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Tuesday, February 10, 1998

**THE HONOURABLE GILDAS L. MOLGAT
SPEAKER**

This issue contains the latest listing of Officers of the Senate, the Ministry,
Senators and Members of the Senate and Joint Committees.

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THE SENATE

Tuesday, February 10, 1998

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

Prayers.

THE LATE HONOURABLE GUY CHARBONNEAU

TRIBUTES

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

Honourable senators, it is with great sorrow that I learned of Guy Charbonneau's death last month. Although aware of the seriousness of his illness, which had affected him for many months, and of the deterioration that had set in the month before, his death came as a shock nonetheless.

I knew Guy for over 20 years and held him in high regard from the beginning. Indeed, I am proud to have been a friend of his.

[*Translation*]

Our former colleague Guy Charbonneau had many qualities, not the least of which were courage and perseverance. It was courage that found him serving with Les Fusiliers Mont-Royal in Europe during World War II. It was perseverance that was largely responsible for the victory of his political party in 1984, a party he served tirelessly for 40 years.

He was also an educated man, whose great courtesy and modesty served this house so well during his nine years as Speaker, whether in the house, or on official visits abroad.

[*English*]

The late Senator Charbonneau's conduct during the GST debate in the fall of 1990 led to extreme reactions in the Senate, including verbal and even physical abuse, which brought disgrace to this institution and certainly little honour on those who behaved so reprehensibly. Passions ran high during that period, and no doubt many would not want to be reminded of it today. It was a period when the Speaker's mettle was put to the test, and Guy Charbonneau met that test with calm and poise, with courage and perseverance. It was one of his finest hours as he protected the traditions of the chair from those who were ready to violate them for petty political advantage.

It does nothing to enhance one's respect for the media to recall that unjust attacks heard here led investigative reporters to pursue Guy Charbonneau's past, looking for blemishes on a record that was without blemish. There was a time, honourable senators, when it was an accusation to say, "He was a friend of Prime Minister Brian Mulroney," with the hope that the calumny unjustly heaped upon one man would soil the record of another.

How surely we share the blame for the excesses of those times and the responsibility for the pain that followed. Does it not remind us that the Speaker of this chamber is provided with no shields to ward off the temper of an agitated house? The Speaker remains silent while the rest of us can make statements that can be appropriately defensive. The Speaker remains silent while the rest of us can ask questions when we see or hear unfairness unmasked. Our Speakers are equipped to defend every senator but themselves.

Who would have thought that Guy Charbonneau would need anyone's help?

After receiving his Bachelor of Arts from the University of Montreal, he was commissioned in 1942 and served with Les Fusiliers Mont-Royal until 1944. He was promoted to captain in 1944 and named Air Liaison Officer with the French Wing of the Allied Tactical Air Forces in northwest Europe.

He received the B'nai Brith Canadian Award of Merit in 1986, the Grand Croix, Ordre de la Pléiade in 1991, and was Commander, Military and Hospitalier Order of St. Lazarus of Jerusalem.

Called to the Senate by Prime Minister Joe Clark in 1979, he served on four Senate committees until he was named Speaker by Prime Minister Brian Mulroney. As Speaker, he also chaired the Internal Economy Committee.

I will conclude with a quotation from Longfellow which former prime minister Mulroney quoted at the memorial service for Senator Charbonneau:

The heights by great men reached and kept,
Were not attained by sudden flight;
But they, while their companions slept,
Were toiling upward in the night.

[*Translation*]

Honourable senators, to his wife, Yolande, to his two sons and to his entire family, I offer my deepest sympathy. May Guy Charbonneau rest in the peace he so richly deserved.

[*English*]

• (1410)

Hon. B. Alasdair Graham (Leader of the Government):

Honourable senators, on September 30 last, in this chamber, I paid tribute to Senator Guy Charbonneau on the occasion of his retirement from this place. Today, such a short time later, we honour our recently deceased colleague, in fact, our longest serving speaker, who had so bravely endured a lengthy illness to the end.

Such courage was much in evidence throughout his life and was no surprise for those who knew of the great distinction with which he served as captain of the proud regiment, Les Fusiliers Mont-Royal, during active service in World War II. This was a courage which was a special kind of hallmark for Guy Charbonneau.

[Translation]

During the 18 years he sat in this chamber, Guy Charbonneau held to his convictions, did not waver in his loyalty, and remained faithful to his party and his country.

[English]

At the very moving memorial to our departed colleague, which I attended only a short time ago in Montreal, the deep feelings he inspired among his friends were very much in evidence, particularly during the eulogy which was given by former prime minister Brian Mulroney. A soldier and a gentleman to the end, Guy Charbonneau will always be remembered as a committed, unswerving patriot with a brave and passionate heart.

To his family, we extend our deepest sympathy.

[Translation]

Hon. Normand Grimard: Honourable senators, Senator Charbonneau, who died on January 18, was Speaker of the Senate for the nine years the Conservative government was in office, after having succeeded in the business world through sheer tenacity. He was also a dominant figure in the Conservative Party in Quebec City for almost three lean decades. This long drought, in case senators have forgotten, preceded the election of Prime Minister Mulroney in 1984. Our party could not recruit even 600 members in all of Abitibi, Rouyn-Noranda and Témiscamingue.

As I did on September 30, 1997, when the distinguished senator retired from this chamber, already feeling the effects of his terrible illness, I will again point out that my good friend Guy left this world with the satisfaction of an obligation fulfilled in many areas: in his personal and professional life, in business as in politics, and through the constant support he provided to his friends and his family, in particular his wife Yolande, to whom my wife Dolly and I send our special wishes.

Historians will be the final judges of the actions of the late Senator Guy Charbonneau during the first part of his second term as Speaker. Personally, I have no doubt that these scribes will rule in his favour, because of his great contribution to the public life of a country he loved and served, beginning as a soldier.

I truly regret that Senator Charbonneau's illness prevented him from enjoying the happy retirement wished on each parliamentarian who retires from his duties in this chamber. His retirement was so short as to barely have existed. God had other plans for him.

If we were to look for some general phrase to sum up Senator Charbonneau's life, I think he would approve of the words spoken by Don Rodrigue in Corneille's play *Le Cid*:

I would do it all over again if I had to.

We extend our deepest sympathies to those Senator Charbonneau left behind. A wonderful husband, a great parliamentarian and a noble-hearted man — we have lost them all.

[English]

Hon. Brenda M. Robertson: Honourable senators, I was especially saddened by the news of the death of our former colleague the Honourable Guy Charbonneau. Canada has lost a patriot, Quebec has lost a faithful son, Yolande has lost a loving husband, his family has lost a devoted father and I have lost a very good friend.

I shall always remember the first time I met Senator Charbonneau in 1976. It was at the Conservative Party leadership convention where we both worked as volunteers. At that time, I was struck by how quietly unassuming he was as he went about his tasks. I quickly realized that he was a man who did his job as efficiently as he could without making a big fuss about it.

During that convention I also learned that Senator Charbonneau had a deep commitment to the political process and to the importance of providing Quebecers with a federal alternative to the Liberal Party. To Senator Charbonneau the Conservative Party had to survive in Quebec because he believed it served the interests of a more competitive political process and ultimately better government for all Canadians. I believe, fundamentally, that is why Senator Charbonneau gave so unselfishly of himself to his party and through his party to his country.

When I was named to the Senate, along with Senator Staff Baroote and Senator Finlay MacDonald — we three were appointed on the same day in 1984 — my friendship with Senator Charbonneau was renewed. He often invited me to lunch in the Speaker's chambers, when he was not officially entertaining, where we would usually enjoy a meal centred around radishes and lots of salt.

He helped me at a time when I felt out of place and unsure of myself, as I suppose all new senators feel. His support and his kindness during those early and also very busy years was important to me. Through his guidance and his gentle encouragement I soon developed a comfort level with this institution which he continued to enrich until his illness a few years ago.

I shall miss Senator Charbonneau, but shall always be grateful for the friendship which he wilfully gave. I join with my colleagues in expressing to Yolande and his family my deepest sympathy at this time.

[Translation]

Hon. Fernand Roberge: Honourable senators, the death of Guy Charbonneau was a sad event for all those who have had the pleasure of working with him and of getting to know him. Guy served his country with honour in the Second World War; he was a captain in the Fusiliers Mont-Royal. He acted as Air Liaison Officer with the Allied Tactical Air Forces in northwest Europe. Until he became too ill to continue, he was honorary colonel of his regiment.

Guy was a pillar of the Progressive Conservative Party for 50 years. I had the privilege of making his acquaintance at the 1976 leadership convention. Over the following years we worked together, our efforts culminating in Brian Mulroney's successful bid for the leadership of our party in 1983.

The Prime Minister acknowledged his great competency by appointing him Speaker of the Senate from 1984 to 1993. His wife Yolande was the soul of generosity and courage right up to the end, and our prayers are with her in these difficult days.

Hon. Serge Joyal: Honourable senators, if I may, I would like to add my words to the tributes to Senator Charbonneau by my colleagues on the other side of this house. I do so because I had the great privilege of having been his successor as the senator for Kennebec, as well as having had the pleasure of his acquaintance for a great many years.

I would like to pay tribute to his great civility, his great discretion, and in particular to his generous spirit. Those of us who have been in politics long enough to have had long service within a party know how much courage, generosity and conviction are needed to get through the dark days as well as the bright ones. If there is one quality we can particularly associate with Senator Charbonneau, it is his vision that there are periods of grace among the day to day difficulties. His portrait in the Speakers' Gallery attests to that. You will have seen, as I have, the determination in his eyes. You will have seen that his pose matches the determination he put into meeting all the objectives he set for his life: belief in a united country, family life despite the heavy demands of his political life, and finally the determination that one may, once the daily toils are over, take a well-deserved rest in the twilight of life with the assurance of a job well done.

[English]

Hon. Marjory LeBreton: Honourable senators, I rise today to honour the memory of a friend and colleague, the Honourable Guy Charbonneau, who passed away just over a month ago.

Colleagues in this place are rightfully paying tribute to his very full life and his contribution to his beloved Canada. I speak of the human being and how events must surely have made their mark on him.

No one can deny his loyalty to his country and to his political party. I first met him over 30 years ago. At the time, being a Progressive Conservative from Quebec was an act of utmost faith and loyalty. He was always the optimist and never gave up on

our struggle to make our party a truly pan-Canadian one. It is to be celebrated that he lived long enough to see this happen.

Like anyone involved in politics, he had his detractors. Why, even after his death, a *Globe and Mail* journalist wrote a tasteless dissertation comparing the events of his death to an event in Toronto involving former prime minister Trudeau and the launch of the English version of *Cité Libre*. I wrote a letter to the editor objecting, but, as is so often the case in this town, the so-called Ottawa elite has the last word.

Not this time. I felt that since these two Canadians were the subject of his comparison in *The Globe and Mail*, perhaps he should have completed the picture. Both were young French Canadians at the outbreak of World War II. One chose to join other Canadians and fight Nazi oppression and to fight for freedom. The other, as is well known, chose not to do so.

Upon his death, I reflected on a conversation I had with Guy Charbonneau in late 1990. The Meech Lake Accord had been killed in June, and he had just come through the rigours of the GST debate. He worried about the impact of both these events — the failure of Meech Lake on the future of his beloved Canada and the impact of the GST shenanigans on the future of the institution of Parliament and, indeed, of this very Senate. He worried that we may never recover from both events.

I was then left to wonder whether, when Guy Charbonneau fought for Canada and for our freedom, including freedom of speech, he ever thought that he would be in this Parliament and have words spoken to him such as, quoting directly from *Debates of the Senate* back then:

Mr. Charbonneau is no longer morally our Speaker. When he opens his mouth, we will not hear what he says. When he decides something, we will not want to know about it. When he enters the Senate, we will not see him. If he sits again on the Chair, we will only see an empty chair. I am sorry to say that Speaker Charbonneau has ceased to exist. He is a ghost.

It is a pity that the person who uttered those words has chosen not to be here at this precise moment. Or:

You have been prostituted by two men: Lowell Murray sitting there, and Brian Mulroney. You, Guy, who have had a distinguished military career, a distinguished business career, have been destroyed in this House by those two individuals.

I wonder if the thought crossed his mind, as fists were shaken in his face and this place collapsed in a cacophony of whistles and kazoes, that this scene before him did little to dignify all for which he had fought. Seven and a half years later, most thinking people, and according to surveys, a large majority of Canadians, regret the loss of the Meech Lake Accord, and — what do you know — we still have the GST. Throughout all of this, Guy Charbonneau maintained his gentlemanly dignity, but his concerns are as valid today as they were then.

To his wife Yolande, his children and their families, you have my deepest sympathy. You have lost a loved one, but you have much to look back on with great pride.

[Translation]

Hon. Gérald-A. Beaudoin: Honourable senators, our colleague Senator Guy Charbonneau passed away in January barely a few months after retiring from the Senate.

He was born on June 21, 1922 in Trois-Rivières, the home of my ancestors. He graduated from the University of Montreal and McGill. He was in the military in the Second World War and afterward went into business, most successfully.

Appointed to the Senate by Prime Minister Joe Clark on September 27, 1979, he sat on a number of committees, including the committees on banking, trade and commerce, national finance and transport and communications. He served as the Speaker of the Senate from October 1984 to December 1993.

I came to know him after my appointment to the Senate in September 1988. The years that followed were turbulent. Between Christmas and New Year's Day, following the 1988 general election, Canada signed the free trade agreement, which came into force on January 1, 1989. Then came the famous debate on the GST, which caused a lot of ruckus. The measure was finally passed and remained in place following the 1993 election. The vigorous debate has gone down in history. Speaker Guy Charbonneau kept the ship afloat with courage and determination. Historians will assess this period of our history.

He was awarded the Ordre de la Pléiade in 1991, among the many other honours he received.

The death of Senator Guy Charbonneau distresses us all, and I would offer my deepest sympathy to his wife, Yolande, and his family.

Hon. Marcel Prud'homme: Honourable senators, I would, very briefly, like to pay tribute to my longtime friend Guy Charbonneau. I want to offer my most sincere condolences to his wife. I paid final tribute when I attended his funeral service in Montreal along with a number of our colleagues, including you, Mr. Speaker, and the leader of the government.

I will not repeat what has already been said. I will let history judge the unfortunate events in the Senate. However, as the Right Honourable Brian Mulroney put it in his tribute at the funeral, Quebec has lost a loving son and Canada, a loyal patriot. This is what I want to remember of Guy Charbonneau, and I want it clearly noted.

[English]

THE LATE HONOURABLE GERALD R. OTTENHEIMER, Q.C.

TRIBUTES

Hon. John Lynch-Staunton (Leader of the Opposition): Honourable senators, the St. John's *Evening Telegram*, in a warm and knowing tribute to our late friend and colleague Gerald Ryan

Ottenheimer, noted that he died of cancer at the young age of 63. Yes, young indeed. Well into middle age, he carried with him the sparkle and enthusiasm of a newly-minted president of a junior chamber of commerce; a man whose enthusiasms and excitements buoyed the spirits of others with him in this place, where sobriety is not the only valued ingredient of second thought.

• (1430)

It was the same, we were told, in the days 30 years ago when Senator Ottenheimer led the three-man opposition in the Newfoundland legislature. The *Evening Telegram* described that period when Premier Joey Smallwood "was at his most dictatorial" as a "rough introduction to politics for the urbane, civilized Ottenheimer, a man who even his opponents admired for his unfailing good manners."

Senator Ottenheimer's good manners were on display repeatedly in this chamber as in his splendid contribution to the debate on Term 17 of the Terms of Union of Newfoundland in June of 1996. It was a matter on which Senator Ottenheimer had firm convictions. Still, he found it necessary to allow for the differences of opinion of others, or the possibilities of misunderstandings of what the Newfoundland government was hoping to do with its campaign to eliminate minority rights.

Again and again, Senator Ottenheimer made his own position clear; there could be no doubt about that. He said:

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

Honourable senators, that speech fills most of five pages in the record of the *Debates of the Senate*, and reflects on the wisdom and experience of a man who had served 16 years and held two portfolios in the Government of Newfoundland. To anyone concerned with the role that the Senate plays in the national dialogue, a re-reading of the words of our Speaker *pro tempore* on that day could be time well invested.

To his wife Alma, his children and the family, I offer deepest sympathy, with the hope that they will find some consolation in the knowledge that their grief is shared by many who were fortunate not only to know Senator Ottenheimer but to profit from a privileged association.

Hon. B. Alasdair Graham (Leader of the Government): Honourable senators, Senator Gerald Ottenheimer, so sadly recently deceased — and far too young — was a light of wisdom in this place; an urbane and scholarly gentlemen of high intellect who was a real citizen of the world.

Senator Ottenheimer was educated in Rome, Paris, London and New York. His love, passion and facility for languages was renowned. In spite of his very deep understanding of the global community, his heart and soul belonged to his beloved Newfoundland and, indeed, to Memorial University.

It was in that wonderful province, a place where European seamen of Basque, Norman and Portuguese descent were fishing in the ice and fog on the Banks a century and a half before the arrival of Cabot, with the Viking presence many centuries before that, that this civilized man of unfailing diplomacy and mannerliness made his home. It was in that same wonderful province where the young Gerald Ottenheimer first locked horns with the late Joey Smallwood, one of Canada's most colourful Fathers of Confederation.

The Leader of the Opposition referred to the fact that Senator Ottenheimer was leader of what was then referred to as the "Gang of Three" — Tories to a person, of whom it was said that they could really meet in a phone booth. He was Leader of the Official Opposition in Newfoundland at the time when Mr. Smallwood had forged a huge majority in the elections of 1966, and fully intended to rule as though that same opposition did not exist.

To get the full flavour of the sheer guts that Senator Ottenheimer had, one ought to have known Mr. Smallwood. This famous line of his may have to suffice for now:

I am King of my own little land, and that's all I have ever wanted to be.

Honourable senators, there are no nuances in that. It took a steel will, great courage and strength of character to force a return to two party politics in that province at a time when, as someone said, "only small game laws protected opposition members in the House of Assembly." Without the late Gerry Ottenheimer's good work, it has been further said that this may never have happened.

Of course, others have also done great work in the Newfoundland House of Assembly. For example, along came people like Senator Bill Doody, who went on to strengthen the forces and to help lead the Conservative Party back to government. Senator Doody at that time served as a distinguished Minister of Finance in his home province.

During his 16-year tenure in Newfoundland's House of Assembly, Senator Ottenheimer served as House Leader, as Minister of Justice and as Minister of Energy. He brought his fair-mindedness and enthusiasm to the Canadian Senate upon his appointment here in 1988.

In his final days with us as Speaker *pro tempore*, Senator Ottenheimer continued to serve as the fair and gentle patriot who rarely let partisanship interfere with his duties.

As an active participant in the Commonwealth Parliamentary Association, he worked hard to keep the process of democratization alive across the globe. He and I had many discussions about that. He worked hard to keep the dream alive; the dream and the determination to build a better world. He worked hard to inspire the conviction and belief which sustains men and women in the struggle for freedom and human rights. He met with and helped advise the many parliamentarians who were setting up democratic institutions in civilian societies across the planet. Macaulay once said that the highest intellects, like the tops of the mountains, are the first to catch and to reflect the dawn.

