can serve as a starting point for developing and implementing meaningful, long-term solutions. The government's policy, in its effort to reduce the debt and deficit, has negatively influenced our social programs. In fact, our social programs have borne the brunt of debt and deficit reduction programs. Cash transfers to the provinces have been cut by almost 40 per cent since the current government was elected. The provinces, in response to the transfer cuts, are reducing their spending on social programs, and these reductions are having a major negative effect on low-income Canadians.

It seems clear that any changes to the structure and funding formulas for Canada's social programs, such as the decrease in provincial transfers which results in lower welfare payments and continued high unemployment levels, will ensure that poverty remains a major challenge in the coming years.

Meanwhile, last year, Ottawa cut Employment Insurance benefits significantly and made it harder for jobless workers to qualify for them in the first place.

Another problem that will not go away by itself is poverty among senior citizens. A recent report released by Statistics Canada, entitled "Growing Old in Canada" notes that a significant number of Canada's seniors are living in poverty and that number is growing rapidly. A worrisome percentage of female senior citizens are living alone in poverty and in poor health, with no additional sources of support from family. Canadian seniors are a group which is clearly vulnerable to public policy changes. A key example is the case of Canada's veterans who have seen the federal programs and services available to them reduced significantly since 1993. How easily we forget.

This problem has the potential to become even bigger when the baby boomers begin to retire. Many are finding their disposable income reduced and have not been able to tuck away money for their twilight years. The experts continue to tell them to plan their retirement, but at the same time the disposable income of Canadians has been reduced, forcing many people to utilize savings to survive.

There are no signs that Canada's high unemployment rate will come down any time soon. The current government's approach to creating jobs is clearly not working. The infrastructure program has not created the kind of permanent employment that Canadians were promised. Canadians seeking full-time employment are faced with a bleak work market. In fact, the number of jobs has decreased significantly. The number of jobs in the construction industry decreased by 36,000 in 1996 over 1994 when the infrastructure program was initiated.

More fiscal measures must be introduced to enhance employment, as well as more joint initiatives with the provinces to fight poverty.

The recent pre-election budget announced an enhancement of the Child Tax Benefit and the Working Income Supplement, which will be merged into one benefit over the next two years. As part of the federal-provincial agreement, the provinces will reduce welfare benefits for children. They are supposed to redirect the savings into programs and services for poor families with children, although there is no guarantee that they will do so.

Unfortunately, this initiative will not relieve the tax burden felt when cash transfers to the provinces have already been cut by almost 40 per cent. The provinces are not able to reduce the poverty numbers; they simply transfer the money between programs.

- (1540)

In addition to decreased spending on social programs, the burdens of increased taxes, user fees and other measures to raise revenues for the federal government have aggravated Canada's poverty situation dramatically. Over a five-year period commencing in 1993, Canadian individuals and businesses will pay an accumulated total of \$12 billion in increased taxes.

Furthermore, the government refuses to lower Employment Insurance premiums despite a huge and unnecessary surplus in the EI fund. The recently announced 40-per-cent increase in Canada Pension Plan premiums will result in even fewer jobs and even less disposable income for Canadians, which can only increase the poverty levels in this country. These measures are a step backward when what is desperately needed right now is progress.

According to the Caledon Institute of Social Policy, "the progress against poverty achieved in the 1960s and 1970s has stalled since 1975." The federal government must show the political will to deal with the destruction that poverty wreaks on fellow Canadians, among them children, young people, families, aboriginal peoples, seniors and veterans who are most vulnerable to increasing poverty. The government must also examine the effects of persistently high unemployment and cuts to our social programs.

Above all, Canadians must be socially conscious of the growing and destructive trend to see the least fortunate as a threat to their income. As John Kenneth Galbraith, the highly regarded Canadian and Harvard economist, noted in a recent speech at Toronto's Victoria College, there must be strong support of the social measures that protect the poorest of our people.

Honourable senators, unfortunately, we are not living in a perfect world, but by working together we can help put Canada back on the road which leads to one.

On motion of Senator Bosa, debate adjourned.