We were all privileged to serve with Gerry Ottenheimer because he brought much life, urbanity and wisdom to this place. He was, indeed, a parliamentary gentleman. He was as committed to the basic rights and freedoms of his countrymen as he was to the basic rights and freedoms of little people across the world. However, he was a parliamentary gentleman whose heart remained — unequivocally and always — with the descendants of Europe's boldest seamen and fishers: the proud people of Newfoundland.

To his family, we extend our deepest sympathy.

Hon. C. William Doody: Honourable senators, I rise with a great deal of sorrow to add a few words to the tributes being paid to our late colleague Gerald Ottenheimer.

I have known Gerry Ottenheimer for most of my life. Indeed, we went to the same grammar school in St. John's and the same high school, although he was a few years behind me, since he was a bit younger. I may say quite honestly that that was the only time he was behind me in anything. He was so far ahead of me intellectually, scholastically and in political astuteness, kindness and generosity that it is hard to imagine a better friend and a finer man.

His academic career was quite remarkable. The preceding speakers have mentioned some of his accomplishment in this area. He went to Fordham University in New York; to Memorial University in St. John's; to the University of Paris, the University of Rome, and Cambridge in the United Kingdom, where he obtained his master's degree in law.

He had an amazing talent for languages, an ability to pick up languages that was quite extraordinary. He was well versed in English and French; he also spoke Portuguese, Italian and Greek. I used to watch him with amazement in the House of Assembly in Newfoundland, taking notes as he listened to speeches from the other side. He would take his notes in Greek. It was certainly secure, no question about it.

• (1440)

He also spoke Russian. I remember him practising his Russian verbs here during that infamous GST debate. He sat there quietly and patiently and let the world rage around him while he continued to work on his Russian verbs.

Early on, he decided that his vocation was to be politics — or, perhaps more precisely, public service. He was first elected to the Newfoundland House of Assembly in 1966 and was re-elected in each subsequent provincial election until 1985, when he was called to this place. As others have mentioned, he served in a number of cabinet positions and served with great distinction as the Speaker of the Newfoundland House of Assembly.

When Gerry began his political life, before he was first elected, and afterwards, he brought the PC Party to rural Newfoundland for perhaps the first time since Confederation. He prepared the way for the Moores and Peckford administrations which subsequently won election. Gerry was a pioneer. It was a long and lonely road out in rural Newfoundland in those days. The cheering throngs of PCs were difficult to find. As a matter of fact, they were non-existent. He persevered and pressed on with tremendous tenacity, and the results demonstrated themselves.

Gerry was a man of tremendous accomplishments and talents but, above all, he was a modest man. One would be hard pressed, from speaking with him or listening to his conversations, to imagine that he had accomplished so much. I can never remember Gerry saying, “When I was at the University of Paris,” or, “When I was at Cambridge.” He was far more likely to tell you about a nomination meeting in St. Mary’s Bay when he was introduced as “Gerry Ockentimer.” Ottenheimer is not a name that is easy to pronounce in some of the Irish communities like St. Mary’s Bay. Nevertheless, they nominated him, acclaimed him, elected him, and loved him because he was a man among men — and a gentleman above all.

I was proud to have known him. I shall certainly miss him. I think we will all miss him. I offer my sincere condolences and sympathy to Alma, to his four daughters, to his brother, John, who now serves in the House of Assembly, to his son-in-law, who is currently the PC Party leader in Newfoundland, to all his family, and to his countless friends. Bon voyage, Gerry!

Hon. Bill Rompkey: Honourable senators, I also want to remember Gerry Ottenheimer.

There is a line in a song by Joni Mitchell that you may recall:

You don’t know what you’ve got ’til it’s gone.

At the commemorative service in St. John’s it occurred to me that I wished I had got to know Gerry Ottenheimer a lot better. As Senator Doody says, he served in a number of cabinet positions, and in the opposition when it was at a low ebb in St. John’s. However, there was a time when the Tory Party was not at a low ebb. One of those times was during the Peckford days. I think Senator Doody will agree that relations between the Peckford government in St. John’s and the Trudeau government in Ottawa were perhaps frosty, to understate it.

Perhaps that was the difficulty that accounts for the fact that I did not get to know Gerry better. I wish I had. I did get to know

him better through that commemorative service. I got to know him from his wife and his daughters, who have all gone on to have exceptional careers. One is doing a Ph.D. in sociology and will be teaching at Memorial University. He treasured his daughters and his family.

He treasured his books. His wife told me that he would be careful with each one of them. He knew where they were on the shelf, and he would say to his daughters, “Be careful how you handle that book. Put a book mark in. Do not turn down the pages. Treat it with respect.” He was a learned man who had a love of learning and books.

He treasured his roots. He was connected with the Ryan family, a historic family of merchants in our province, who lived in Trinity, the historic fishing community. He treasured those roots. He had a cottage on the sea, on Trinity Bay, which he loved to visit.

I heard about Gerry from his law partner, Charlie White, who said that he was a thoughtful, considerate and conscientious man. Charlie said they would sit up into the night talking about very deep, thoughtful and philosophical questions.

Gerry Ottenheimer was a man not motivated by money. Gerry Ottenheimer was a man motivated, as Senator Doody has said, by service.

I also heard about him from his priest, Father Molloy, who also happened to be a good friend of his. Gerry Ottenheimer was a man of faith, a practising Catholic, who went to church regularly when he could in St. John’s. Right up to the end, he was in touch with his church, in touch with his priest. Father Molloy told us that Gerry had made peace with himself and with his maker, and that he was perfectly content to leave the life that he had had, a life of great respect, a life of service, a life of work for other people.

As a Newfoundlander, I wish to add my voice to Bill Doody’s to say that we were proud of him. He was a dedicated politician. He was Speaker *pro tempore* of this place and he was known internationally. I will not repeat what Senator Doody has already said, but he was a man that I was proud of, and I knew his reputation I did not get to know him as an individual, and now there is not the opportunity, but I will remember him.

I should like to offer him some lines from Stan Rogers, that Nova Scotia balladeer:

We rise again in the voices of our children.
We rise again in the laughter of our songs.
We rise again like the waves on the ocean.
We rise again.

We will remember Gerry Ottenheimer and remember him well.

Some Hon. Senators: Hear, hear!

Hon. Ethel Cochrane: Honourable senators, I also was deeply saddened by the loss of Senator Gerry Ottenheimer.

As a fellow Newfoundlander, as well as a fellow Conservative, I came to know him very well, especially during our years together here in Ottawa. Like all who knew him, I developed a sincere respect for his intellect and his scholarly approach to the political process and the issues of public policy with which we deal. I admired his knowledge of parliamentary procedure and his respect for our traditions. I valued his gentlemanly character and his good humour.

I know that all of his colleagues here, of whatever political persuasion, admired and respected Senator Ottenheimer for those same qualities.

For over three decades, Gerry Ottenheimer served his party, his province and his country in public life. He helped to build the Conservative Party of Newfoundland in the sixties and was first elected to the House of Assembly in 1966. He was Leader of the Opposition from 1967 to 1969.

During the 1970s and 1980s, he served in Conservative provincial governments as Minister of Intergovernmental Affairs, Minister of Education, Speaker of the House of Assembly, Minister of Justice and Attorney General, Minister of Labour, Government House Leader, and Minister of Energy.

Since 1987, he has been a valued member of the Senate, including serving as Deputy Speaker since 1991.

The loss of Senator Ottenheimer will be mourned throughout the world — not just here in Canada. He was a former chairman of the Commonwealth Parliamentary Association and maintained contact with legislators in many other countries. I recall when I visited Australia last year, I met a number of Australian parliamentarians who knew Gerry and inquired about him.

During his years in the Senate he served on the Foreign Affairs Committee and maintained an active and scholarly interest in both Canada's foreign relations and domestic developments in other countries. In addition to his interest and experience in international parliamentary relations, Gerry Ottenheimer spoke at least eight languages. Because of those skills and experience, he was often called upon to represent the government in meetings with foreign delegations, both here and abroad. In effect, he served during the past decade as Canada's unofficial ambassador to foreign parliamentarians. I am sure that Gerry would be delighted if that was how we were to remember him.

• (1450)

[Translation]

Hon. Marcel Prud'homme: Honourable senators, I immediately realized that this distinguished senator was in a class of his own. The first time we met, this native of Newfoundland greeted me in perfect French. It was clear to me that there was something special about Senator Gerry Ottenheimer.

I later found out how easy it was for him to pick up new languages. I discovered his incredible talent while travelling with

him. There is one aspect of his life that may have been overlooked and that is his unconditional support for the Meech Lake agreement. He was in Newfoundland at the time and I think that, as a French-speaking Quebecer, I must point this out. He always told me that it was unfortunate — and in this respect I agree with the people in the party I served so faithfully for 40 years — that the Victoria agreements negotiated by Mr. Trudeau and the Meech Lake accord had failed.

I got to know him better when I was in Newfoundland with him for the first referendum on the language issue. He worked relentlessly, determined to ensure that minority rights would be respected. You will recall the speech he gave in the Senate which had a great impact on me; I am still moved by it. I know for a fact that, if he had been here for our last debate on the Quebec school board issue, he and I would have taken a similar stance. Unfortunately, you know what my circumstances were; I was unable to attend that debate. It was the first time in 34 years. Incidentally, I was elected 34 years ago today. For the first time in 34 years, I was away from Parliament for about 15 days.

During the difficult times I went through, who do you think was watching over me almost constantly? Gerry Ottenheimer, who was fighting for his own life in Newfoundland. I learned from him civility, a taste for excellence and concern for the rights of minorities wherever they are. I also travelled with him. I had begged him to come to Lebanon and Koweit with me. Even though he was my guest, I made him the leader of our delegation since he was the Deputy Speaker of the Senate.

You should have seen him. He was impeccable, an extraordinary ambassador for Canada and for peace. I will always remember this meeting in Kuwait, where we had the honour of meeting the emir, the Crown Prince, the Prime Minister and Parliament members. We were approached by all the Canadian military lobbyists who kept asking us — given the extraordinary opportunity to meet these prominent figures — to help them sell weapons to Kuwait. You should have seen Senator Ottenheimer that evening when he told me: "After all, I do not sell arms, I sell peace, understanding and openness."

I visited him in Trinity. What a privilege it was. I got to know his four daughters and his wife, Alma. Listen to the names of his four daughters: Géraldine, Suzanne, Bernadette and Anne-Marie. Rather impressive, no? Four daughters with names like that in Newfoundland. Today, I want to thank them for making me discover Newfoundland, and also to assure them of my everlasting friendship. I will get an opportunity to see them again next summer. I could not attend his funeral because I was prohibited from flying. Otherwise, I would have been the first one there. Again, I sincerely regret not being able to attend.

[English]

Hon. P. Derek Lewis: Honourable senators, as a senator from Newfoundland, I should like to associate myself with and endorse the remarks made by senators with respect to the late Senator Gerald Ottenheimer. I do not intend to repeat what has already been said concerning his career and his achievements; that has been expressed quite well. However, I regarded Senator Ottenheimer as a good friend, and I found he and his wife, Alma, to be gracious hosts.

When he was Minister of Justice in Newfoundland — and, of course, he was a Conservative, whereas I was a supporter of the Liberal Party — I always found him approachable, and receptive to ideas that I might have had with reference to matters concerning the legal profession in the province.

Honourable senators, I must emphasize that Gerry was a good citizen of Newfoundland and Canada, and he will be sorely missed by us all. To his wife, Alma, and his family, I extend my deepest sympathy.

Hon. Janis Johnson: Honourable senators, I, too, wish to add my tribute to those paid to Gerald Ottenheimer and to join my colleagues in expressing my sympathy to Alma and the family, whom I know very well from my days in Newfoundland in the 1970s.

Gerald was a unique man. He was an excellent cabinet minister, very dedicated to public service, as well as a very learned individual, whose wealth of knowledge I used to admire greatly. He could talk about many things, from poetry to history to language, mostly about his latest love, which was learning Russian.

It was ironic that I inherited Gerry Ottenheimer's office when I came to the Senate. He moved down the hall to a little larger office, and apologized to me for three years because my office was smaller than his. It was not his fault, of course, because he had seniority, but he was extremely sensitive to other people's feelings.

My best times with him and Alma were spent in Trinity Bay at their summer home or in their wonderful house on Waterford Bridge Road. Their hospitality was wonderful, as my Newfoundland colleagues well know.

Above all, his ability to learn and his constant quest for knowledge was an extraordinary quality. His wife will tell you that he always wore out the left shoe of every pair of shoes he ever owned because he would pace whenever he was thinking. After he sat down, he would then get up and pace some more. Alma was always having to buy him new shoes for every occasion.

It is very sad to lose such a wonderful colleague, someone I have known for 20 years. I will always remember Gerry as a devoted Newfoundlander and a true gentleman. I will miss him and I will miss our chats about our Senate work and Newfoundland, and I will remember all the things he taught me about my job here. I feel privileged to have worked with him.

My deepest sympathy to all the family. I hope we will get together soon.

The Hon. the Speaker: Honourable senators, please rise for a minute of silence.

Honourable senators then stood in silent tribute.

SENATORS' STATEMENTS

OLYMPIC WINTER GAMES

OPENING OF 1998 GAMES AT NAGANO, JAPAN

Hon. B. Alasdair Graham (Leader of the Government: Honourable senators, I think that all of us who heard the wonderful chorus that opened the Nagano Olympics, the glorious chorus of voices in Nagano and the massed choruses around the world which performed the magisterial *Ode to Joy* — choruses which performed at the Brandenburg Gate, in False Bay near Cape Town, inside the General Assembly Hall of the United Nations, in front of the Forbidden City in Beijing, as well as on the steps of the Sydney Opera House — were overwhelmed by the emotion of the moment.

On that late afternoon in February, the spirit of a linked world captivated millions across the planet. It was hard to imagine that over 50 years ago, with the prospect of an allied invasion of Japan growing, the Imperial family withdrew from Tokyo for a last stand in the snowy mountains outside Nagano.

As the Eighteenth Winter Olympics opened in the spirit of peace and under the umbrella of the Olympic Truce, it was hard to picture the rubble of several Japanese cities testifying to the devastation and horror of the atomic bomb.

Old conflicts and old wounds were forgotten as we watched the opening celebrations; as we saw the mixture of high technology and ancient traditions; as we saw jets soaring overhead and watched 500-pound Sumo wrestlers stamping out evil spirits; as we heard the temple bell ring out the first official sound of the opening ceremony from the wonderful Zenkoji Temple, a sacred place that dates back over 1,300 years.

In Nagano, a magical frame of mind captivated the spectators and the 2,450 athletes from 72 countries as they marched into Minami Stadium, many of them moved by laughter and tears of joy. As our all-time largest and most ambitious Winter Olympics contingent of 154 athletes marched proudly with them into that stadium, including 41 previous Olympians, they did so under the overwhelming panorama of an Eastern culture in a place where East and West united; in a place where the continents of the world were united in the spirit of peace and good will.

When the final torch relay runners brought the Olympic flame into the stadium, Chris Moon, a British officer who was a victim of a land-mine which exploded when he was helping to remove mines in Mozambique, came with them, a representative of the Land Mine Survivors Network. I believe that at that time all Canadians, for obvious reasons, stood just a little taller.

The Olympics mean many things. They are about skating faster and soaring higher; about a new sport called "boarding," replete with its own vocabulary; about rock and roll sports like freestyle skiing. They are about the dangerous curves of speed skating and the thrill of a slapshot on open ice in men's and women's hockey. They are about sports with long and proud histories, like the biathlon and curling, and TV-driven events like the aerials.

[Translation]

Honourable senators, the Olympic Games also mean national pride, courage, and the pursuit of excellence. They mean hours of hard training, the pain of defeat and the joy of winning.

[English]

The Olympics are about a planet united, about the bonds that bring us together being stronger than those keeping us apart. They are about reflection on all those citizens of the world who gathered in Paris 50 years ago to sign the historic Universal Declaration of Human Rights.

The Nagano Olympics are the last winter games before a new millennium. They bear all the promises that the future holds. They are a dream that the Olympic Truce will hold through the dawn of a new century.

Most of all, these games are about the power of the simple, timeless dignity of the human spirit, of the human heart. They are about a magical state of mind, about a remarkable power alive and well in the winter air of Japan.

Honourable senators, you do not have to look very far to see it, because that power is us.

NATIONAL DEFENCE

POSSIBLE STRIKE BY WESTERN NATIONS AGAINST IRAQ— STATE OF READINESS OF TROOPS AND MATÉRIEL

Hon. J. Michael Forrestall: Honourable senators, as I speak today, an armada of some three aircraft carriers, five destroyers, three frigates, a cruiser, and one attack submarine gather in the Persian Gulf. More ships are on their way, including another submarine, a destroyer, an aircraft carrier, a helicopter carrier, a cruiser — primary defence for the carrier group. Well over 300 aircraft sit at the ready, prepared to strike a deranged and very disturbed dictator.

Saddam Hussein, armed with weapons of mass destruction, such as VX nerve gas, anthrax, botulinum toxin, and a very large conventional military, threatens his neighbours and the civilized world.

Honourable senators, our closest historic allies and our largest trading partners sit poised to strike to effect the mandate of the United Nations and this government has only a token force to offer in support. What has happened to our nation; a nation which contributed so significantly to past conflicts — World War I, World War II and the Korean War? We are a member of the G-7. We are a full NATO partner. Have we sunk so low that we have virtually nothing to offer? Are we a sideshow now among our allies? Are we an international afterthought?

Wither the Canadian forces? So much for the 1994 defence white paper in which many of us placed so much hope. I will wager that that white paper is something about which Liberal left-wing thinkers would like to forget. I think they were scared

by their own defence policy and have failed to implement any of its very urgent and required recommendations; recommendations such as submarines, replacements for the Sea King, new multi-role support vessels for the navy, 3,000 extra soldiers, new armoured personnel carriers for the Canadian army, upgraded weaponry, and search and rescue helicopters for the Canadian Air Force. I refer my friends across the way to chapter 7 of that National Defence white paper, in case you have not read your own particular defence policies.

• (1510)

To date, this government has only recently chosen replacements for the Search and Rescue helicopter fleet, equipped their G-life endangered CF18s, and ordered some armoured personnel carriers in the form of the LAVs which we are now beginning to receive. The 3,000 troops for the army are in danger of being cut — and indeed are now projected to be cut. The submarines have not materialized, nor have the replacements for the old and venerable Sea King helicopters; Canada has not approved new multi-role support vessels — all of which men and equipment are necessary for peace-keeping, peace enforcement, and high intensity combat.

The Hon. the Speaker: Honourable Senator Forrestall, I regret to have to interrupt you, but your allotted three-minute period is over. Have you concluded your statement?

Senator Forrestall: No, I have not.

The Hon. the Speaker: Are you requesting leave to continue?

Senator Forrestall: Yes.

The Hon. the Speaker: Is leave granted?

Hon. Senators: Agreed.

Senator Forrestall: Honourable senators, I thank you for your indulgence. In any event, the whole thing just gets worse. My colleagues should glance at least once at chapter 6 of that same National Defence white paper, entitled “Contributing to International Security,” and read therein what is suggested as a possible Canadian contribution to multinational operations such as the one now underway in the Gulf — something of critical importance to this nation and to all responsible nations when a maniac has deadly weapons of mass destruction, has used them in the past and demonstrates a willingness to use them in the future.

The 1994 Defence white paper says that the Canadian Forces should be prepared to deploy a joint task force comprising one or more of the following units: a naval task force of four ships; three separate battle groups or a brigade group; a fighter wing; a transport squadron, and other personnel to support it.

What are we offering? Perhaps a destroyer. We heard today, just a short hour ago, an announcement that one of our new destroyers, together with one aging helicopter and a few land side personnel, are being diverted to the Gulf from assignments elsewhere.

Honourable senators, to have equipment in place takes time. We might have been able to get there in time had we had this kind of equipment and support. Either we continue in a cooperative defence posture with alliances such as NATO and the United Nations and fulfil our role in those undertakings, or we withdraw. We cannot have it both ways and expect a continuation of the kind of respect that has been shown in the past for the thousands upon thousands of Canadians who have given their lives in conflicts all over this globe.

HEALTH

DEDICATION OF MEDICAL PROFESSION—TRIBUTES

Hon. Eugene Whelan: Honourable senators, I wish to take a few moments to pay tribute to the medical profession of this great country of ours: the ambulance attendants, the nurses and the doctors, who all work or are on call 24 hours a day, seven days a week, for their dedication. Without their dedication, how could we survive?

I know this from my own personal experience: One year ago today, the doctors, the nurses, the ambulance attendants, my local ambulance squad — which is made up of volunteers, much like a service club — took me from my home to the hospital at Hotel Dieu, Grace, Windsor. Here again, the emergency staff, the doctors on duty — and we were lucky, because no one was in the emergency room at that time — if they had diagnosed my condition improperly as a heart attack, I would have died. However, they diagnosed it properly as a ruptured aorta.

They then directed me to be taken to the London University Hospital Science Centre. There again, we were received by these expert and dedicated people who have no real known hours of duty. They are there on call. They serve.

At the University Hospital Science Centre, the doctor who was heading the surgery team on a heart and lung transplant operation finished at 9:00 p.m., was back on duty at 11:00 p.m., led the surgery team on my operation starting at 4:00 a.m. and finishing at 9:30 a.m. in the morning.

Honourable senators, I say to you that without these knowledgeable, caring people, I never would have survived. This is my anniversary; a year ago this day, February 10, I received this wonderful care. The surgery that they performed on me that day was successful. I saw the doctor about one week ago in London, Ontario, and he looked at me as though I were a walking miracle.

To the doctors and the medical staff, the ambulance attendants, and so on, thank you for the job you are doing for all of us in Canada.

THE LATE J.B. SALSBERG

TRIBUTES

Hon. Jeremiah S. Grafstein: Honourable senators, last Sunday *The Toronto Star* reported that one J.B. Salsberg, Joe

Salsberg, aged 95, died peacefully at his home in Toronto. Yet J.B.'s life was anything but peaceful. His compelling career mirrored the turbulence and tribulations of Canada in the 20th century. His life serves as a kind of mixed metaphor for the anguish and honour, the travesties and the triumphs, the paradoxes and the passions, the disasters and the dreams of our era.

Born in impoverished circumstances in Poland, Salsberg came to Canada with his immigrant parents just before World War I, settling in the heart of Canada, the Spadina and College working district. Following his father's wishes, as a youth he studied to become a rabbi. His penurious parents were observant and early leaders of the parochial school system in Toronto. Then his life took an abrupt turn.

At 13 he went to work in a sweat shop in the garment district, earning \$3 a week as a purse maker. With hard work, he earned quick salary increases to \$5 a week. Suddenly, the rules changed and he was told that he would now have to work on commission. The first day he made \$5. The following day, his boss changed the work rules again.

This experience transformed Salsberg into a tribune of the working classes. He lifted a torch for labour which he carried from that time until he drew his last breath. He always carried the torch with humour and honour. While searching for political answers, he joined a Zionist workers' group and quickly rose to leadership, including the editorship of a newspaper in New York City, speaking to groups across North America.

This canvas was still not broad enough for Joe; not broad enough for his ideas or his energy. While post-World War I in the 1920s was booming, the working conditions in Toronto were simply appalling. By 1926, Joe came to believe that communism as a means of eradicating discrimination, eradicating anti-Semitism, encouraging Jewish culture, but above all alleviating the working conditions, was the answer.

He began to work as a union organizer, rising to vice-president of the International Hatters' Union, and within a short period J.B. was a key organizer behind just about every industrial union in Canada. Meanwhile, he became a member of the Central Committee of the Communist Party of Canada. As a speaker, he would address mass rallies from coast to coast. He revelled in the idea that a Jewish immigrant boy from Spadina could be at home organizing miners in Sydney or dock workers in Vancouver.

• (1520)

Salsberg was invited to secret workers' meetings across Canada. Union organizers would conceal him in their homes and churches while his speeches and ideas ignited the passion of key organizers and small worker groups.

About this time, J.B. married Dora Wilensky, the love of his life. She was a pioneer social worker who spearheaded the creation of a Jewish Family and Child Services in Toronto, which became a leader in its field in Canada.

The Hon. the Speaker: Honourable Senator Grafstein, I am sorry to interrupt you, but your three-minute period has expired.

Senator Grafstein: Honourable senators, may I have leave to continue?

The Hon. the Speaker: Is leave granted?

Hon. Senators: Agreed.

Senator Grafstein: Thank you, senators.

About this time, he married Dora Wilensky, the love of his life. She was a pioneer social worker who spearheaded the creation of the Jewish Family and Child Services in Toronto which became a leader in its field in social work in Canada. In 1959, Dora died prematurely of cancer. They had no children, and J.B. never remarried.

Union organizing naturally led to politics, and politics was never the same once J.B. was elected to the Toronto City Council in 1938. He became a tribune of the working classes, and he was re-elected. He became Toronto's most effective alderman, changing Toronto's living and social environment, and, in the process, even the values of his staunchest adversaries.

In 1943, he was elected to Queen's Park, becoming the lone Communist in the legislature. He became an eloquent advocate against discrimination of any kind, and he led the passage of the first bill outlawing discrimination in public places in Canada.

An inspiring orator, he was usually drowned in a sea of heckling in the legislature. Once, Salsberg, fed up, threatened to stop asking questions in Question Period, and the premier of the day, Leslie Frost, banned heckling from Question Period. Frost so admired J.B.'s eloquence, his wit, his commitment to his ideas, and his integrity that he named a township in Northern Ontario after him.

J.B. held the seat for the St. Andrew's riding until 1955, when he lost in one of the most bitter electoral campaigns in Canada.

At the height of the Cold War, J.B. was accused of complacency if not complicity towards Soviet persecution of Jews in Russia. When rumour about purges and prosecutions emanated from Stalin's Soviet Russia, J.B. remained mute, neither opposing nor defending the horrendous stories seeping out from behind the Iron Curtain. J.B. was a true believer. After he lost the provincial election, he travelled to Moscow in 1956 to learn firsthand the fate of Jews and others at the hand of the Soviet state. This included an angry confrontation with Nikita Khrushchev himself in the Kremlin.

In 1957, returning to Toronto disillusioned, he denounced Communism. As the number two person in the Communist Party in Canada, he left the party and took half the national executive with him. This effectively destroyed the Communist Party in Canada forever. Supporters of all parties then wanted J.B. to run for them, but Joe had had enough of politics. Joe's heart was broken.

He turned to business and community affairs. He did volunteer social work, volunteer labour work, and became a leading figure of local Jewish culture and worker's causes, writing a regular column for the *Canadian Jewish News*.

Joe knew each member of my family intimately. It was in this latter capacity that I came to know and admire him when I came to Toronto to study in the late 1950s. Joe had an encyclopaedic knowledge about politics and people. He knew each member of my family — my paternal uncles, my maternal grandfather. He could place each in various shades of politics or culture or learning from left to right, from observant to secular. He was familiar with my father's own military record, fighting against Bolsheviks in Europe after World War I, yet he never criticized him or his memory. "Each man," he said, "must do what he must do."

The very first day after I was appointed to the Senate, I received a call, well after midnight, at the Château Laurier. It was J.B. on the line, whispering to me in Yiddish. In hushed tones, he told me that he had decided to write a story about me, my family, and my appointment to the Senate for the *Canadian Jewish News*. I asked him, "J.B., why so late, why in Yiddish, and why were you whispering?" J.B.'s response was, "Because...they are still listening in Ottawa." We continued to whisper our interview in Yiddish for an hour or so in the darkness of that cold, dark January night.

As I said earlier, J.B. was a true believer. He learned the harsh way that radical ideology first separates, then crushes, and eventually eradicates the dreams and the hopes of those very people who promote any harsh or radical ideology.

When he was about to turn 90, he was asked to look back on his career. About his convictions, he said this: "Despite my age, I'm still filled with faith in man's rise to ever higher and higher levels. I am still hurt when I see, or hear people being cruel to one another."

Then he was asked, if he were to write his epitaph, what it would read. He said, "Here lies a man who tried to do the right thing." J.B. did.

BUSINESS OF THE SENATE

The Hon. the Speaker: Honourable senators, before I call the next item on the Order Paper, I should like to wish you all welcome back after the recess.

[Translation]

Honourable senators, I am sure you have all come back refreshed and full of enthusiasm.

[English]

I should like to introduce to you a new Page.

[Translation]

Honourable senators, Robbie Tremblay is a native of the National Capital Region, the village of Navan, Ontario to be more precise. He is studying political science and history at the University of Ottawa. He is not a newcomer to the Senate, as he worked for some time as the messenger-receptionist in Human Resources, where he was responsible for the Senate information line. He is replacing Suzanne Vo, who was assigned to us before Christmas and is now working for a senator. Welcome to the Senate as a page, Robbie.

[English]

PAGES EXCHANGE PROGRAM WITH HOUSE OF COMMONS

The Hon. the Speaker: Honourable senators, the Pages Exchange Program with the House of Commons is a very successful program, and the Pages who come to us from the House report that it is a worthwhile exchange. I should like to introduce to you the two Pages from the House of Commons who will be with us this week. John Doulamis of Montreal is enrolled in the Faculty of Administration at the University of Ottawa.

[Translation]

Serge LeVert-Chiasson of Dartmouth, Nova Scotia, is continuing his studies in administration at the University of Ottawa. I welcome you both to the Senate. I trust that your time with us will be interesting and worthwhile.

ROUTINE PROCEEDINGS

ADJOURNMENT

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

That when the Senate adjourns today, it do stand adjourned until tomorrow, February 11, 1998, at 1:30 in the afternoon.

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

Hon. Senators: Agreed

Motion agreed to.

[English]

CRIMINAL CODE CUSTOMS ACT

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons with Bill C-18, to amend the Customs Act and the Criminal Code.

Bill read first time.

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

On motion of Senator Carstairs, bill placed on the Orders of the Day for second reading on Thursday next, February 12, 1998.

CRIMINAL CODE

BILL TO AMEND—FIRST READING

Hon. Anne C. Cools presented Bill S-12, to amend the Criminal Code (abuse of process).

Bill read first time.

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

On motion of Senator Cools, bill placed on the Orders of the Day for second reading on Thursday next, February 12, 1998.

• (1530)

CARDINAL AMBROZIC

CONVEYANCE OF FELICITATIONS OF SENATE ON APPOINTMENT OF HIS EMINENCE—NOTICE OF MOTION

Hon. Stanley Haidasz: Honourable senators, it was with great jubilation and pride that members of the Roman Catholic Archdiocese of Toronto received in January this year the happy news that His Holiness John Paul II —

The Hon. the Speaker: Senator Haidasz, this is Notices of Motion. I have not heard a motion. I have heard you making an intervention.

Senator Haidasz: Honourable senators, that was the preamble to my motion.

The Hon. the Speaker: This is Notices of Motions, which take notice. If you wish to ask for leave to move your motion, you are entitled to do so.

Senator Haidasz: Honourable senators, I ask leave to move the following motion this afternoon.

The Hon. the Speaker: Is leave granted?

Some Hon. Senators: Agreed.

Some Hon. Senators: No.

The Hon. the Speaker: I hear a “no.” I am sorry, Senator Haidasz, you do not have leave to move it today, but you can proceed to give notice for tomorrow.

Senator Haidasz: Then, honourable senators, I give notice that, at the next sitting of the Senate, I shall move:

That the Honourable The Speaker convey to His Eminence Aloysius Cardinal Ambrozic the felicitations and prayers of the Senate of Canada and our fervent wishes that his new role in the Church may be blessed in the service of the men and women of Canada, and especially of the Archdiocese of Toronto.

BANKING, TRADE AND COMMERCE

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO EXAMINE GOVERNANCE PROVISIONS OF CANADA PENSION PLAN INVESTMENT BOARD ACT

Hon. Sharon Carstairs: Honourable senators, on behalf of Senator Kirby, I give notice that tomorrow, Wednesday, February 11, 1998, I will move:

That the Standing Senate Committee on Banking, Trade and Commerce be authorized to examine and report upon the governance provisions set out in the Canada Pension Plan Investment Board Act (previously Bill C-2);

That the Committee be authorized to permit coverage by electronic media of its public proceedings with the least possible disruption of its hearings;

That the Committee be authorized to adjourn from place to place in Canada for the purpose of pursuing its study;

That the Committee be authorized to engage the services of such counsel and technical, clerical and other personnel as may be necessary; and

That the committee present its final report no later than March 31, 1998.

[Translation]

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

VETERANS AFFAIRS SUBCOMMITTEE AUTHORIZED TO MEET DURING SITTING OF THE SENATE

Hon. Lowell Murray: Honourable senators, I am informed that Minister Sheila Copps will be appearing before the Subcommittee on Veterans Affairs tomorrow afternoon at 3 p.m.

[English]

Accordingly, I move:

That the Standing Senate Committee on Social Affairs, Science and Technology Subcommittee on Veterans Affairs have power to sit at three o'clock in the afternoon tomorrow, Wednesday, February 11, 1998, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto.

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

Hon. Senators: Agreed.

Motion agreed to.

THE SENATE

CONCERNS OF ALBERTANS—NOTICE OF INQUIRY

Hon. Ron Gitter: Honourable senators, I give notice that on Tuesday, February 17, 1998, I will call the attention of the Senate to concerns expressed by Albertans with regard to the Senate as

an institution; its effectiveness, usefulness and viability; alternative means by which to select members of the Senate; the nature of its regional representation, particularly a desire for equal numbers of senators representing each province; the length of term of office, the role which a revised Senate might take at a national level, and the powers which would be appropriate for it to exercise in harmony with the House of Commons.

QUESTION PERIOD

NATIONAL DEFENCE

POSSIBLE STRIKE BY WESTERN NATIONALS AGAINST IRAQ— CHAIN OF COMMAND ON DISPOSITION OF TROOPS AND MATÉRIEL—REQUEST FOR DEBATE

Hon. J. Michael Forrestall: Honourable senators, as I indicated earlier, the Prime Minister has now advised the nation that Canada has directed to the Gulf the Canadian patrol frigate HMCS *Toronto*, two C-130 aircraft and a number of ground personnel.

Honourable senators, would the Leader of the Government in the Senate take the opportunity to enlighten this chamber as to the tasking mission, the role this group will play, and under whose immediate control they will be, so that I will not have to bother him later?

Would he give us some kind of assurance, as I asked him to do back in November or early December, that an opportunity to discuss this question at length here in the chamber might be provided, so that we may understand and not have to learn from the news media just what actions the Canadian Armed Forces personnel are undertaking?

Hon. B. Alasdair Graham (Leader of the Government): Honourable senators, it is open to all honourable senators to initiate an inquiry on this or any other subject.

With respect to obtaining the kind of information that my honourable friend wants prior to learning from the media, I suggest that it would be impossible to hear the news any earlier than when we heard it from the Prime Minister's lips last night, when he informed Canadians of his intentions and of the announcements that would be made today following the cabinet meeting, by the Prime Minister, the Minister of Foreign Affairs and the Minister of National Defence.

Canada, of course, will be playing a support role, as Senator Forrestall indicated. He is quite correct in saying that the HMCS *Toronto*, which is now in Mediterranean waters, will be sent to the Gulf area, as well as two Hercules aircraft which could be used for transport as well as air refuelling. That is in addition to the nine Canadian Forces personnel onboard U.S. AWACS aircraft which are patrolling the no-fly zone over Iraq.

With respect to under whose control these people, the frigate and the aircraft will be, I will have to ask my colleagues for that information.

Senator Forrestall: Honourable senators, I do not want to get into a question of how long is “long.” We just got through the question of how soon is “soon.” I asked for this in November of last year. There was much opportunity to lay such a motion before this chamber, irrespective of what decisions the other chamber might want to take. Perhaps they might have benefited from an enlightened debate in this chamber as to conditions under which we should release troops in the first place, what should their role be, who should give them that task and who should command them.

I ask the leader to reconsider my request of November 19 and lay before this chamber a motion that is debatable so that we might vote on it, should that be necessary. I should hope that we would be able to produce a unanimous decision with respect to a debatable motion.

That could only lend strength to the commitment we have made. When will he do it? If he cannot do it, he should say so.

• (1540)

Senator Graham: Honourable senators, as I indicated earlier, I would be very happy to consider that matter and take it under advisement. However, at the same time it is open to the honourable senator, or any other honourable senator, to initiate an appropriate inquiry that would cover all the points that I am sure my honourable friend would want considered.

SOLICITOR GENERAL

ACTIVITIES OF ORGANIZED CRIME—MONEY LAUNDERING IN NEW BRUNSWICK—GOVERNMENT POSITION

Hon. Brenda M. Robertson: Honourable senators, my question is for the Leader of the Government in the Senate. It concerns an aspect of organized crime which is particularly serious in New Brunswick.

According to the RCMP, New Brunswick is a top spot in Canada for money laundering. Apparently, New Brunswick’s location and its geography make it a prime spot in the money laundering business. This report casts a dark shadow over New Brunswick’s entire economy because organized crime typically invests or hides its ill-gotten proceeds by investing in legitimate businesses. If true, this dirty money scheme is undermining other legitimate New Brunswick businesses financed by honest investors and is giving the province a black eye, with a reputation as a somewhat sleazy place to do business.

My question is this: Will the Leader of the Government in the Senate consult the Solicitor General on how pervasive this practice really is in our province, and whether the government is planning any special measure to fight it?

My supplementary question to the leader relates to a published report attributed to an RCMP official based in Ottawa that our

laws regarding money laundering are relatively weak. Could the minister advise whether changes in the legislation are contemplated that would allow the enforcement agencies to get tougher with these criminals?

Hon. B. Alasdair Graham (Leader of the Government): Honourable senators, as usual the honourable senator raises a very important point. I know that this sort of thing is a matter of great concern to all the people of New Brunswick, and should be of concern to all the people of Canada.

With respect to changes in legislation, I am not aware of any at the present time, but it might be appropriate and timely to suggest such changes to further strengthen the law where it is necessary.

I have been made aware of the problem in New Brunswick, and I certainly will bring my honourable friend’s representations to the attention of the Solicitor General and determine whether any specific measures are contemplated to fight this problem at the present time.

I would be interested in receiving any information my honourable friend has in her possession that would further enforce what I would have to say to the Solicitor General.

Senator Robertson: I shall send all of the information I have on this issue to the office of my honourable friend.