[Translation]

OTTAWA'S MONTFORT HOSPITAL

PLANNING FOR THE FUTURE—MOTION IN AMENDMENT—
DEBATE ADJOURNED

Hon. Jean-Maurice Simard, pursuant to notice of Tuesday, April 22, 1997, moved:

That the Senate encourage the federal government and the provincial Government of Ontario to work together to find a just and generous solution which will ensure that the Montfort Hospital may continue to serve its local minority language community and minority French language communities throughout Canada.

He said: Honourable senators, I ask that the Senate note:

That the existence of the Montfort Hospital seems to be seriously compromised;

That the Montfort Hospital plays a dual role: that of a hospital institution providing the francophone community with the health services it needs in its own language, and that of an educational institution training health care professionals who will serve francophone communities throughout Canada in French;

That the Parliament of Canada has always had and continues to have the particular role of protecting, preserving and encouraging Canadian official language minorities, as is clear from the Preamble and Part VII of the Official Languages Act;

That, when it passed the Canada Health Act, Parliament recognized:

That continued access to quality health care without financial or other barriers will be critical to maintaining and improving the health and well-being of Canadians;

That the language in which health care is provided can reasonably be considered to be one of these other barriers;

That it is essential to train health care providers in the language of the minority in order to ensure that minorities speaking that language have access to health care in their mother tongue throughout the country;

That, as the Supreme Court has recognized, it is important that there be as many complete and autonomous educational institutions providing instruction in the minority language as possible;

That, in the Official Languages Act, Parliament recognized that the national capital region has a special linguistic character, a bilingual character, and expressly guaranteed in the statute that federal services would be provided in both official languages in that region;

That those who develop public policy and take decisions concerning linguistic minorities, as well as the services and instruction available to those minorities, should be guided by the spirit of the Official Languages Act;

[English]

The Hon. the Speaker *pro tempore*: Order, please. The motion which the honourable senator is reading is not the same motion that is on the Order Paper. I am not sure if he is asking for leave to give notice of a motion, to amend his own motion, or what, but it is not the motion that is on the Order Paper.

Hon. B. Alasdair Graham (Deputy Leader of the Government): Honourable senators, in view of the fact that the wording of the motion being read is different from the wording in the notice of motion that was given by Honourable Senator Simard yesterday, we on this side would be favourably disposed to regarding the motion that he is presenting today as a notice of motion.

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

An Hon. Senator: No.

The Hon. the Speaker *pro tempore*: Leave is not granted.

Senator Simard: I will then revert to the original motion, of which I gave notice yesterday, and speak to that motion.

The Hon. the Speaker *pro tempore*: It is moved by the Honourable Senator Simard, seconded by the Honourable Senator Lynch-Staunton:

That the Senate encourage the federal government and the provincial Government of Ontario to work together to find a just and generous solution which will ensure that the Montfort Hospital may continue to serve its local minority language community and minority French language communities throughout Canada.

[*Translation*]

Senator Simard: Honourable senators, accordingly, the Senate should adopt as its own the wish of the defenders of the Montfort Hospital and the linguistic minority it serves to keep the hospital intact and allow it to continue to provide health care and training for health care providers in the minority language.

Accordingly, the Senate should encourage the federal government and the Government of Ontario to work together to find a just and generous solution which will ensure that the Montfort Hospital may continue to serve its local minority language clientele and French language communities throughout Canada.

Honourable senators, there are debates where powerful speeches in the course of our rich parliamentary history provide limpid answers that remain unsullied over time. Their great wisdom forces us to rise above the narrow and ephemeral concerns of the present and hasty solutions that may lead to permanently irreparable errors.

Here, then, are the words spoken by the Right Honourable Brian Mulroney in the House of Commons on October 6, 1983 on a motion tabled by the Right Honourable Pierre Elliott Trudeau concerning the rights of the francophone minority in Manitoba. And I quote:

• (1550)

Our collective evolution has determined that two peoples speaking English and French were united in a great national adventure. This unique situation has given birth to our Canadian citizenship. This very noble outcome has not been without failings. Neither has it been protected from constant assault by those who wish that we give it up for a less grandiose vision, a more limited country, a less generous mentality.