THE ECONOMY

STRENGTHENING OF ECONOMY OF NEW BRUNSWICK—COMMENTS OF SOLICITOR GENERAL—REQUEST FOR PARTICULARS

Hon. Brenda M. Robertson: Honourable senators, I have another question for the Leader of the Government in the Senate. Perhaps he could help me understand the meaning of a report that was in the news in New Brunswick sometime over the Christmas break. It relates to unspecified plans that the Solicitor General, in his capacity as the regional minister for Atlantic Canada, is working on that will benefit the region. I do not know if you have read his comments, but my question is this: What in the world is your cabinet colleague talking about? Too often in the past — and perhaps you might not agree with this — the government down home has said things that increase expectations that something is really in the works, particularly to do with the persistent problems of high unemployment, the wage gap between the Atlantic provinces and the rest of Canada, and the overall slower growth of the region. Too often it turns out that things are said simply for their public relations value. I should really like to know what the minister is talking about.

To phrase it another way, is the Solicitor General saying that he is working on plans that would help strengthen the region’s economy, to help people get back to work, and to help provide more dignity to those who simply cannot look after themselves as well as they might? If so, perhaps the honourable leader would provide the Senate with specific details of any such initiatives, including action plans and completion dates? What is the Solicitor General talking about?

Hon. B. Alasdair Graham (Leader of the Government): Honourable senators, I cannot put words in Minister Scott's mouth, but if the honourable senator would provide me with the information that she has in her possession, I will bring it to the attention of my colleague.

Minister Scott has had many discussions. I have heard him on many occasions, both with colleagues around the cabinet table and in regional meetings, emphasize the need for special, innovative and creative measures to deal with the chronic unemployment situation in Atlantic Canada.

Being very specific, my honourable friend will know that we cannot have two economies, one west of the Ottawa River and one east of the Ottawa River, as many people are fond of saying. I suspect that you may hear more about addressing those specific problems when Minister Martin brings down his budget. I understand the budget will be brought down on February 24.

Senator Robertson: Honourable senators, as a supplementary, I am sure we have all read the Solicitor General's comments on some of these things. We keep reading about what he will do, but we never know what precisely it is that he will do. I am afraid that, at this stage in the game, we are worn out with surprises down east. I am sure the honourable senator would agree with that. We would like some honest delivery of new ideas and new development, and perhaps there will be something in Mr. Martin's budget. I have heard the Solicitor General go on at length, and I should like to know what it is precisely that he is talking about.

JUSTICE

YOUNG OFFENDERS ACT—REQUEST FOR CHANGES BY PROVINCE OF SASKATCHEWAN—GOVERNMENT POSITION

Hon. Ethel Cochrane: Honourable senators, last week the Government of Saskatchewan sent a letter to the Minister of Justice calling for changes to the Young Offenders Act. In particular, the Government of Saskatchewan would like the right to publicize the names of violent or chronic young offenders, and the ability to transfer serious, violent or chronic young offenders to adult court.

My question to the Leader of the Government is this: Is the federal government planning to introduce legislation to address the concerns raised by the Province of Saskatchewan?

Hon. B. Alasdair Graham (Leader of the Government): Honourable senators, I am not aware that the minister will respond specifically to problems that have been raised by a minister in one specific province.

Justice renewal, of course, is a priority of the government. I am sure Senator Cochrane would agree that legislative amendments alone are not enough to address the problems of youth crime. We need a multifaceted and cooperative youth justice strategy which includes preventive and early measures as well as legislative amendments. At the same time, this strategy

must be fully capable of responding effectively to the full range of young offenders, including those who commit serious offences.

Senator Cochrane: Honourable senators, youth crimes, especially violent crimes and repeated crimes against property, are a concern in many parts of Canada, including my own part of Canada. Can the Leader of the Government tell us what other provinces or territories have requested changes to this act? Can correspondence from these governments on this issue be released to us?

Senator Graham: Honourable senators, I will attempt to obtain any such correspondence, and if it is available to be tabled in the chamber, I will be happy to do so.

There was an extensive review of this issue last year. The Standing Committee on Justice and Human Rights in the other place released a report on what was called renewing youth justice. The Minister of Justice will soon be responding to this report with a strategy for the renewal of youth justice.

I know that there have been movements in some provinces about other measures that might be taken. One term is widely bandied about, and that is "restorative justice." At the same time, I know that my honourable friend raises very legitimate concerns, and I would be happy to see if I cannot bring forward an answer that is more particularly germane to the question she raises with respect to specific correspondence from individual provinces.

• (1550)

NATIONAL DEFENCE

POSSIBLE STRIKE BY WESTERN NATIONS AGAINST IRAQ— ASSESSMENT OF RISK OF HUMANITARIAN DISASTER FROM BOMBING STRIKES ON SPECIFIC TARGETS— GOVERNMENT POSITION

Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition): Honourable senators, if the Leader of the Government wishes to turn back the tab to the defence file, then I should like to build on Senator Forrestall's questions.

Honourable senators, if the Government of Canada is now committed to supporting the American-planned intervention in Iraq should diplomatic efforts fail, I am somewhat concerned about the proposal for air strikes against strategic sites in Iraq, where biological and chemical weapons may be stored.

My question to the Leader of the Government is: What risk assessment have you undertaken in regard to the possible fallout — indeed, the humanitarian disaster — should bombing of these sites where biological and chemical weapons are stored cause them to be released? I assume that there has been some risk assessment concerning that issue. Has the Government of Canada conducted a risk assessment, or do you have assurances from the Americans on that topic?

Hon. B. Alasdair Graham (Leader of the Government): Honourable senators, I am not aware of any particular risk assessment that has been made by Canada. However, I believe that those responsible have come to the conclusion that there is a greater risk from the weapons of mass destruction that are obviously being hidden by Saddam Hussein. That greater risk exists and the time has long passed for discussion — whether it is the United States, Canada, Britain and our allies or others who are concerned with the future of mankind. Some kind of decisive action must be taken. As to which risk would be greater, to allow the present situation to prolong itself or to allow Saddam Hussein to build up more stores of weapons of mass destruction, President Clinton, Prime Minister Chrétien and other world leaders have determined that action now is an absolute necessity.

Senator Kinsella: Honourable senators, does the Leader of the Government not agree that the dropping of explosive devices — either smart bombs or stupid bombs — from 24,000 feet, or whatever altitude, involves a major margin of error in the sense that after bombing a site, these chemicals and biological materials will be totally out of control.

If the Government of Canada is committing itself to a support role, yet to be fully defined in terms of the assets that will be designed and the effectiveness of those assets, the objective of the military intervention, if it comes to that, will involve bombing. We are told that it will not be a ground force intervention. What happens to the biological and chemical weapons which are in storage in silos, or wherever they store them? What assurances do we have that they will not be released in a totally uncontrolled fashion, which could cause a humanitarian disaster the likes of which this world has yet to see.

Senator Graham: Honourable senators, I understand perfectly well. That is a concern of the entire world. It is a question of whether you act now or delay again while Saddam Hussein continues to build up his arsenal of mass destruction. There are no winners in a situation of this kind. We still hope that a diplomatic solution will be found. However, we cannot prolong a decision. I support the decision that Canada play a supporting role if, indeed, a diplomatic solution is not found and further action must be taken.

Senator Kinsella: Honourable senators, has Canada consulted with our friends in countries such as Jordan, Saudi Arabia, Israel, Syria or Lebanon? These countries are immediately adjacent to those sites, should a bombing exercise release that biological material into the environment. They are the people who will be immediately affected. Has Canada been in diplomatic contact with those countries?

Senator Graham: The answer is a very definitive, “Yes; on a continuing basis.”

NATIONAL FINANCE

PROPOSED MERGER OF ROYAL BANK AND BANK OF MONTREAL—GOVERNMENT POSITION

Hon. Norman K. Atkins: Honourable senators, my question is to the Leader of the Government. A merger is being proposed

between two of Canada's banks, namely, the Bank of Montreal and the Royal Bank of Canada. There was also a task force established by the federal government some time ago to study the future of financial institutions in Canada, including recommendations for possible changes to the Bank Act.

Is it the intention of the government to deal with this proposed merger prior to the final report of its financial task force being made public? If so, what criteria will be applied to its decision-making process?

Hon. B. Alasdair Graham (Leader of the Government): Honourable senators, the Minister of Finance has made it clear that no action will be taken until the task force report has been submitted.

Senator Atkins: Will the task force be making an interim report before the summer break, and will it set out criteria for possible approval? When can we expect to see such an interim report or government action on this matter?

Senator Graham: Honourable senators, I am not aware of any interim report that is planned at the present time. I would be happy to determine if an interim report is contemplated, and I will bring that information to my honourable friend.

Senator Atkins: Honourable senators, does the government not consider that the announcement of the banks regarding this merger is more important than putting it off until next fall?

Senator Graham: Honourable senators, the process was set in motion when the task force was established. The government still believes that that is the correct route. The task force is working diligently and is consulting with Canadians. The government has come to the conclusion that it would be premature to pre-empt any of the findings that may be submitted by the task force.

SCIENCE, RESEARCH AND DEVELOPMENT

CUTS TO FUNDING OF MEDICAL RESEARCH— GOVERNMENT POSITION

Hon. Terry Stratton: Honourable senators, I have a question for the Leader of the Government, and it refers to the 1993 Liberal Red Book promise to provide stable funding for research granting councils.

The Medical Research Council helps to fund vital medical research in Canadian universities. In spite of that promise of stable funding in 1993, the budget of the Medical Research Council has been cut by \$20 million. According to last year's estimates, a further \$40 million will be cut by 1999. *The Globe and Mail* reported on February 4, 1998, that the government now plans to at least cancel plans for their cuts as part of the learning initiative.

Assuming that this report is true, is the government prepared to commit that any new funding announced in this coming budget will represent stable funding and that medical research will not be cut again?

Hon. B. Alasdair Graham (Leader of the Government): Honourable senators, as I indicated, the budget will be brought down on February 24. The government assigns very high priority to addressing the issue of funding for the Medical Research Council and other granting councils.

• (1600)

Indeed, within the last two weeks, I had the pleasure of meeting with the president of the Medical Research Council and one of his officials, Dr. Dickson from Dalhousie University, to discuss and consider the very valid representations and concerns they put forward with respect to medical research in Canada.

We can look forward to the budget on February 24 and determine at that time what will be done with respect to future funding.

Senator Stratton: Honourable senators, I am delighted that the Leader of the Government in the Senate has met with the President of the Medical Research Council.

Honourable senators, I had to see a doctor in December for a quick checkup which took three minutes. The doctor then spent 15 minutes pleading with me to make a case, federally and provincially. Prior to 1993, there was a 50-per-cent chance of winning a grant to carry out research. Since 1993, the odds have dropped to 20 per cent.

Senior researchers are pleading for more money. They receive their grants 50 per cent of the time, but they are still desperately short. The young researchers do not have a hope, because the seniors are receiving all the grants. Therefore, the young researchers leave the country and go to the United States. We are losing our capability because the young researchers are our future.

Can the honourable senator give us any assurance that he will try, to the greatest extent possible, to ensure that funding is stabilized, if not increased?

Senator Graham: Senator Stratton spent 15 minutes with his doctor hearing about pressures with respect to the need for increased funding for medical research. I spent an hour and a half with Dr. Dickson and Dr. Friesen and I did not get the benefit of a checkup. However, I listened very carefully and I wish to assure my honourable friends that their representations were brought to the attention of my colleagues.

The situation to which Senator Stratton alludes has led to strong representations and pressures on the government to restore or increase Medical Research Council funding. If I recall correctly, the House of Commons Finance Committee has recommended for the last three years that funding for the MRC and other councils be increased.

If I recall correctly — and I may regret saying what I am about to say — the Minister of Finance indicated in October of 1997 that MRC funding would not only be restored but would be increased. The government's position will be made known in the 1998 budget.

Senator Stratton: May I remind the honourable leader of his words if that does not happen?

Senator Graham: I know you will.

REVENUE CANADA

POSSIBLE POSTPONEMENT OF INCOME TAX DEADLINE DATES FOR VICTIMS OF ICE STORM—GOVERNMENT POSITION

Hon. Marjory LeBreton: Honourable senators, my question relates to the recent ice storm in Eastern Ontario and Quebec, and it is directed to the Leader of the Government in the Senate. The decision of the government to extend the RRSP deadline this year by one month is welcome news to those living in the area ravaged by January's ice storm, as was the decision made following the postal strike to extend by one month the deadline for charitable donations.

However, there is another group of taxpayers who is also greatly in need of help. Many small businesses and self-employed workers in areas hit by the ice storm are having a hard time paying their bills and meeting financial commitments. Many have missed up to a month's income and many have suffered significant losses due to either the damage caused by the ice storm or the lack of electricity. March 15 looms as the deadline for these Canadians to make the first of their quarterly tax instalments to Revenue Canada, a deadline that many will have a hard time meeting.

Could the minister advise the Senate of whether any consideration will be given to extending the quarterly income tax payment deadline for those in the affected areas?

Hon. B. Alasdair Graham (Leader of the Government): Honourable senators, I am not aware of any present proposal along those lines, but I should be very happy to make such representations on behalf of small businesses. I am sure that the officials responsible are quite cognizant of the need.

While I am on my feet, I wish to pay special tribute to all the people in Quebec, Ontario, New Brunswick and other parts of Canada, and indeed our friends from south of the border, who came to assist in a remarkable demonstration of togetherness, helpfulness and community among Canadians. You had only to be in the Corel Centre on Sunday afternoon to see an indication of that spirit of community and that it is alive and well in Ottawa and the surrounding communities.

Hon. Senators: Hear, hear!

DELAYED ANSWERS TO ORAL QUESTIONS

Hon. Sharon Carstairs (Deputy Leader of the Government): Honourable senators, I have a number of delayed answers. I have a response to a question raised in the Senate on October 30, 1997 by the Honourable Senator Marjory LeBreton with respect to the Airbus matter and letters to Swiss authorities; a response to a question raised in the Senate on October 30 by the Honourable Senator John Lynch-Staunton with respect to the status of letters to Swiss authorities; a response to a question

raised in the Senate on November 5 by the Honourable Senator Lynch-Staunton also with respect to a letter of withdrawal and apology to Swiss authorities; a response to a question raised in the Senate on November 19 by the Honourable Senator Robertson regarding private wood lots in the Maritime provinces; a response to a question raised in the Senate on November 20 by the Honourable Marjory LeBreton with respect to the wording of a letter to Swiss authorities; a response to a question raised in the Senate on December 22 by the Honourable Senator Fernand Roberge regarding the identification and documentation of federal contaminated sites; a response to a question raised in the Senate on December 3 by the Honourable Senator Donald Oliver with respect to the processing of refugees and a timetable; a response to a question raised in the Senate on December 8 by Senator Robertson regarding community services for offenders and eligibility of non-violent offenders; a response to a question raised in the Senate on December 8 by Honourable Senator Norman Atkins regarding the implementation of a law regarding visas for Canadians to enter the United States and the possibility of exemption; a response to a question raised in the Senate on December 9 by the Honourable Senator Michael Forrestall regarding a search and rescue helicopter replacement program, a response to a question raised in the Senate on December 9 by the Honourable Senator Fernand Roberge regarding a reduction in transfer payments to the Province of Quebec; a response to a question raised in the Senate on December 8, 1997 by the Honourable Donald Oliver regarding the efficacy of tracking systems on unsuccessful refugee claimants; a response to a question raised in the Senate on December 9 by the Honourable Senator Mabel DeWare regarding the reduction in transfer payments to provinces and the effect on the Atlantic; responses to questions raised in the Senate on December 9 by the Honourable Senator Oliver regarding the tracking and detention of unsuccessful refugee claimants, a response to a question raised in the Senate on December 9 by the Honourable Senator Comeau regarding the negotiations on the multilateral agreement on investment; a response to a question raised in the Senate on December 9 by the Honourable Senator Robertson, also with regard to transfer payments in the Atlantic provinces and increases in social transfers; a response to questions raised in the Senate on December 10 by the Honourable Senator Noël Kinsella and by the Honourable Senator Andreychuk regarding the United Nations committee's possible change in government policies; a response to a question raised in the Senate on December 10 by Senator Oliver regarding the APEC summit; a response to a question raised in the Senate on December 12 by Senator Spivak regarding the agreement on international humane trapping standards; a response to questions raised in the Senate on December 12 by Senator Terry Stratton and Senator Janis Johnson regarding the Manitoba Sowind air crash at Little Grand Rapids and the response of the rescue team; a response to a question raised in the Senate on December 12 by the Honourable Senator Grafstein regarding Quebec and the proportion of taxes controlled by the province; a response to a question raised in the Senate on December 12 by the Honourable Senator Lowell Murray regarding a reduction in

greenhouse gas emissions and commitments made at Kyoto; a response to a question raised on December 15 by the Honourable Senator Oliver regarding the tolls on highways, including the Trans-Canada Highway; a response to a question raised in the Senate on December 15 by the Honourable Senator Robertson regarding the publication on the Internet of hate propaganda; a response to a question raised in the Senate on December 16 by the Honourable Senator Lowell Murray regarding the reduction in greenhouse gas emissions; a response to a question raised in the Senate on December 16 by the Honourable Senator Fernand Roberge regarding the millennium computer phenomenon; a response to a question raised in the Senate on December 16 by the Honourable Senator Eymard Corbin regarding the Sable Island gas project; a response to a question raised in the Senate on December 17 by the Honourable Senator Robertson regarding the Bay of Fundy and the destruction of infected salmon fish farms; a response to a question raised in the Senate on December 18 by the Honourable Senator Stanley Haidasz regarding the request for funding to develop vaccine for the flesh eating disease; and a response to a question raised in the Senate December 18 by the Honourable Senator Janis Johnson regarding the Bay of Fundy, also with respect to salmon on fish farms; and a response to a question raised in the Senate on December 18 by the Honourable Senator Corbin regarding the Sable Island gas project.

JUSTICE

INVESTIGATION INTO SALE OF AIRBUS AIRCRAFT TO AIR CANADA—STATUS OF LETTER TO SWISS AUTHORITIES— GOVERNMENT POSITION

(Response to question raised by Hon. Marjory Lebreton on October 30, 1997)

No. The Letter of Request has not been withdrawn because there is an ongoing police investigation, and the Letter is part of that investigation.

The Department of Justice took appropriate action to ensure that there was no misunderstanding concerning the Letter of Request which was sent to the Swiss authorities in late September, 1995. On November 14, 1995, a second letter was forwarded to the Swiss authorities re-emphasizing that the Letter of Request contained allegations only, and that it was sent in the context of a police investigation.

In January, 1997, subsequent to the out-of-court settlement with Mr. Mulroney, a third letter was sent to the Swiss authorities, informing them that the Government of Canada apologized for some of the language in the Letter of Request and clarifying once more that the letter contained allegations pursuant to a police investigation.

It is noteworthy that in the Settlement Agreement,

Mr. Mulroney specifically acknowledged that the RCMP and the Department of Justice, in sending the Request for Assistance to Switzerland, had acted within their legitimate responsibilities in this matter; and,

Mr. Mulroney also acknowledged that the RCMP must continue to investigate any allegations of illegality or wrongdoing which are brought to its attention.

JUSTICE

INVESTIGATION INTO SALE OF AIRBUS AIRCRAFT TO
AIR CANADA—STATUS OF LETTER TO SWISS AUTHORITIES—
EXPLANATION FOR FAILURE TO WITHDRAW—
GOVERNMENT POSITION

(Response to question raised by Hon. John Lynch-Staunton on October 30, 1997)

The Letter of Request has not been withdrawn because there is an ongoing police investigation, and the Letter is part of that investigation.

On November 27, 1997, RCMP Commissioner Murray stated that the Airbus investigation is “ongoing and active.”

INVESTIGATION INTO SALE OF AIRBUS AIRCRAFT TO
AIR CANADA—LETTER OF WITHDRAWAL AND APOLOGY
TO SWISS AUTHORITIES —GOVERNMENT POSITION

(Response to question raised by Hon. John Lynch-Staunton on November 5, 1997)

No. The letter of request has not been withdrawn because there is an ongoing police investigation, and the Letter is part of that investigation.

Regarding the request to remove Mr. Mulroney’s name from the letter, the Department of Justice took appropriate action to ensure that there was no misunderstanding concerning the Letter of Request which was sent to the Swiss authorities in late September, 1995. On November 14, 1995, a second letter was forwarded to the Swiss authorities re-emphasizing that the Letter of Request contained allegations only, and that it was sent in the context of a police investigation.

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FORESTRY

PRIVATE WOOD-LOTS IN MARITIME PROVINCES—TASK
FORCE RECOMMENDATIONS—GOVERNMENT POSITION

(Response to question raised by Hon. Brenda M. Robertson on November 19, 1997)

In September 1997, the National Round Table on the Environment and Economy (NRTEE) released a report entitled, *State of the Debate on the Environment and the Economy: Private Woodlot Management in the Maritimes*. After the release of this report, the NRTEE sponsored a workshop in October in Ottawa to discuss specific economic instruments to encourage sustainability on private lands. This included a roundtable session on encouraging sustainability for private wood-lots. The purpose of the workshop was to develop specific proposals on tax and other measures which could be included in the NRTEE’s pre-Budget 1998 submission to the Minister of Finance.

The Department of Finance participated in the NRTEE workshop and has now received the NRTEE’s specific recommendations relating to private wood-lots.

The Minister of Finance will consider the NRTEE’s recommendations in preparing the Federal Government’s 1998 Budget.

JUSTICE

INVESTIGATION INTO SALE OF AIRBUS AIRCRAFT TO
AIR CANADA—OFFICIALS RESPONSIBLE FOR WORDING IN LETTER
TO SWISS AUTHORITIES—GOVERNMENT POSITION

(Response to question raised by Hon. Marjory LeBreton on November 20, 1997)

The International Assistance Group receives and reviews all Letters of Request presented by investigating police agencies. It is a matter of public record that the Senior Counsel of the International Assistance Group reviewed and signed the Letter of Request which went to the Swiss authorities. No one in the Department of Justice outside the International Assistance Group worked on the Letter of Request.

A general description of the process followed in the drafting of the Letter of Request is found in the Statement of Assumed Facts which was filed in the Mulroney court proceedings.

THE ENVIRONMENT

IDENTIFICATION AND DOCUMENTATION OF FEDERAL CONTAMINATED SITES—GOVERNMENT POSITION

(Response to question raised by Hon. Fernand Roberge on December 2, 1997)

Under the current government accountability framework, departments are responsible for managing the contaminated properties under their custody. This includes the identification and listing of contaminated properties, as well as the assessment and ultimate remediation of these sites.

Timetables, along with action plans for dealing with contaminated sites should be provided by departments in their sustainable development strategies which were tabled in the House on December 10, 1997. The Commissioner of the Environment and Sustainable Development may then monitor the progress achieved across the federal government.

The Treasury Board Secretariat is responsible for maintaining information on federal real property holdings as well as developing central policies dealing with the general management of the federal land portfolio and the reporting of liabilities in the Public Accounts.

For its part, Environment Canada has contributed, and continues to develop, scientific and technical guidance useful for federal stakeholders in managing their environmental issues.

In the Auditor General's follow-up evaluation, preparedness was addressed for marine oil and chemicals as well as non-marine chemicals. Environment Canada was primarily involved with the follow-up on non-marine chemicals.

A number of initiatives have been undertaken in the last five years to ensure a higher level of emergency preparedness in Canada.

Environment Canada plays a lead role in the Major Industrial Accidents Council of Canada (MIACC) process to ensure that the risks posed by hazardous installations are within acceptable limits and that affected communities have coordinated and tested emergency plans in place. MIACC is a national voluntary multi-stakeholder forum comprising several federal departments, the provinces, industry and first responder organizations. Since 1995, over 1500 sites and approximately 500 such communities have been identified.

Environment Canada co-chairs the Federal Committee on Environmental Emergencies. This body coordinates the activities of affected federal departments in the event of a major environmental emergency.

Finally, the government has indicated that it is committed to reintroducing the CEPA legislation early in its mandate. The Bill contains provisions for environmental matters related to emergencies. Environment Canada is currently considering input from stakeholders on the various provision including emergencies, before re-introduction of the Bill.

Environment Canada will produce a report to Parliament in early 1998 on the destruction of federal PCB wastes.

Over 95% of the federal PCB wastes that were in storage in 1995 were destroyed under a national contract between Public Works and Government Services Canada and BOVAR Waste Management Inc.

The remaining federal PCB wastes are safely stored according to federal regulatory requirements pending resolution of operational difficulties experienced in the latter part of 1996 at the hazardous waste destruction facility operated by BOVAR in Alberta.

IMMIGRATION

ESTIMATE OF OVERALL COSTS OF PROCESSING REFUGEES— TIMETABLE FOR PRESENTATION TO PARLIAMENT— GOVERNMENT POSITION

(Response to question raised by Hon. Donald H. Oliver on December 3, 1997)

The Immigration and Refugee Board identifies in its 1997-98 Main Estimates an amount of \$39.46 M. with respect to Refugee Determination.

Citizenship and Immigration records all costs associated with immigration processing. However, these are not itemized according to the various categories of persons entering Canada (for example visitors, potential refugees or immigrants.) However, the Department has previously indicated it will undertake a review of the in-Canada refugee processing costs. It was decided that the study would commence following the completion of the recent Departmental re-engineering exercise in order to capture costs associated with new ways of operation. The study has recently commenced and it is planned that results will be available in the 1998-99 fiscal year.

MONITORING OF PROGRESS OF REFUGEE CLAIMS— GOVERNMENT POLICY

a) The Department does monitor the progress of individual refugee claims. Information concerning the status of a refugee claim is exchanged between the Department and the Immigration and Refugee Board. All decisions concerning a claim, i.e., whether the claimant has been found not to be a Convention refugee, or has been deemed

to have abandoned the claim, are communicated to the local Canada Immigration Centre and appropriate action is taken. However, the Department does not have the capability to produce collective statistics on some aspects of the process.

b) With respect to determining the eligibility of a refugee claimant upon entry to Canada, all refugee claimants are photographed and fingerprinted at the time the initial claim is made. Photos and prints are then sent to the RCMP to be checked against the criminal history data bank. This check determines whether the claimant has a criminal record in Canada or whether a previous refugee claim has been made. The majority of persons who claim refugee status are undocumented. Immigration officers must rely on information provided by the claimant in a sworn declaration and their fingerprints.

In 1997, immigration officials asked the RCMP to complete additional checks against foreign data banks on claimants where background information gave reason to conduct further investigation. Over 1,900 such checks were made.

Obtaining background information on refugee claimants is a major challenge. However, even where a claimant has committed a serious offense, they are eligible to be heard by the Convention Refugee Determination Division (CRDD) unless the Minister has issued an opinion that they are a danger to the public. Likewise a claimant described for a security violation is eligible to have a claim heard unless the Minister issues an opinion that it would be contrary to the public interest. The passage of Bill C-44 in 1995 enacted legislative changes which enhanced the power of the Minister to deal with the misuse of the refugee protection system by serious criminals and by persons making fraudulent or multiple claims. For example, Bill C-44 allows a senior immigration officer to re-visit positive eligibility decisions in claims pending before the Immigration and Refugee Board (IRB) where there is a conviction for a serious crime. It also allows a senior immigration officer to determine, in cases where a person has made multiple claims to be a refugee which of the claims is the official claim and to nullify all other claims.

It must be remembered, however, that a very small number of claimants are found to be ineligible after the results of these checks are completed. In 1996, only 31 cases out of more than 25,000 had to be reconsidered after the results of these checks were received. Given these numbers, it is sound management to refer claims to the Convention Refugee Determination Division (CRDD) while we await the results of these checks so as not to delay all cases for the small proportion that will be found ineligible.

The criteria to access the refugee determination process were designed to ensure that Canada's protection would be extended to all those with a genuine claim to persecution.

The Department is exploring ways to expand and enhance our ability to conduct background investigations, without jeopardizing the safety of claimants and their families.

As the Auditor-General himself noted, the Minister of Citizenship and Immigration established an Immigration Legislative Review Advisory Group tasked with formulating recommendations to improve immigration legislation. This review includes a thorough examination of the current refugee determination process. Recommendations on ways to protect the integrity and efficiency of the system were made in the Advisory Group Report. In the coming months, the Minister will be holding public hearings and consulting on the report's recommendations in order to give as many interested parties and stakeholders as possible the opportunity to be heard.

SOLICITOR GENERAL

COMMUNITY SERVICES FOR OFFENDERS—ELIGIBILITY OF NON-VIOLENT CRIMINALS—REQUEST FOR CLARIFICATION

(Response to question raised by Hon. Brenda M. Robertson on December 8, 1997)

In the September, 1997, Speech from the Throne, the Government pledged to develop alternatives to incarceration for low-risk, non-violent offenders, through sentencing reforms, community diversion programs and alternative sanctions.

For some offenders and some offences incarceration is the only appropriate sanction. For a smaller number of offenders a very long period of incarceration may be our only viable alternative. Society has the right to be protected, Canadians have the right to be safe. But we need to be clear about whom we want and need most to be protected from and how we can most efficiently ensure that protection. We should avoid what we are seeing in some other countries where prison has become the response of first choice to crime of almost all types.

In May, 1996, Federal/Provincial and Territorial Ministers Responsible for Justice reviewed the "*Corrections Population Growth*" paper and endorsed a number of recommendations, including a set of principles to guide future direction. One of the principles contained in the paper states:

Incarceration should be used primarily for the most serious offenders and offences where the sentencing objectives are public safety, security, deterrence or

denunciation, and alternatives to incarceration should be sought if safe and more effective community sanctions are appropriate and available

Determining when an alternative to incarceration may be appropriate requires a thorough evaluation of each potential case. Some of the factors that should be taken into consideration include:

- the criminal history of the offender;
- the nature of the current offence;
- the social history of the offender;
- the substance abuse history

the availability of suitable programs in the community, and numerous other factors.

Public safety remains the Government's number one priority, but our criminal justice system must be organized to be more effective and efficient in order to contribute to the long-term protection of the public.

CANADA-UNITED STATES RELATIONS

IMPLEMENTATION OF LAW REQUIRING VISAS FOR CANADIANS TO ENTER UNITED STATES—POSSIBILITY OF EXEMPTION—GOVERNMENT POSITION

(Response to question raised by Hon. Senator Norman K. Atkins on December 8, 1997)

From the outset, Canada's Embassy in Washington has been vigilant in its efforts to protect Canada's interests. Although the new immigration legislation was introduced in 1995, Section 110 was not part of the original House and Senate bills. In fact, Section 110 did not publicly appear in the legislation until the Conference Report was released for printing on September 24, 1996—three business days before the Act was signed by President Clinton.

The Embassy and the U.S. Administration (Justice Department/Immigration & Naturalization Service) discovered Section 110 in mid-October after an exhaustive review of the 251 page Conference Report. The Embassy consulted the Administration (INS) who confirmed that the unfortunate use of the word alien could affect Canadians and the northern border. The Embassy immediately contacted the Chief Counsels of both the House and Senate Immigration Subcommittees to clarify the meaning of the legislation. They both confirmed that the intent was to develop an overstays monitoring system for nationals of countries who enjoy a visa exemption under the 1986 Visa Waiver Programme and nationals of countries who require a visa. They also confirmed that the measure was never intended to target Canadians who, incidentally, were

visa-exempt well before the introduction of the 1986 Visa Waiver Programme.

The Chief Counsels proposed the exchange of letters between the Ambassador and the two Chairs as a means of clarifying legislative intent and allowing the Administration to exempt Canadians from Section 110's implementation. At that stage, the Administration indicated that an exchange of letters clarifying the legislative intent could be sufficient to exempt Canada from the measure.

The Embassy and Congressional staff worked closely, through numerous drafts and consultations, to develop what became the exchange of correspondence between the Ambassador and the two Immigration Subcommittee Chairs in December 1996. Unfortunately, INS changed its view and considered further Congressional direction was required. As a result, the Government of Canada, in cooperation with Congressional allies, launched a public advocacy campaign to restore the status quo ante.

As part of the advocacy strategy, the Embassy and consulates have been speaking to key government officials, U.S. business interests, and to over two dozen newspapers, journals and magazines from all regions in the U.S., including the New York Times, the Detroit Free Press, the Seattle Times and the Miami Herald. At the same time, the Prime Minister, Ministers Axworthy, Marchi, Robillard, Collette and Dhaliwal, and Parliamentarians have raised this issue with their U.S. counterparts. As a result of Canada's advocacy initiative, the U.S. administration has publicly stated its concern that implementation of Section 110 would be very problematic and detrimental to efforts made to simplify cross-border travel.

It is, therefore, clear that the Embassy took immediate action to address the Section 110 and has continued to defend Canadian interests. As a result of their activism, Michigan Senator Spencer Abraham took up the fight against the border measure and introduced a bill to repeal the effects of Section 110. On a parallel track, Representative Solomon has also introduced an amendment that delays Section 110's implementation for one year. Canada is concerned that Solomon's bill would maintain Section 110 and prolong the uncertainty surrounding its potential implementation. The two different approaches reflected in the bills will be addressed when Congress reconvenes in January 1998.

We are encouraged by the support being generated for Canada's position and will continue to put pressure on the U.S. Congress and Administration in a concerted manner to advance the legislative approach adopted by Senator Abraham.

NATIONAL DEFENCE

SEARCH AND RESCUE HELICOPTER REPLACEMENT PROGRAM—POSSIBLE CABINET DISCUSSION ON AWARDED CONTRACT FOR HELICOPTER PURCHASE— GOVERNMENT POSITION

(Response to questions raised by Hon. Michael J. Forrestall on December 9, 1997)

1. As of December 16, 1997, 29 of 30 Sea King helicopters have been inspected. One has yet to be inspected as it is at sea; it is expected to return to port on December 18, 1997 at which time it will be inspected. 27 of 29 inspected helicopters have been deemed serviceable. Only two require repair. Of these two, one has already been repaired and the other — which is currently undergoing periodic maintenance — will have its rotor head hinge replaced as part of the maintenance process.

2. At the time the special inspection of the Sea King fleet was ordered, three aircraft were deployed at sea. There was no impact on training with our allies, and Canada received no criticism from them regarding this special inspection.

FEDERAL PROVINCIAL RELATIONS

REDUCTION IN TRANSFER PAYMENTS TO PROVINCE OF QUEBEC—REQUEST FOR PARTICULARS

(Response to question raised by Hon. Fernand Roberge on December 9, 1997)

Quebec will receive \$6.8 billion (cash and tax transfer) this year under the Canada Health and Social Transfer (CHST). This will **increase** by almost \$400 million to \$7.2 billion in 2002-03.

Figures that suggest that transfers to Quebec will decline ignore the tax point transfer which is an integral part of the CHST. It is necessary to include both the tax point transfer as well as the cash transfer component when calculating the total — tax points increase in value over time and thus represent a growing source of revenue for provinces.

In 1997-98, Quebec will receive almost \$3 billion under the CHST tax point transfer.

There are no separate cash floors for each province and territory. The \$12.5 billion cash floor applies to the country as a whole — all provinces benefit from the protection offered by the floor.

IMMIGRATION

EFFICACY OF TRACKING SYSTEM ON UNSUCCESSFUL REFUGEE CLAIMANTS—GOVERNMENT POSITION

(Response to questions raised by Hon. Donald H. Oliver on December 8, 1997)

At the outset, it is important to state that Canada does not have exit controls at the border. This is not surprising in view of the millions of legitimate travelers who cross the border each year from the United States. For this reason, it is impossible to determine the actual number of individuals who leave of their own volition if they do not confirm their departure with Immigration officials. It is important to note that removals are a high priority for the Department of Citizenship and Immigration, with the greatest focus being given to the removal of foreign criminals and failed refugee claimants. There has been a 38% increase in removals to the end of September of this year, compared to the same period last year. Of the total outstanding removal orders, the vast majority are failed refugee claimants and those who have overstayed their visitor status. The majority are NOT criminals.

CIC is committed to reducing impediments to removals and over the past two years has introduced a number of measures which demonstrate this commitment. For example, bi-lateral removal agreements have been signed with a number of countries to facilitate removals and negotiations are continuing for new agreements with others. The Immigration Regulations have been changed to streamline certain review processes (PDRCC). CIC has increased dialogue with provincial and municipal authorities to obtain agreements for sharing information on persons to be removed, and is examining ways to encourage voluntary compliance with removal orders.

a) Bonds are only requested for refugee claimants where there is reason to believe the person is unlikely to appear as directed.

The Immigration Act provides the authority to require cash bonds, performance bonds or a combination of both where necessary to ensure a person's compliance with terms and conditions of admission or release from detention.

Our current system does not break down the number of bonds taken for refugee claimants versus other enforcement cases.

In the 1995/96 fiscal year a total of 1,935 bonds were taken totalling \$4,963,629. During this same period there were 496 bonds forfeited totalling \$1,096,124.

In the 1996/97 fiscal year a total of 1,862 bonds were taken totalling \$4,330,083. During this same period there were 838 bonds forfeited totalling \$1,808,598.

b) Bonds are not posted by groups or corporations on behalf of individuals so there is no record of church groups posting bonds for refugee claimants in Canada. Church groups may sign an undertaking to support a refugee(s) who has been selected abroad for the initial period of settlement in Canada. However, this agreement is to ensure that the refugee(s) will receive the support they require to integrate into Canadian society.

FEDERAL-PROVINCIAL RELATIONS

REDUCTION IN TRANSFER PAYMENTS TO PROVINCES— EFFECT ON ATLANTIC PROVINCES

(Response to question raised by Hon. Mabel M. DeWare on December 9, 1997)

The less well-off provinces receive far more transfers from the federal government than the better-off provinces precisely so that they can provide their residents with the same kind of services as other provinces — including health, education, and social assistance.

This redistribution is accomplished primarily through the Equalization program which provides over \$8 billion a year only to the less well-off provinces. Ontario, Alberta and B.C. receive no Equalization.

The Canada Health and Social Transfer (CHST) is intended to help all provinces with the costs of health, post-secondary education and social assistance.

Thanks to the fiscal progress the federal government has made, the CHST will **increase** in Atlantic Canada, Saskatchewan and Manitoba, next year, the year after and, in fact, every year as far as projections are available out to 2002-03.

Over the next five years, the CHST will grow by 2.5% per year, on average, from \$25 billion this year to over \$28 billion in 2002-03.

The CHST is made up of a cash component and a tax point transfer. Tax point transfers must be included when calculating the total amount. They increase in value over time and thus represent a growing source of revenue for provinces.