... This resolution compels us to remember our overriding commitments in this country of almost limitless space,

overflowing with great opportunities for the future. These commitments comprise a respect for our linguistic and other minorities, a long-held desire to encourage their flowering, and the duty to protect the rights of our minorities — wherever they are.

Mr. Mulroney continued:

The issue before us today is also one of simple justice. There is no painless way to proceed. There is no blame to be apportioned. There are no motives to be impugned. There is only the sanctity of minority rights. There is no obligation more compelling and no duty more irresistible in Canada than to ensure that our minorities, linguistic and otherwise, live at all times in conditions of fairness and justice.

The Right Honourable Pierre Trudeau said, in this memorable exchange:

... I am deeply encouraged by the unanimity with which this debate will be concluded, as well as by the spirit of co-operation and understanding which existed between the Leaders of the Parties of this House and which has led us to move this debate and second it.

Honourable senators, I would ask you to pass a motion to support and encourage the Montfort Hospital, an institution without equal in Ontario, vital to francophone minorities across the country, which appears to be seriously threatened.

Montfort Hospital is the only community-oriented teaching hospital in Ontario where the majority of patients are francophones. It serves the largest and most concentrated francophone community in Ontario, 40 per cent of the total francophone population of the province. The hospital's service area includes the counties of Prescott and Russell, where 72 per cent of the population are francophones, 30 per cent of whom are unilingual. The hospital is directed and operated by francophones. I may point out, however, that 98 per cent of the medical staff at Montfort are perfectly bilingual.

It has been pointed out that recent proposals by the Health Services Restructuring Commission of Ontario to merge Montfort's services with those of other, mainly anglophone institutions, would inevitably marginalize francophone patients and caregivers by putting them in a minority situation. This marginalization would as inevitably lead to the assimilation of francophone health care professionals, a drop in the availability of health care in French and assimilation of the francophone patient community.

Montfort Hospital is the only community hospital in Ontario which provides clinical training in French for family doctors and other health care professionals. This program is provided in cooperation with the Faculty of Medicine at the University of Ottawa. In 1992, the Government of Ontario decided to terminate an agreement with the Province of Quebec and, as of 1994, to

“repatriate” the training of its francophone health care professionals. The Faculty of Medicine at the University of Ottawa was the only institution in a position to offer this program. Furthermore, to provide clinical training, it was necessary to have access to a francophone community hospital, in this case Montfort Hospital. It was understood at the time that without such access, the Province of Ontario would not provide funding.

In fact, Montfort’s service area goes well beyond the Ottawa region. By providing a framework for training francophone health care professionals, Montfort provides a service to the entire province as a source of health care professionals for all francophone communities in the province. And we should not forget the needs of francophone minorities elsewhere in Canada. The medical training provided in a francophone environment at Montfort has the effect of increasing the number of students who decide to practise in francophone communities, especially remote and rural communities that often have trouble attracting and keeping health care professionals.

Montfort Hospital is also the only health care institution in Ontario that offers specialized and long-term psychiatric care in French. Closing Montfort may take us back to an era, in fact it was only 20 years ago in Ontario, when a study by the Ontario Department of Health described psychiatric care for francophones as English immersion. Psychiatric care in French simply did not exist, and even today there is a shortage of francophone psychiatrists in Ontario which can only be alleviated by the university courses given at Montfort. Imagine the torment of a person with a mental illness who is unable to communicate his symptoms to the team that is supposed to treat him. And consider how much more could be done by allowing Montfort to expand its capabilities.

Of course, the organization and administration of hospitals generally falls under provincial jurisdiction. However, I do not think that the matter before us is one of hospital organization and administration only. It concerns the well-being of a linguistic minority and the preservation of its rights.

Honourable senators, federal legislators have always played and continue to play a part in ensuring the protection, preservation and development of official language minorities. In 1890, a motion came before Parliament to amend the Northwest Territories Act to make sure French could no longer be used in the territorial assembly. The motion was defeated. During the debate, former Liberal Party leader Edward Blake stated that Canada’s recognizing the civic rights of French-speaking Canadians was:

... a victory for humanity, and if, as the case is, it has imposed greater difficulties and more arduous efforts and toils on those who are engaged in making a nation of Canada, it yet, by that very circumstance, gave the chance for more exalted triumphs, gave an opening for the exhibition of still higher and deeper and broader feelings of

justice and liberality and tolerance than are permitted to a wholly homogeneous people.

• (1600)

In 1983, nearly a hundred years later, our House of Commons unanimously passed a resolution urging the government and legislative assembly of Manitoba to continue translating all provincial legislation into French, in keeping with the constitutional requirement to preserve the rights of the francophone minority in Manitoba. Quoting from the speech made by Edward Blake in 1890, Trudeau reaffirmed the “spirit of Confederation” stated a century earlier. Blake concluded his speech as follows:

I maintain that it is the duty of those who truly regard the progress and prosperity of Canada, who hope to see it advance in its path towards nationality, to defend the rights of the minorities in this regard, as by law and by convention and by national settlement established. I intend for my part to defend them just as warmly as if I were one of themselves and I should regard myself dishonoured and disgraced if I were now to yield to the forces which press me to any other course.

In the same debate, Trudeau made the following remark:

We cannot undo the past. However, we can be just in our time.

... it is fundamental to our existence as a people and, indeed, to our survival as a nation that we say no matter how small the minority, if they have rights, those rights will be respected.

I now wish to draw your attention to the support given by Parliament to both official language communities by adopting the Official Languages Act. Allow me to remind my honourable colleagues of certain responsibilities given to the federal government under Part VII of that act, which reads:

The Government of Canada is committed to enhancing the vitality and supporting the development of English and French linguistic minority communities, and to fostering full recognition and use of English and French in Canadian society;

And which also provides that:

The Minister of Canadian Heritage shall take such measures as he considers appropriate to advance the equality of status and use of English and French in Canadian society, and, without restricting the generality of the foregoing, may take measures ... to encourage and assist provincial governments to support the development of

English and French linguistic minority communities generally and, in particular, to offer provincial and municipal services in both English and French and to provide opportunities for members of English or French linguistic minority communities to be educated in their own language.

Any minister of the Crown designated by the Governor in Council may consult and may negotiate agreements with the provincial governments to ensure, to the greatest practical extent ... that the provision of federal, provincial, municipal and education services in both official languages is coordinated.

Honourable senators, the Official Languages Act also provides special linguistic status to the National Capital Region, to the extent that federal services must be provided in both official languages. While the Montfort Hospital is administered by the province, it is located in the National Capital Region. The spirit of the Official Languages Act should govern the development of government policies and decisions regarding services and schools for linguistic minorities. Whether at the federal or the provincial level, decision makers should be urged to take the necessary measures to make sure the Montfort Hospital can continue to serve its local linguistic minority, and French language minorities across Canada.

It seems to me that Parliament should take an interest in the fate of the Montfort Hospital, given the principles enshrined in the Canada Health Act, which explicitly recognizes:

... that continued access to quality health care without financial or other barriers will be critical to maintaining and improving the health and well-being of Canadians.

It is obvious to me that the language in which health care is provided can be one of these "other barriers." In order to overcome that obstacle, health care professionals speaking the minority language should get their training in an environment where the language used is their own. Access to health care by French language minorities in Canada will be seriously jeopardized if there are no teaching hospitals such as Montfort.

As for those who claim that health professionals can always be trained in French in a mainly anglophone institution, I would remind them of the Supreme Court of Canada's position on the Charter guarantees concerning minority language instruction for our children. The Supreme Court acknowledges that minority language educational institutions must be complete, independent, and controlled and administered by the minority, where numbers warrant, as the Charter states. Given the size of Montfort's local clientele and of the community of francophone students throughout the province, there is no doubt whatsoever that this demographic criterion is met!

Last week, the office of the Right Honourable Jean Chrétien sent a letter to the S.O.S. Montfort Committee which stated the following:

Mr. Chrétien is sensitive to the situation of official language minorities, and the federal government considers that it has a moral duty to defend the legitimate point of view of these minorities everywhere in the country.