IMMIGRATION

TRACKING AND DETENTION OF UNSUCCESSFUL REFUGEE CLAIMANTS—GOVERNMENT POSITION

(Response to questions raised by Hon. Donald H. Oliver on December 9, 1997)

It is misleading to assume that 78 per cent of failed refugee claimants cannot be found anywhere in Canada or have either not been or cannot be removed.

Some failed refugee claimants who are subject to effective removal orders cannot be removed due to the existence of a statutory prohibition against their removal from Canada or a Court order prohibiting Citizenship and Immigration Canada from executing the removal order. In other words, removal cannot legally occur until the statutory prohibitions or court orders expire.

Statutory prohibitions against removal are set out in the *Immigration Act*. These include prohibitions against the removal of **failed refugee claimants** who are pursuing an application to the Federal Court for judicial review of the negative refugee determination, and against removal of failed claimants who have pending applications for membership in the Post-Determination Refugee Claimants in Canada (PDRCC) class.

In addition, given that Canada does not have exit controls, there may be a good number of failed claimants who have already left the country but who have not confirmed their departure.

Existing provisions in the *Immigration Act* provide that a person may be detained for the following reasons:

there are reasonable grounds to believe the person poses a *danger* to the public;

there are reasonable grounds to believe the person *would not appear* for the examination, inquiry or proceeding in relation to the decision or for removal from Canada;

a person is unable to satisfy an immigration officer with respect to that person's identity; or

in the opinion of the Deputy Minister or a person designated by the Deputy Minister, there is a reason to suspect that the person may be a member of an inadmissible class described in paragraph 19(1)(e), (f), (g), (j), (k) or (l) of the Act (persons who there are reasonable grounds to believe are a security threat, who will engage in espionage/terrorism, or acts of violence, have engaged in war crimes, or who are senior officials of a government engaged in terrorism.)

The department is also revising its detention guidelines to encourage a more strategic use of resources while maintaining the safety and security of the public. It should be noted that the *Immigration Act* provides for the review of the reasons for continued detention after 48 hrs, 7 days, 30 days and every 30 days thereafter. Detention reviews are conducted by Adjudicators of the IRB who may decide on release or continued detention.

It is important to note that Citizenship and Immigration Canada does not normally detain refugee claimants or persons determined to be convention refugees unless the person is a danger to the public. In some cases, failed refugee claimants who have exhausted all recourse are detained prior to removal from Canada.

CIC has three detention centers located in Mississauga, Laval and Vancouver. Immigration detention centers are minimum security facilities that provide for the detention of persons who have demonstrated a low security risk and who have a non-violent background. Persons considered high security risks and those who have demonstrated violent backgrounds would normally be detained at a provincially run institution.

DETENTION FACILITIES FOR REFUGEE CLAIMANTS— REQUEST FOR PARTICULARS

The number of detainees fluctuates (frequently for example, non-claimants are detained for 48 hrs and then removed) and CIC does not differentiate between detainees who are refugee claimants and non-claimants when keeping track of the overall numbers. Currently, there are approximately 110 persons in the department's three immigration holding centers.

Citizenship and Immigration leases detention facilities in cities where numbers warrant; Montreal, Toronto and Vancouver. These three regions account for approximately 94% of total detention. In all other areas, we detain at facilities owned and operated by provincial governments. For their services, we are charged a per diem rate, which varies between provinces. Provincial detention centers are also used in areas where we lease facilities for cases requiring a higher level of security than we are able to provide in our immigration holding centers.

In fiscal year 1996-97, the department of Citizenship and Immigration detained 6,401 persons for a total of 138,481 detention days and at a cost of \$20,490,132.

FISHERIES AND OCEANS

NEGOTIATIONS ON MULTILATERAL AGREEMENT ON INVESTMENT—CONTINUATION OF LIMIT ON FOREIGN OWNERSHIP OF COMMERCIAL LICENCES— GOVERNMENT POSITION

(Response to question raised by Hon. Gérald J. Comeau on December 9, 1997)

Canada has tabled a draft reservation to the Multilateral Agreement on Investment (MAI) that will allow the government to maintain a 49 percent foreign-ownership limit on companies that hold commercial fishing licenses in

Canada. This reservation preserves the discretionary authority of the Minister of Fisheries and Oceans to issue commercial fishing licenses pursuant to the *Fisheries Act* and the *Coastal Fisheries Protection Act*. Foreign fishing vessels are prohibited from fishing in Canada's 200-mile Exclusive Economic Zone unless they are authorised to do so under a license issued by the Minister of Fisheries and Oceans.

Canada has tabled another reservation preserving the authority of the Department of Fisheries and Oceans to grant port privileges only to fishing vessels from countries with which Canada maintains favourable fishing relations, based primarily on adherence by those countries to Canadian and international conservation practises and policies.

These reservations are the same as those Canada secured under the NAFTA.

Since the outset of the negotiations, Canadian officials have been consulting extensively with the provinces, the private sector and other organisations. Specific industry sectors have been consulted primarily through the sectoral advisory groups on international trade (SAGIT). The Minister for International Trade has written to the chairs of all SAGITs, including the Fish and Seafood Products SAGIT, seeking their views on Canada's approach in the MAI negotiations.

Canada's position in the MAI negotiations respecting the fishing industry is best seen in light of Canada's overall negotiating objective which is to secure the same rights and obligations that Canada exchanged with the United States and Mexico under the NAFTA.

FEDERAL-PROVINCIAL RELATIONS

REDUCTION IN TRANSFER PAYMENTS TO ATLANTIC PROVINCES EQUAL TO INCREASE IN SOCIAL TRANSFERS— GOVERNMENT POSITION

(Response to question raised by Hon. Brenda M. Robertson on December 9, 1997)

The Canada Health and Social Transfer (CHST) will increase in Atlantic Canada next year and the year after and every year in fact as far as projections are available, out to 2002-03.

Fiscal progress means the federal government can now re-invest in priority spending such as health and education.

The increase in the CHST cash floor from \$11 billion to \$12.5 billion is the largest single reinvestment made by the federal government.

It represents close to \$7 billion more over 6 years for provincial governments — **all** provinces will get more money. The CHST will grow by 2.5% per year, on average, over the next five years — from \$25 billion this year to \$28 billion in 2002-03 (cash and tax transfer).

Plus, the higher cash floor is being put in place one year earlier than previously announced — it begins in 1997-98 and gives the provinces an extra \$143 million this year.

HUMAN RIGHTS

UNITED NATIONS COMMITTEES—POSSIBLE CHANGE IN GOVERNMENT POLICIES—GOVERNMENT POSITION

(Response to questions raised by Hon. Noël A. Kinsella and Hon. A. Raynell Andreychuk on December 10, 1997)

Canada is party to the six principal United Nations human rights treaties and submits regular reports to the UN committees responsible for overseeing their implementation. Every five years, Canada reports on progress made in realizing the rights contained in the Covenant on Economic, Social and Cultural Rights. In May 1997, our third report was submitted to the responsible committee of the United Nations. This report includes input from the federal, provincial and territorial governments. Input was also requested from interested Canadian non-governmental organizations during preparation of the document.

In the normal course of events, we would have expected to present this report in 1999 or 2000 because of the lengthy backlog of reports for consideration by the Committee on Economic, Social and Cultural Rights. However, the Committee, in response to a request from Canadian non-governmental organizations who object to the introduction of the Canada Health and Social Transfer, agreed to early consideration of Canada's report.

After a careful review of the situation, Canada concluded that there are no special circumstances which require early consideration of Canada's report by the Committee. Early consideration is only justified when there are sudden changes or exceptional circumstances in a country's situation which require immediate attention. Last year the United Nations Development Programme (UNDP) human development report again rated Canada the best country in the world in which to live. This is not the sign of a social situation which demands immediate attention.

Although Canada does not agree with this Committee's procedural decision, the government has continued to seek ways to cooperate and find an acceptable solution. Canada strongly supports the work of the UN treaty committees. Further discussions have led to a satisfactory compromise regarding when Canada will appear before the committee, now scheduled for the session 16 November to 4 December 1998. In response to the request by Senator Kinsella, here

follows correspondence from Andrew McAlister, Chargé d'affaires of the Permanent Mission of Canada to the United Nations in Geneva to Philip Alston, Chairperson of the Committee for Economic, Social and Cultural Rights, on this topic. It would be inappropriate for the government to provide letters originating from another organization.

Canada has always taken its obligations under human rights treaties very seriously and will continue to do so. Submitting reports is an important part of that process, and Canada has fulfilled that obligation.

1, rue du Pré-de-la-Bichette
1202 Geneva
October 13, 1997
Mr. Philip Alston
Chairperson
Committee on Economic,
Social and Cultural Rights
c/o Centre for Human Rights Palais des Nations
8-14, avenue de la Paix
1211 Geneva 10

Dear Mr. Alston,

I am writing further to your letter of May 27, 1997, regarding Canada's third periodic report to the Committee on Economic, Social, and Cultural Rights.

In your letter you indicated that the Committee intends to consider Canada's third periodic report at its eighteenth session, in the spring of 1998. However, it has been brought to my attention that under the normal, established procedures this report would be considered no earlier than 1999.

After a careful review of the situation, Canada has concluded that there are no special circumstances which might necessitate early consideration of Canada's report by the Committee. Given this, and taking into account our other reporting obligations at this time, I must inform you that Canada is not prepared to appear before the Committee at its eighteenth session. Naturally, we will be happy to present our report at a time consistent with the regular, established procedures of the Committee.

Yours sincerely,
Andrew McAlister
Chargé d'affaires a.i.
1, rue Pré-de-la-Bichette
1202 Geneva
YTGR-03 11

December 11, 1997
Mr. Philip Alston
Chairperson
Committee on Economic, Social
and Cultural Rights
c/o Office of the UN High Commissioner
for Human Rights
Palais des Nations
CH 1211 Geneva 10

Dear Mr. Alston,

Thank you for your letter of December 4, 1997, Confirming that Canada's third periodic report will come before the Committee on Economic, Social, and Cultural Rights for consideration at its session scheduled from November 16 to December 4, 1998. This timing is satisfactory to Canada.

We look forward to receiving the list of issues to be addressed in the presentation of the report following the May 18 to 22, 1998 meeting of the Committee's pre-session Working Group.

Yours sincerely,
Andrew McAlister
Deputy Permanent
Representative

HUMAN RIGHTS

APEC SUMMIT—DOMINATION BY TRADE AND ECONOMIC ISSUES—GOVERNMENT POSITION

(Response to question raised by Hon. Donald H. Oliver on December 10, 1997)

Chief Gail Sparrow had an unprecedented opportunity to personally greet every Leader entering the Museum. She was the only person other than the Prime Minister to do so.

Agreement had been reached that the length of Chief Sparrow's remarks was to be 4 to 6 minutes. When the ceremony was rehearsed the day before, Chief Sparrow's remarks took 12 minutes. It was on this basis that the remarks were removed from the programme.

The prayer was also removed from the programme, due to last-minute time constraints.

These decisions are unrelated to the content of Chief Sparrow's remarks. In fact, the Leaders' Declaration contains language that reflects the links between economic development and the well-being of people and the responsibility of Leaders to be accountable to their population.

INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

AGREEMENT ON INTERNATIONAL HUMANE TRAPPING STANDARDS—PROVISION FOR INDUSTRIAL ADJUSTMENT PROGRAM—GOVERNMENT POSITION

(Response to question raised by Hon. Mira Spivak on December 12, 1997)

The Agreement on International Trapping Standards, which has been signed by Canada and the European Union

and will soon be signed by the Russian Federation, commits the parties to make certain changes to their wildlife regulations and to carry out trap research/testing of commonly used traps against the new humane standards.

Canada has agreed to immediately ban "conventional steel-jawed leghold restraining traps" for seven fur-bearing species and for another five species over the next three years from the date of final ratification of the Agreement. The parties also are obligated to test the most commonly used traps for the listed species (19 in total) over the next five years, and to then phase out those traps which fail to meet the new humane standards. Which traps will eventually have to be replaced — if any — will not be known until that research is completed, and then there is a phase-in period of three years.

The Department of Human Resources and Development, the department responsible for industrial adjustment programs, is negotiating with the Fur Institute of Canada to enter into the development of Occupational Standards for trappers (either Aboriginal or non-Aboriginal) in adjusting to the regulatory / technical (traps) changes which **might** come about as a result of the Agreement. A research phase could be looked at in order to bring all the partners to the table and to look at all the profiles already developed. This will also determine whether such a program will be needed and the time framing for the development.

DIAND has committed funding to support consultations between national / regional Aboriginal groups, and between them and the provincial / territorial governments on what the Agreement entails, what governments are obligated to do, and then as the research results start to emerge, what changes are likely to be required (if any) in both trapping regulations and practices.

NATIONAL DEFENCE

MANITOBA—SOWIND AIR CRASH AT LITTLE GRAND RAPIDS—RESPONSE OF RESCUE TEAM—AVAILABILITY OF NECESSARY EQUIPMENT—REQUEST FOR DEPARTMENTAL STATEMENT

(Response to questions raised by Hon. Terry Stratton and Hon. Janis Johnson on December 12, 1997)

1. The search and rescue (SAR) response during SAR SOWIND was organized by controllers at the Rescue Coordination Centre (RCC) in Trenton, Ontario. Within minutes of receiving information that a crash had occurred in Little Grand Rapids, Manitoba, the RCC controllers had alerted and tasked aircraft from three Canadian Forces Squadrons: a *Hercules* from 435 Squadron in Winnipeg, Manitoba; a *Labrador* and a *Hercules* from 424 Squadron in Trenton, Ontario; and, *Griffon* helicopters from

417 Squadron in Cold Lake, Alberta. Additionally, because this accident had the potential to be a major air disaster (ie. an incident involving a large number of victims), an emergency operations centre was established at 1 Canadian Air Division Headquarters in Winnipeg in the event that a larger military response was needed.

The SOWIND accident took place at an airfield where there was an immediate and effective community response. By the time the *Hercules* aircraft arrived from Winnipeg with nine SAR para-rescue personnel and a medical team on board, the situation had been stabilized. Unfortunately, the severe weather prevented the aircraft from landing or the SAR personnel from parachuting to the site for almost 15 hours; however, SAR personnel were successful in para-dropping medical supplies that had been requested by people on the ground. The two *Griffon* helicopters from Cold Lake also encountered severe weather that delayed their arrival. A decision was made that the *Labrador* helicopter from Trenton would not be launched because it had to travel nearly 500 miles further (about 5-6 hours longer) than the *Griffon* helicopters as well as attempt to fly through worse weather.

It is important to note that a response to a SAR incident does not always require the use of Canadian Forces aircraft. In fact, of the over 7,000 SAR cases coordinated each year by Canada's three Rescue Coordination Centres, Canadian Forces aircraft only participate in roughly 20%. In other incidents, the RCCs will use other federal resources (primarily Canadian Coast Guard), volunteer groups, or contracted services. A civilian helicopter was not hired for SAR SOWIND because the crew of the *Hercules* advised that the weather conditions at Little Grand Rapids were so severe that a helicopter would have extreme difficulty flying into the site. The RCC controllers, therefore, determined that they could be putting a civilian helicopter crew at undue risk if they chartered one.

The final result of SAR SOWIND must also be assessed. No lives were lost because Canadian Forces aircraft did not arrive at the crash site earlier. A civilian helicopter penetrated the poor weather to land at Little Grand Rapids nineteen hours after the crash (90 minutes before the *Hercules* landed) and air-evacuated two ambulatory survivors. The *Hercules* evacuated the remaining nine survivors plus one more patient, an urgent dialysis case.

2. The basing of Canadian Forces primary SAR aircraft is tied to historical SAR incident locations and their severity. Less than 10% of SAR cases, which include marine and humanitarian assistance incidents as well as air incidents, take place in the Prairie Region. In fact, nearly

80% of SAR cases are marine-related. Thus most SAR aircraft are located near the coasts or near the Great Lakes.

There has always been a SAR squadron located in the Prairies and it has served the region very well. 435 Squadron, which moved from Edmonton to Winnipeg in 1994, has the same fixed-wing capability and equipment as the other three fixed-wing SAR squadrons in Canada. Additionally, every Canadian Forces aircraft can be used to assist in a SAR mission. In the Prairie Region, 417 Squadron in Cold Lake has *Griffon* helicopters and SAR specialists. These rescue personnel can also serve as crew with other Canadian Forces aircraft, including with the *Griffon* helicopters from 408 Squadron, Edmonton or with the *Twin Otters* from 440 Squadron, Yellowknife.

FEDERAL-PROVINCIAL RELATIONS

QUEBEC—PROPORTION OF TAXES RAISED CONTROLLED BY PROVINCE—REQUEST FOR PARTICULARS

(Response to question raised by Hon. Jeremiah S. Grafstein on December 12, 1997)

The proportion of all tax dollars raised within the Province of Québec that are under the direct control of the provincial government of Quebec is approximately 47%. This is equivalent to about \$31 billion.

This percentage is based on the 1995 Statistics Canada Provincial Economic Accounts which indicates the most recent information available on the tax revenues raised in the province of Quebec by each level of administration.

THE ENVIRONMENT

REDUCTION OF GREENHOUSE GAS EMISSIONS—COMMITMENT MADE AT KYOTO CONFERENCE—CONSULTATIONS BETWEEN PRIME MINISTER AND PROVINCIAL PREMIERS ON RATIFICATION—GOVERNMENT POSITION

(Response to question raised by Hon. Lowell Murray on December 12, 1997)

First Ministers had a fulsome discussion on the issue of climate change at their meeting in mid-December. They undertook to work together on implementing the Kyoto agreement and directed Energy and Environment Ministers to "work together to consider jointly the appropriate course of action to establish a process, in advance of Canada's ratification of the Kyoto Protocol, that will examine the consequences of Kyoto and provide for full participation of provincial and territorial governments with the federal government in any implementation and management of the Protocol."

At their meeting on January 29-30, Environment Ministers also agreed that the federal government should take a leadership role on a joint analysis of impacts, and that all jurisdictions will commit the resources necessary to complete this joint analysis. Federal-provincial Ministers of Environment and Energy are expected to meet in April to discuss this mechanism and Ministers will report to First Ministers shortly thereafter on action taken to date.

Provinces did express concern that the federal government did not adopt the "consensus" position of stabilization of greenhouse gas emissions at 1990 levels by 2010. However, they were aware that the purpose of the Regina meeting was to provide advice on the final negotiating position, and that establishment of this position was a federal responsibility. The federal government considered the views of the provinces, plus the positioning of the international community in formulating the final negotiating position.

At this time, it is presumed that Canada will ratify the Kyoto agreement. Two important considerations will be the development of an effective domestic implementation plan, and the actions of major trading partners with respect to ratification and implementation of measures to meet their commitments.

The challenge now turns to developing an appropriate policy framework with the federal government's partners — the provinces and industry — that encourages energy efficiency and innovation, and enables Canadians to take action on climate change in a way that benefits both the environment and our economy. This work is underway.

TRANSPORT

FURTHER IMPOSITION OF TOLLS ON TRANS-CANADA HIGHWAY

(Response to question raised by Hon. Donald H. Oliver on December 15, 1997)

Under the Canadian Constitution, highway matters are a provincial responsibility.

The federal government does not object to tolls being applied to a project in which it has provided cost-shared funds such as Highway 104 in Nova Scotia. The federal government will nevertheless, ensure that the toll rate charged will only be based on the portion of funds provided by the private investor and not the total capital cost of the project.

Transport Canada's only involvement in Highway 104 was to match, dollar for dollar, \$55 million with the province (\$27.5 million each). The remaining funds were provided by a bond issue to Highway 104 Western Alignment Corporation.

Since highways are a provincial responsibility, there is no requirement for the provinces to inform the federal government of any plans they may have of introducing tolls on their highways.

Nevertheless, it is the federal government's understanding that besides the Confederation Bridge and Highway 104 in Nova Scotia, the only other planned toll section of the Trans-Canada Highway is the proposed new section of highway between Fredericton and Moncton, in New Brunswick.

SOLICITOR GENERAL

PUBLICATION ON INTERNET OF HATE PROPAGANDA AND CHILD PORNOGRAPHY—PUBLIC CONSULTATIONS—REQUEST FOR INFORMATION

(Response to question raised by Hon. Brenda M. Robertson on December 15, 1997)

Federal-Provincial-Territorial Ministers Responsible for Justice discussed the issue of child pornography and hate propaganda on the Internet. Ministers agreed that this was an area which warranted close attention.

Industry Canada is working with the Canadian Association of Internet Providers (CAIP) in developing a voluntary code of conduct that addresses the issue of offensive content (obscene and hate materials) and the safety of children. Under consideration is a Code of Conduct that would be pro-active and provide for public education and awareness measures.

Two milestones on this issue will soon be reached. In March 1998, the OECD is hosting a forum on self-regulation, in Paris, and the federal government will be represented. In October 1998, there is a OECD Ministerial Conference on Electronic Commerce, in Ottawa, and the issue of offensive content is expected to be on the agenda.

Canada's criminal legislation dealing with obscenity, pornography, and hate-propaganda already applies the appropriate offences when computers or other hi-tech media are used to create, import or distribute such materials in the same way as when other methods are used. The Supreme Court has held that transboundary offences can be prosecuted in Canada if any significant part of the offence took place here (*R. v. Libman*, 1985).

G-8 Ministers for Justice and the Interior did not deal with these crimes specifically at their recent meeting. The focus of the meeting was how to improve on existing enforcement methods for "hi-tech" crime in a transnational context. "High-tech crime" generally encompasses the use

of the Internet, computers and telecommunications technology to commit various offences across international boundaries. The agenda is currently focused on ensuring that mutual legal assistance and extradition instruments apply to these crimes.

Ministers also asked officials to develop multilateral principles governing the investigation and prosecution of trans-boundary “hi-tech” offences. This is critical because of the sovereignty issues raised by cross-border computer investigations, and the need for investigative powers and practices which are effective in locating offenders across borders in the very short times within which many of the offences can be committed.

The Eight is also actively working on setting standards for the training of law-enforcement officials and the production of computer evidence in court in order to facilitate multi-jurisdictional investigations and prosecutions.

MINISTER'S REPORT AND ANNUAL STATEMENT ON
ORGANIZED CRIME—SENIORS VICTIMS OF
TELEMARKETING FRAUD—REQUEST FOR CLARIFICATION

The Solicitor General has indicated that he considers this to be a very important issue within the context of the overall fight against organized crime, because many frauds are carried out by organized groups operating within and outside Canada. It is a serious crime which plays upon the vulnerable members of our society.

The Government has been involved in numerous initiatives aimed at fighting criminal telemarketing and other fraudulent activity.

For example, the *Canada-United States Binational Group on Telemarketing Fraud* was created by Prime Minister Chrétien and President Clinton following their meeting in April 1997. One of the many recommendations from the Group is that governments work closely with other interested groups in developing and disseminating educational materials, and on coordinating education and prevention efforts.

The Deceptive Telemarketing Prevention Forum, chaired by Industry Canada, includes members from federal and provincial law enforcement agencies and private industry. Two of the key objectives of this Forum are to educate the public about deceptive and fraudulent telemarketing practices, and to suggest measures that members of the public can employ to avoid being victimized.

In addition, the Government has contributed, through the Royal Canadian Mounted Police, to the production of a video entitled “*Scams*.” The video is aimed at educating people about telemarketing fraud, and is currently being shown on television stations in Ontario and British Columbia.

On December 11, 1997, the Solicitor General presented a contribution of \$15,000 to Seniorbusters. This telemarketing fraud prevention initiative, aimed at educating seniors, is run through Project Phonebusters — a combined effort of the Ontario Provincial Police, various federal government departments including Solicitor General Canada and Industry Canada, along with private industry.

THE ENVIRONMENT

REDUCTION IN GREENHOUSE GAS EMISSIONS—RATIFICATION OF
UNDERTAKINGS MADE AT KYOTO—COMMITMENT RELATED TO
POSITION OF UNITED STATES—GOVERNMENT POSITION

(Response to question raised by Hon. Lowell Murray on December 16, 1997)

The ratification of the Kyoto agreement must be authorized by the Federal Cabinet through an Order-in-Council. Canadian practice is for the federal government to ratify a treaty only after it is assured that Canada can meet its obligations under the treaty. The federal government will not ratify the Kyoto Agreement without broad-based support, without a clear path to implementation and without extensive involvement of provincial and territorial partners. A process will be established prior to ratification to provide for full participation of provincial and territorial governments with the federal government in any implementation and management of the Agreement. Canada will also monitor what its major trading partners are doing to ratify and implement the Kyoto Agreement.

TREASURY BOARD

MILLENNIUM COMPUTER PHENOMENON—EFFECT ON
GOVERNMENT COMPUTERS—GOVERNMENT POSITION

(Response to question raised by Hon. Fernand Roberge on December 16, 1997)

Treasury Board considers the Year 2000 issue to be a high priority and has formulated an aggressive action plan to ensure compliance of key systems across government.

The government has completed two surveys of all departments and agencies. The latest survey indicates that all departments are now 100% aware of the Year 2000 problem and of its impact on their IT environment and service delivery.

The role of the Year 2000 Project Office within Treasury Board Secretariat is to provide leadership and assistance to departments to help them accomplish Year 2000 priorities and conversion work. Computer systems that support delivery of key services — those that are concerned with the health, safety, security and economic well being of Canadians — are the government's top priority. The loss or interruption of any of these systems, even for a short period, is unacceptable.

In March of 1997, the Treasury Board Secretariat contacted all Deputy Ministers and agency heads to assess the progress made so far in preparing for Year 2000. They were asked to provide information on critical systems, external interfaces and system dependencies, the price tag for fixing their computers, and their funding and staff requirements. Responses showed that most departments were making reasonable progress. The remaining departments were encouraged to accelerate their efforts.

A report by the Auditor General in October expressed concern about the level of preparation by government departments. The Auditor General's report was based on the assessment of only a small number of departments (9) and examined the situation as of April 1997. A great deal of progress has been made since then. Preparation for the changeover continues to be a standing item on the agenda of Deputy Ministers' meetings. In addition, the CIO Year 2000 Project Office has accelerated the pace of its government wide efforts.

In September and October, a second Treasury Board lead survey was carried out. Results of the survey show that some of the smaller departments have completed more of the task than the larger ones. Nevertheless, the average completion rate for all departments surveyed was 44 per cent.

According to the industry benchmark, a large organization should have completed 45 per cent of its conversion work by now to have a reasonable expectation of meeting the Year 2000 deadline. Because departments differ in size and the extent to which they depend on information technology, the rate of progress within government varies.

Three quarters of the departments offering the most vital services have completed or nearly completed their inventories. More than half have developed plans covering the complete scope of Year 2000 problems, and all departments have formal plans in place.

The CIO Year 2000 Project Office is working on common, horizontal initiatives for departments. These efforts include:

- A dedicated procurement office that has been set up at Public Works and Government Services Canada (PWGSC). A Request for Proposal (RFP) has been developed, in consultation with the private sector, to secure resources for government departments. The new initiatives developed will also expedite the procurement process for departments by at least 8 weeks.

- Steps that are being taken in collaboration with the private sector to ensure that the government can obtain the skilled technical and human resources required. In a reversal of normal procedures, qualified students at technical institutions are receiving conditional offers of employment.

- An improvement in the remuneration for government computer specialists to counter the higher-than-normal rates of attrition in this category. A new collective agreement has just been ratified. The establishment of government-wide testing facilities.

- The examination of over 2,500 software and hardware products used throughout government by PWGSC who will have a repository of over 5,000 products by spring of 1998.

The second issue raised relates to work being done outside Treasury Board Secretariat that is being managed by Industry Canada's Taskforce 2000. The Taskforce expects to release the latest results on the state of Year 2000 readiness of Canadian businesses by the beginning of February 1998.

ENERGY

SABLE ISLAND GAS PROJECTS—POSSIBILITY OF SUBSIDIES FOR BUILDING SPU PIPELINES TO ADDITIONAL AREAS OF THE MARITIME PROVINCES—GOVERNMENT POSITION

(Response to question raised by Hon. Eymard G. Corbin on December 16, 1997)

Canada's energy policies have evolved significantly over the last decade since the North American deregulation of oil and natural gas prices. Current energy policy is based on allowing market forces to work.

Decisions to construct natural gas pipelines are made by participants in the private sector. These decisions are based on economic feasibility studies that are typically carried out by interested parties. Although the construction of natural gas pipelines is subject to the necessary federal or provincial regulatory approvals, the federal government does not determine which projects are ultimately constructed.

To this end, studies are being undertaken, by commercial interests, to determine to what extent natural gas could be used in various regions of eastern Canada. The results of these studies will dictate the pace at which secondary natural gas pipelines will be developed.

As in other regions in Canada where natural gas was introduced, the construction of the Maritimes & Northeast pipeline will undoubtedly serve as the impetus to the development of a natural gas distribution networks where natural gas has a competitive advantage over other energy sources.

Government assistance to construct natural gas infrastructure in the 1980s was one of many initiatives created as part of the National Energy Program (NEP). This program was created in an era when security of energy supply was a major concern. At that time, a number of programs within the NEP were designed specifically to address the energy needs of Atlantic Canada.

FISHERIES

BAY OF FUNDY—DESTRUCTION OF INFECTED SALMON ON FISH FARMS—PROGRESS IN ESTABLISHING RECOVERY PROGRAM FOR GROWERS—GOVERNMENT POSITION

(Response to question raised by Hon. Brenda M. Robertson on December 17, 1997)

On December 11, 1997, New Brunswick Minister of Fisheries and Aquaculture, the Honourable Donald D. Gay, announced measures to control Infectious Salmon Anemia (ISA) in farmed salmon in the Bay of Fundy. This included issuing an order to eradicate all 1997 year-class salmon at clinically affected cages.

It is the federal government's view that the Province has acted appropriately and within its jurisdiction, given its responsibilities for controlling diseases in its fish farms, as set out in the New Brunswick Aquaculture Act.

The federal government agrees with the Province that ISA poses no threat to human health, and would also point out that ISA poses no demonstrated risk to wild fish stocks, or to cultured stocks in other provinces.

For these reasons, the federal government is not mandated to provide compensation for this preventive eradication action under any of its legislation (the Fisheries Act and the Health of Animals Act).

Existing infrastructure support programming of the Atlantic Canada Opportunities Agency, as well as access to financing provided by the Farm Credit Corporation, remain available to eligible salmon growers for industry recovery purposes. In addition, the Department of Fisheries and Oceans has dedicated over \$100K in the 1997-98 fiscal year to scientific research on the ISA problem, and will continue to provide scientific research services to salmon growers.

HEALTH

REQUEST FOR FUNDING TO DEVELOP VACCINE FOR FLESH-EAST DISEASE—GOVERNMENT POSITION

(Response to question raised by Hon. Stanley Haidasz on December 18, 1997)

Dr. Maxwell Richter, Chief of Immunology, Ottawa Civic hospital has written to a former Minister of Health (Diane Marleau) on two occasions (August 16, 1995 and October 25, 1995). Both letters expressed concern regarding the Department's apparent failure to implement programs to counter the threat of national antibiotic resistance. Neither letter mentioned a request for federal funds.

The Department is committed to an action plan to address this problem. In fact, a Consensus Conference on

"Controlling Antimicrobial Resistance: An integrated Action Plan for Canadians," was held May 28-30, 1997 in Montreal with a goal to provide a forum for discussion of issues related to the development of resistance to antibiotics and to develop a National Action Plan to limit the development and transmission of antibiotic resistant bacteria in Canada. As a result, Health Canada supports a multi-disciplined, Canadian Coordinating Committee comprised of clinicians, infection control specialists, microbiologists, industry, public health, professional associations, which will take leadership for ensuring effective implementation of the Action Plan.

Health Canada in conjunction with the Canadian Infectious Disease Society organized the meeting held in Montreal. Approximately 200 participants represented a wide constituency of stakeholders including the consumer, professional organizations and the media. The implementation of the final recommendations will result in a National Strategy to improve the benefits of antibiotics and reduce the risks associated with our current use. Proceedings/ recommendations of the conference have been tabled in the Senate.

FISHERIES

BAY OF FUNDY—DESTRUCTION OF INFECTED SALMON ON FISH FARMS—ARRANGEMENTS FOR CONTROL OF OUTBREAK—GOVERNMENT POSITION

(Response to question raised by Hon. Janis Johnson on December 18, 1997)

On December 11, 1997, New Brunswick Minister of Fisheries and Aquaculture, the Honourable Donald D. Gay, announced measures to control Infectious Salmon Anemia (ISA) in farmed salmon in the Bay of Fundy. This included issuing an order to eradicate all 1997 year-class salmon at clinically affected cages.

It is the federal government's view that the Province has acted appropriately and within its jurisdiction, given its responsibilities for controlling diseases in its fish farms, as set out in the **New Brunswick Aquaculture Act**.

It is too soon to tell whether the Province's control measures have worked. However, when used in combination with other measures such as separation of salmon year classes and disinfection of slaughterhouse effluents, eradication has proved effective in arresting similar outbreaks in Norway.

There is no evidence that this outbreak is occurring in other parts of Atlantic Canada. However, there are reports that salmon growers in the State of Maine are finding evidence of ISA in some of their operations.

The federal government agrees with the Province that ISA poses no threat to human health, and would also point out that ISA poses no demonstrated risk to wild fish stocks or to cultured stocks in other provinces.

For these reasons, the federal government is not mandated to provide compensation for this preventive eradication action under any of its legislation (**the Fisheries Act, and the Health of Animals Act**).

Existing infrastructure support programming of the **Atlantic Canada Opportunities Agency**, as well as access to financing provided by the **Farm Credit Corporation**, remain available to eligible salmon growers for industry recovery purposes. In addition, the **Department of Fisheries and Oceans** has dedicated over \$100K in the 1997-98 fiscal year to scientific research on the ISA problem, and will continue to provide scientific research services to salmon growers.

ENERGY

SABLE ISLAND GAS PROJECTS—POSSIBLE EXTENSION INTO NEW BRUNSWICK AND QUEBEC—GOVERNMENT POSITION

(Response to question raised by Hon. Eymard G. Corbin on December 18, 1997)

The Government of New Brunswick has not formally indicated its intent to seek federal subsidies to representatives of the federal Government. However, representatives from the New Brunswick Government have contacted officials at Natural Resources Canada to inform them of New Brunswick's desire to have a lateral pipeline constructed to serve markets in northern New Brunswick.

• (1610)

ANSWERS TO ORDER PAPER QUESTIONS TABLED

TRANSPORT—PEARSON AIRPORT—
EX GRATIA PAYMENT TO GOUDGE S

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 1 on the Order Paper—by Senator Lynch-Staunton.

ENERGY—DEPARTMENT OF ASIA-PACIFIC—
CONFORMITY WITH ALTERNATIVE FUELS ACT

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 4 on the Order Paper—by Senator Kenny.

ENERGY—BUSINESS DEVELOPMENT BANK OF CANADA—
CONFORMITY WITH ALTERNATIVE FUELS ACT

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 7 on the Order Paper—by Senator Kenny.

ENERGY—CANADA POST—
CONFORMITY WITH ALTERNATIVE FUELS ACT

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 9 on the Order Paper—by Senator Kenny.

ENERGY—CORRECTIONAL SERVICES—
CONFORMITY WITH ALTERNATIVE FUELS ACT

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 12 on the Order Paper—by Senator Kenny.

ENERGY—DEPARTMENT OF FOREIGN AFFAIRS—
CONFORMITY WITH ALTERNATIVE FUELS ACT

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 17 on the Order Paper—by Senator Kenny.

ENERGY—DEPARTMENT OF HUMAN RESOURCES
DEVELOPMENT—CONFORMITY WITH ALTERNATIVE FUELS ACT

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 21 on the Order Paper—by Senator Kenny.

ENERGY—DEPARTMENT OF LATIN AMERICA AND AFRICA—
CONFORMITY WITH ALTERNATIVE FUELS ACT

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 28 on the Order Paper—by Senator Kenny.

ENERGY—ROYAL CANADIAN MOUNTED POLICE—CONFORMITY
WITH ALTERNATIVE FUELS ACT

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 40 on the Order Paper—by Senator Kenny.

ENERGY—NATIONAL MUSEUM OF SCIENCE AND
TECHNOLOGY—CONFORMITY WITH ALTERNATIVE FUELS ACT

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 42 on the Order Paper—by Senator Kenny.

ENERGY—DEPARTMENT OF THE SOLICITOR GENERAL—
CONFORMITY WITH ALTERNATIVE FUELS ACT

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 44 on the Order Paper—by Senator Kenny.

ENERGY—DEPARTMENT OF CHILDREN AND YOUTH—
CONFORMITY WITH ALTERNATIVE FUELS ACT

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 47 on the Order Paper—by Senator Kenny.

ENERGY—DEPARTMENT OF NATIONAL DEFENCE—
CONFORMITY WITH ALTERNATIVE FUELS ACT

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 55 on the Order Paper—by Senator Kenny.

NATIONAL DEFENCE—
EQUIPMENT TO BE MOTHBALLED OR SCRAPPED

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 64 on the Order Paper—by Senator Forrestall.

NATIONAL DEFENCE—
CANADIAN FORCES AIRCREW PERSONNEL SHORTFALLS

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 65 on the Order Paper—by Senator Forrestall.

NATIONAL DEFENCE—
SURPLUS ARTILLERY AMMUNITION TRANSFERRED TO TURKEY

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 72 on the Order Paper—by Senator Forrestall.

ENERGY—RESTRICTIONS TO THE TRANSPORTATION
OF PLUTONIUM AND MOX FUEL

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 80 on the Order Paper—by Senator Spivak.

ORDERS OF THE DAY

EXCISE TAX ACT

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon. Consiglio Di Nino moved the second reading of Bill S-10, to amend the Excise Tax Act.

He said: Honourable senators, I rise today to begin debate on second reading of Bill S-10, to amend the Excise Tax Act. As you are probably well aware, Canada is one of the few industrialized countries that taxes reading material. The United States has no such system, nor do Australia, Great Britain or Japan. It is my hope that Canada will soon join these other countries and follow the lead of the European Parliament, which banished such taxes a couple of years ago.

Honourable senators, the issue of the GST is one that has been filled with acrimony since it was proposed. Much has been said and denied on both sides of this chamber. It is my hope that this bill will be allowed to escape this animosity, despite what has been said in the past. In this vein, my remarks will not be partisan, for my intention is not political. My objective is to appeal to common sense, to good politics. We have told Canadians that we oppose taxing reading material and that we would like to see it stopped. We owe it to ourselves to act on that commitment.