The Hon. the Speaker *pro tempore*: Honourable senator, your allotted time has expired, unless you have leave of the Senate to continue. Is leave granted, honourable senators?

Hon. Senators: Agreed.

Senator Simard: Thank you, honourable senators. In fact, when referring to linguistic school boards and the English-speaking minority in Quebec, Mr. Chrétien said this:

The Parliament of Canada has a duty to defend minorities wherever they happen to be in Canada.

Premier Mike Harris of Ontario gave the Health Services Restructuring Commission the difficult and thankless task of reforming the health care system in Ontario, in a context of increasing economic and budgetary constraints. It is not unusual for a government to ask a quasi-independent body to do this kind of job.

What would be unusual, and even intolerable, would be to see that same government, elected by the people to govern, hide behind that same commission, if the initial recommendation to close Montfort Hospital remains unchanged.

There is no doubt that in the final instance, the decision must be made by the political authorities. The buck stops there. True democrats realize this.

In concluding, I would ask all my honourable colleagues to join me in supporting the efforts deployed by Montfort and the language minority it serves to keep Montfort Hospital as it is, on the same site, with the same mission, and ensure that it continues to expand and to operate as an institution providing health care and teaching in French. As Edward Blake said nearly a century ago, let us give free rein:

... to higher, more profound and more genuine sentiments, to a liberalism and tolerance that is greater than what is ordinarily seen among a homogeneous people...

— in this case by urging the government to maintain Montfort Hospital and other, similar institutions.

Hon. Rose-Marie Losier-Cool: Honourable senators, I am always reminded of some wonderful memories of New Brunswick when I hear my colleague Senator Simard speak with such ardour in defending the francophone cause.

I also wish to thank Senator Simard for joining the list of many Liberal senators who have already declared their support for the survival of Montfort Hospital.

The whole issue of the survival of Montfort is still being examined by the Health Services Restructuring Commission and the hospital's administration. I would like to propose an amendment to the main motion of Senator Simard.

Honourable senators, instead of simply specifying the federal government and the provincial Government of Ontario, I want my amending motion to include all individuals with decision-making authority.

MOTION IN AMENDMENT

Hon. Rose-Marie Losier-Cool: Honourables senators, I move, seconded by the Honourable Senator Taylor:

That Senator Simard's motion be not now adopted but that it be amended by striking out the words:

“the federal government and the provincial Government of Ontario” and substituting the following:

“all the decision-makers”.

The Hon. the Speaker *pro tempore*: Honourable senators, it is moved by the Honourable Senator Losier-Cool, seconded by the Honourable Senator Taylor:

That Senator Simard's motion be not now adopted but that it be amended by striking out the words:

“the federal government and the provincial Government of Ontario” and substituting the following:

“all the decision-makers”.

Is it your pleasure, honourable senators, to adopt this amendment?

• (1600)

Hon. Jean-Maurice Simard: Honourable senators, I will be speaking to the amendment. I indicated to the leadership of the other side earlier this afternoon that I would like a few hours to consider the proposed amendment and consult my colleagues on this side. I believe it is agreed that the debate may continue tomorrow, and there are other senators on this side who wish to speak. However, before Senator Beaudoin and others take part in the debate, I would ask Senator Losier-Cool to explain the reasons behind the amendment to the motion.

Senator Losier-Cool: Honourable senators, I believe I explained it briefly earlier. The aim of my amendment is to include all persons or groups that are currently debating or examining the issue. The federal government, as you indicated, already has policies to support the francophone community. My amendment would include the other bodies and other decision-making levels, such as the Health Services Restructuring Commission. The study on the survival of the Montfort remains before this commission.

Hon. Gérald-A. Beaudoin: Honourable senators, I would speak to the main motion. We will consult each other today and then tomorrow I will speak to the amendment. I support the principle behind Senator Simard's proposal for the survival of the Montfort Hospital. Tomorrow, I would like to speak to the amendment by Senator Losier-Cool.

Senator Corbin: You must do so now.

Senator Simard: If you speak for less than 15 minutes, you can adjourn the debate in your name.

Senator Beaudoin: I will speak for five minutes.

Senator Corbin: You have to adjourn.

Senator Beaudoin: I want to make things easy. I will speak to the main motion today and to the amendment tomorrow.

Senator Corbin: May I ask a question of the senator?

Senator Beaudoin: You may.

Senator Corbin: Presently the Senate is dealing with an amendment. Normally the debate should be on the amendment. This does not prevent you from speaking to the main motion, but from what you are saying, you want to say a few words today and consult us on the scope of the amendment moved by Senator Losier-Cool, and tomorrow you will continue your speech?

Senator Beaudoin: That is correct.

Senator Corbin: Tomorrow your speech will be on the amendment and how you are going to deal with it. Is that right?

Senator Beaudoin: That is right.

Senator Corbin: Agreed.

Senator Beaudoin: Honourable senators, I will speak to the main motion for three to five minutes and, if I have any time left, tomorrow I will deal with the amendment.

The Hon. the Speaker *pro tempore*: Honourable senators, I believe the rules require that you now speak to the amendment. However, this is an amendment to a motion. It means you are really speaking to the motion, does it not?

Senator Corbin: That is correct.

Senator Beaudoin: If there is an amendment, there has to be a main motion. I cannot imagine one would stop me from speaking to the substance of the issue because an amendment to the main motion was proposed. That would be a first. I will talk about the amendment eventually; we will study it because it is interesting. However, today, I want to support Senator Simard on the main motion. I support that motion, pursuant to section 41 of the Official Languages Act, which states:

The Government of Canada is committed to enhancing the vitality of the English and French linguistic minority communities in Canada and supporting and assisting their development; and fostering the full recognition and use of both English and French in Canadian society.

We all agree.

Montfort Hospital is located in the National Capital Region. Canada is officially bilingual, and so should be its capital. By its very nature, the Senate represents the various regions of the country. Also, traditionally, the Senate has viewed itself as having the authority to protect the rights of minorities within the Canadian federation. There are numerous precedents in this regard. The Constitution must be respected.

Hospitals come under provincial jurisdiction and I will not address that issue, as it concerns the provinces. There is, however, another issue: language. In this country, language is protected under our Constitution and our laws. In my opinion, Montfort Hospital has symbolic value, and symbols are very important in a bilingual and multicultural federation like Canada. Montfort is scheduled to close down.

We are going through difficult times, and I think that what is happening to the Montfort Hospital is unfortunate. It is not constructive; quite the contrary, it creates a bad climate. We all know that the Canadian federal system is based on balance, and this balance must not be upset.

Tomorrow, I will continue to speak to the amendment. I urge Ontario authorities to reconsider their decision to close the Montfort Hospital, and I ask the federal government to get involved. It is certainly not too late to change the decision. That is all I will say for the time being. Tomorrow, I will get back to the amendment, along with other senators from both sides of the house.

Hon. Philippe Deane Gigantès: Did you go to Toronto to explain all this to Mr. Harris?

Senator Beaudoin: I do not need to go to Toronto. I read the Constitution and the Canadian laws, and that is enough for me. The issue is very clear.

Senator Gigantès: It may be that Mr. Harris does not understand it. You are a teacher and a constitutional expert. Why not go and teach a thing or two to your Conservative colleague?

Senator Beaudoin: I am addressing the Senate. I want the Senate to act. That is all.

Senator Gigantès: We all have to go to Toronto together with you.

On motion of Senator Beaudoin, debate adjourned.

[English]

AGRICULTURE AND FORESTRY

COMMITTEE AUTHORIZED TO MEET
DURING SITTING OF THE SENATE

Hon. Sharon Carstairs: Honourable senators, on behalf of the Honourable Senator Anderson, with leave of the Senate, I ask permission to modify the motion standing in her name. The modified motion reads:

That the Standing Senate Committee on Agriculture and Forestry have power to sit at 4:30 p.m. on Thursday, April 24, 1997, for the purpose of hearing witnesses on its study on Boreal Forest, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto.

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

Hon. Senators: Agreed.

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

Hon. Senators: Agreed.

Motion agreed to.

The Senate adjourned until tomorrow at 2 p.m.

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