When I look about me today, I think I can say with a fair degree of certainty that there are few if any of us in this chamber

who seriously oppose the principle of this bill. We know through our work and our contacts within our respective communities that many people want the GST on reading material removed, so many, in fact, that I do not think I would be incorrect to suggest that a consensus has emerged in this country in favour of such an action. I do not mean a consensus among interested parties only. Obviously groups directly affected by the tax, such as the Association of Canadian Publishers, the Canadian Booksellers Association and the Canadian Daily Newspapers Association, all support the idea. This goes without saying.

However, those groups alone do not make a national consensus. For this you need people, lots of them. I think such a group of people exists. As proof for my conclusion, I could cite numerous polls, but I think far more convincing evidence is to be found in the thousands of people who have signed the many petitions that have been tabled in both Houses of Parliament asking that the GST on reading material be rescinded. These are average Canadians, not special interests. They are from all walks of life and every part of Canada. They represent the average Joe and Jane buying a newspaper or a novel. They are people who have stated repeatedly, "Yes, we can live with a broad-based consumption tax, but, no, we are opposed to taxing reading material."

The desire of these many Canadians to see the GST on reading material removed has been echoed here in Ottawa. Members of all parties have, at different times and to different degrees, endorsed the idea. More important, at this particular juncture of our national history, the Liberal Party, indeed the entire Liberal family, clearly supports the idea.

In 1990, the Liberal Party of Canada promised to return reading material to its traditional federal tax rate of zero if elected to government. It reaffirmed this promise in policy conferences held in 1992 and again in 1994.

In 1992, the Prime Minister, then leader of the Liberal Party, wrote the Don't Tax Reading Coalition. In his letter he reiterated his party's recent policy resolution calling for the removal of the GST on reading material.

Mr. Chrétien's support for this policy has been echoed by members of the present Liberal cabinet, including Deputy Prime Minister Herb Gray, ex-deputy prime minister Sheila Copps, Defence Minister Eggleton and International Trade Minister Marchi.

In this chamber, all of those senators opposite who were here during the original GST debate voted, if I am not mistaken, in favour of the October 1990 amendment that would exempt reading material from the GST. Indeed, one of those senators, Senator Fairbairn, was quoted not that long ago reiterating her support, saying that Canada should have as few barriers as possible to accessing reading material. I am extremely happy to see that the honourable senator still feels strongly about this issue, and I hope that she will vote for this bill.

I am equally hopeful that Senator Corbin, now that his previous objections have been overcome, will see fit to vote in favour of it.

In addition to the Prime Minister, members of his cabinet and Liberal senators, there is the Liberal caucus. I read recently that over one-half of the previous caucus was on record as supporting the principle enunciated in this bill. It seems unlikely that these numbers have changed drastically since the last election.

Of course, there are also Liberal premiers like Brian Tobin. The Premier of Newfoundland is a strong supporter of removing the GST from reading material. I seem to remember he was particularly eloquent on speaking about this issue, saying something to the effect that taxing reading was a violation of the concept of freedom of speech. I would be very surprised if he has since changed his mind.

• (1620)

Last, but not least, are the different liberal newspapers in this country. I am certain that *The Toronto Star* and other papers have printed any number of articles and editorials in favour of abolishing the GST on reading material.

Honourable senators, when you add it all up, support for this bill is quite widespread. In fact, the only dissenting voice of which I am aware belongs to the Minister of Finance. However, I think even he is beginning to waiver. For the longest time, Mr. Martin told Canadians that to chop the GST on reading material would be too expensive. He said it would cost the treasury something in the area of \$140 million, and that we simply could not afford it. However, as I pointed out before, and as the Auditor General points out every year, \$140 million is easily found when boondoggles and political spending are properly controlled.

Mr. Martin's arguments are further undermined by the close attention he has paid to lowering the country's deficit. For the first time in many years, Canadians are seeing the light at the end of the deficit tunnel. Soon we will be in a post-deficit era, a surplus era, and I contend and it is my hope that you will agree that one of the first benefits for Canadians that should result from this happy event is the elimination of the GST on reading material.

I do not wish to get into a long and detailed description of the economic benefits of abolishing the GST on reading material. I am sure most of you are aware of all of these. Suffice it to say that, as it stands now, the GST on reading material is a tax both on reading and on learning; therefore it is a tax on investment. This is never a good idea. It is also, in some ways, a tax on jobs. Eliminating the GST on reading material will bring increased sales to a host of businesses, including magazine publishers, printing companies and bookstores. This means more jobs; jobs for the, unfortunately, still high number of unemployed, particularly among the young.

A further point I should like to make concerns literacy or the lack thereof. A recent OECD study indicates that 42 per cent of Canadians are presently below minimum literacy standards. An additional 34 per cent can only use simple reading material. In the Maritimes, as Senator DeWare advised before Christmas,

illiteracy rates are 20 per cent higher than the national averages. In Ontario, something called the International Adult Literacy Survey has shown that 20 per cent of the province's adults have no basic literacy skills, and an additional 24 per cent have poor skills.

I am sure you will all agree that these figures are startling. They should give all of us pause to reflect, and to ask ourselves what it means when over one-third of our fellow citizens have difficulty reading. We should be asking ourselves what are the consequences, who are the losers, and what can be done to rectify the situation. Questions like these and the statistics that provoke them underline the fact that literacy is not simply a question of how much tax is applied to books or magazines, nor is it just about who can or cannot read. In reality, it is a far more wide-ranging issue, one directly linked to our economic self-interest. Broadly speaking, this is because literacy affects our productivity. It affects our competitiveness. It influences our ability to do business successfully in the global economy. In short, an uneducated or undereducated workforce is an impediment to our progress and a drag on our national economic well-being. It is therefore vital that we ensure that our fellow citizens know how to read.

Here we get to the crux of the issue. If we wish to encourage people to read more, we must ensure that they have easy and affordable access to reading material. It makes good sense. We must stop taxing those materials that they use most, whether it be newspapers, magazines, books, or other reading material.

This is particularly true for our youth. Young people are our future. They are our single most important asset. For them, far more than was the case for our generation, literacy is crucial to a successful life and a profitable career, largely because our economy has evolved. Today, it is based on service and technology. Each of these areas demands a high rate of literacy and the ability to think and write clearly and coherently. I hardly need remind you of the important role reading plays in the acquisition of these skills. If we are to encourage our young people to read and keep reading, then we must ensure that they have access to the materials they need at affordable prices.

I would summarize my remarks by saying that taxes, consumption or otherwise, are a necessary evil. They provide for the many services we have and need in our society. However, taxes on reading material should be exempt from this general rule.

Honourable senators, I have taken up enough of your time today. The last time we debated this issue, the government told us it could not afford to pass such a bill. This is no longer the case, as I mentioned a moment ago.

In any case, it is not a question of affordability; it is one of spending priorities. The removal of the GST from reading material is, or should be, a priority. It makes economic sense. Equally important, literate citizens make for a better and more informed democracy, and that is a goal towards which we can all strive, independent of partisanship.

I should like to conclude by urging honourable senators opposite to give concrete expression to their public support and their party's long-standing promise regarding this issue. Let us send a strong message to the Minister of Finance that removal of the GST on reading material should be one of the first dividends Canadians receive from the elimination of the deficit. I urge you to show your commitment to literacy and to the future well-being of the young people in our country by voting in favour of this bill.

On motion of Senator Carstairs, for Senator Adams, debate adjourned.

SECURITY AND INTELLIGENCE

ESTABLISHMENT OF SPECIAL COMMITTEE— DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Kelly, seconded by the Honourable Senator Prud'homme, P.C.:

That a Special Committee of the Senate be appointed to hear evidence on and consider matters relating to the security intelligence operations of the Government of Canada;

That the Committee examine and report on the extent to which the recommendations of the Report of the Special Committee on Terrorism and the Public Safety (June 1987) and the Report of the Special Committee on Terrorism and the Public Safety (June 1989) have been addressed thus far by the Government of Canada;

That the Committee examine and make recommendations with respect to the adequacy of the review or oversight of the Government of Canada's security and intelligence apparatus, including each of the organizations in departments of government that conduct security and intelligence operations or that have a security and intelligence mandate;

That the Committee examine and make recommendations with respect to intra-governmental and inter-governmental co-ordination relating to the Government of Canada's security intelligence mandate and operations;

That the Committee examine and make recommendations with respect to the overall mandate and current threat assessment capability of the Government of Canada's security intelligence apparatus and of the individual organizations therein;

That seven Senators, to be designated at a later date, act as members of the Committee;

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

That the Committee present its final report no later than April 15, 1998.—(*Honourable Senator Carstairs*).

Hon. William M. Kelly: Honourable senators, I believe it is possible for me to do what I am about to do. I should like to adjourn further debate on this motion until Tuesday —

The Hon. the Speaker: Honourable Senator Kelly, if you do that, you preclude any other senator from speaking. This is your motion.

Senator Kelly: Honourable senators, there are reasons why it would not be possible for this matter to be discussed before the week of March 3. I am persuaded that if I can adjourn the order at this stage, then the numbers do not move from 8 to 15, which they will do before March 3. This would put the order in limbo until March 3. If you feel I am fully out of order, please consult the Deputy Clerk, because he is the one who has told me to do this.

Senator Carstairs: Since this order now stands adjourned in my name, perhaps it would be possible for me to ask the Senate if we could adjourn debate on this motion until March 3?

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

Hon. Senators: Agreed.

On motion of Senator Carstairs, debated adjourned.

REPORTS ON SOCIAL AND ECONOMIC DEVELOPMENT

INQUIRY—DEBATE ADJOURNED

Hon. Noël A. Kinsella rose pursuant to notice of December 4, 1997:

That he will call the attention of the Senate to reports on social and economic development.

He said: Honourable senators, I should like to say a few words, and then I will adjourn the debate on this inquiry.

• (1630)

Honourable senators, the particular report to which I wish to call the attention of the Senate is a report that Canada has submitted to the United Nations pursuant to the International Covenant on Economic, Social and Cultural Rights. That report constitutes the manner in which Canada meets its obligation under that international human rights treaty. This particular report, and a number of other reports that Canada submits to international bodies to which we are members, are excellent reports in many instances. However, unfortunately, very few Canadians are aware of those reports.

Last fall, a number of the members of this house joined with members from the other place in participating as Canadian parliamentarians in a hemispheric conference of parliamentarians that was held in Quebec City. At the end of the conference, which had as one of its themes the study of the protection and the promotion of human rights in the hemisphere, we took note of the fact that many of the countries — indeed, all of the countries of the hemisphere — are parties to one or another of these international human rights treaties which require the state party to submit a report. The Quebec conference of the hemisphere agreed that we, in our respective countries and Parliaments, should give attention to the reports that our own countries are submitting to these oversight committees.

This particular report is a very important report. It speaks to and provides a detailed analysis of the steps that Canada has taken, whether federally, provincially or territorially, to meet its obligations in the area of economic, social and cultural rights.

We do the same thing; we submit a country report with the collaboration of all the provinces and the two territories, under the International Covenant on Civil and Political Rights. Honourable senators, this particular report that we submit periodically is especially important when one considers that economic, social and cultural rights, such as the right to education or the right to health, require the intervention of the state, whereas rights such as freedom from arbitrary arrest or freedom of the press, in effect, are self-executory. What they require is that the state or people in power do not interfere with those rights in order for them to be enjoyed.

This report, on social, economic and cultural rights in Canada, on issues such as what steps we have taken to promote or guarantee to give meaning to the right to education, is a report prepared by the provinces, territories and also a section prepared by the federal government. It is an excellent view of the situation; of the progress that Canada has made, all the partners in our confederation, towards the fulfilment and the giving of greater meaning to economic, social and cultural rights.

That report is very much a social audit. Just as we have an audit in fiscal matters, the report of the Auditor General is only as good as the debate that it stimulates in the House of Commons or in this place. Being also a social audit, this model of soft justiciability is nevertheless a method of implementation, promotion and protection.

It is important that we begin to look at these reports that Canada is submitting.

On motion of Senator Carstairs, debate adjourned.

[Translation]

CANADA MARINE BILL

SECOND READING—DEBATE ADJOURNED

Leave having been given to return to Government Order No. 2:

Hon. Pierre De Bané moved the second reading of Bill C-9, an act for making the system of Canadian ports competitive, efficient and commercially oriented, providing for the establishing of port authorities and the divesting of certain harbours and ports, for the commercialization of the St. Lawrence Seaway and ferry services and other matters related to maritime trade and transport and amending the Pilotage Act and amending and repealing other Acts as a consequence.

He said: Honourable senators, it is a pleasure to speak to you today on a bill that will prepare maritime transport in Canada to face the challenges of the 21st century.

This bill is the result of two and a half years of major consultations with shippers, carriers, other levels of government and commercial associations. It has considerable support from the marine transport sector.

The bill is being reintroduced as a priority of the government after undergoing a number of major changes in the last legislature in response to suggestions and concerns expressed by the various partners.

[English]

This legislation provides a new outlook and direction for many of our key marine institutions and facilities. A stronger, more efficient marine sector will improve Canada's international trade, which translates into economic growth and more jobs for Canadians. The legislation contains the same provisions as the earlier Bill C-44, which did not complete the parliamentary process prior to the dissolution of Parliament in April for the federal election.

The new act will, first, improve the effectiveness of Canada's major ports by creating a national ports system made up of independently managed Canada Port Authorities, called CPAs; second, streamline the regulatory regime for the new CPAs and other ports currently administered by Transport Canada; third, dissolve Canada Ports Corporation, thereby significantly reducing bureaucratic red tape and overhead costs for major ports; fourth, repeal the Public Harbours and Ports Facilities Act; fifth, allow the minister to commercialize the operations of the Great Lakes–St. Lawrence Seaway System by entering into agreements with seaway users or any other group to operate and maintain the seaway; and sixth, finally, to overhaul the marine pilotage system.

[Translation]

The government's objective is to strengthen the Canadian economy and to establish a climate favouring job creation and investment. Only with a solid economic base will we be able to maintain the living standard we have taken for granted.

In support of this goal, the government has taken steps to modernize Canada's transportation network. To this end, it has commercialized transport activities, eliminated useless subsidies and changed legislation.

In all forms of transport — air, surface and marine — we have made great progress toward greater efficiency, more power to system users and greater local and regional autonomy.

A lot has been done, but we have yet to put in place the benefits of these improvements for the marine sector.

[English]

• (1640)

I shall now discuss the main elements of this legislation. Honourable senators, I should like to discuss how Bill C-9 will help modernize the three key components of Canada's marine transportation system. These are: ports, the St. Lawrence Seaway and marine pilotage.

Turning to ports, the 1995 national marine policy calls for the federal government to focus on ports that are vital to domestic and international trade, and to preserve access to remote regions. The remaining ports are being transferred to local interests which are in a better position to manage them efficiently and in response to local needs.

To become a Canada Port Authority, a port must be financially self-sufficient, have diversified traffic, have strategic significance to Canada's trade, and have a link to a major railway line or highway. Port authorities will be incorporated or continued by letters patent for the purpose of operating a particular port. They will have power to engage in activities related to shipping, navigation, transportation of passengers and goods, and handling and storage of goods, as well as other activities deemed necessary to support port operations.

Each board of directors will be composed of between seven and eleven members and will select its own chief executive officer. The majority of each board will be appointed by the federal government after consultation with port users. The remaining directors will be appointed by the municipality or municipalities adjacent to the facility, involved provinces and the Government of Canada.

Perhaps the most important accountability mechanism in the bill is the provision that representatives of ports must approach the private sector for financing. As a result, all port development projects requiring investment will be subject to commercial risk assessment.

[Translation]

During the last Parliament the biggest change introduced by the House was to give the new port authorities crown agent status for their core activities.

Crown agent status gives port authorities a clear exemption from property taxation and would enable them to be covered by the municipal grants act.

Then they will pay grants in lieu of taxes to the municipalities at the same levels as other federal facilities and installations. In most cases, this represents a continuation of the status quo.

Any new obligations arising from agent status would come mainly to the federal government and not the agent. That is why the bill was amended to clarify the restrictions that would apply to port authorities with crown agent status.

For example, crown agent status does not apply to non-core activities that ports may undertake.

To make sure third parties know when they are dealing with a crown agent, the legislation requires port authorities to make this clear in all contracts signed as non-agents.

The bill prohibits ports from borrowing as crown agents and requires them to borrow in their own name and not in the name of the crown. This emphasizes to lenders that the crown does not stand behind these obligations. The need to borrow must be justified on a commercial basis.

[English]

Turning to the issue of divestiture, most public ports administered by Ports Canada are regional ports performing operations which range from large facilities supporting significant commercial activity to small facilities with little or no commercial traffic. The government's intention over the next four years is to continue with the transfer of such ports to local management. At the same time, the government is sensitive to the special concerns from some sectors about the future of ports.

Many options exist for the future of ports aside from transfer to the private sector. Provincial, municipal and community groups can develop innovative arrangements. The government is providing a \$125 million port divestiture fund to facilitate the transition.

It is important to note that the Minister of Transport will report back to Parliament every year during the transition program to explain the status of port transfers, and the minister will continue to manage all public ports that are not transferred.

[Translation]

The second initiative I will address is the part of the legislation that will permit us to commercialize the operation of the Great Lakes and St. Lawrence seaway system.

This system is a crucial waterway but it is also a business. The seaway faces formidable challenges, including high asset renewal costs.

Bill C-9 enables the minister to enter into agreements with a not-for-profit corporation or any other private sector interests to operate and maintain all or part of the seaway. The federal government would retain regulatory control over navigation in the seaway.

The existing seaway authority would be dissolved in due course.

[English]

The new, not-for-profit seaway corporation would be responsible for operating and maintaining the seaway system and for asset renewal costs up to a specified limit, with incentives in place to achieve operating efficiencies and lower costs. Transport Canada is negotiating the transfer of seaway operations with groups representing the major shippers and carriers on the seaway. The more efficient they are in the management, the less fees they will pay to use the seaway.

Having the users of the system performing operational and management tasks will help to make the seaway a more efficient and competitive link with our international trading partners.

The government believes that the user-based, not-for-profit corporation is best suited to take over the system because users want to minimize their seaway tolls and ensure the long term integrity of the system. In particular, the steel industry and the marine carriers require the seaway for their long-term survival.

Honourable colleagues, the government also remains committed to the long term integrity of the St. Lawrence Seaway. Safeguards in the agreement will ensure sufficient asset renewal to protect Canada's interest in the system.

[Translation]

Third, Bill C-9 allows the Minister of Transport to improve the way pilotage authorities operate in Canada.

This bill will make it possible for the authorities to recover their costs from those who use their services. It will also streamline the appeals process for new pilotage rates and provide a mechanism for settling disputes concerning the contract renewal process.

It will also require the minister to review pilotage issues and report his findings to Parliament.

[English]

• (1650)

Next, human resources. In preparing these changes, priority was placed on ensuring that all employees affected by the changes are treated fairly, and that the appropriate Canada Labour Code requirements are observed fully. Government has taken the position that marine employees who are now members of federal pension and benefit plans will be covered under comparable replacement arrangements when they are transferred. The result is that marine employees leaving the federal plans will

be offered comparable benefits until such time as they and the new employer agree to changes.

Honourable senators, the bill also requires the new employer to take all reasonable steps to negotiate a pension transfer agreement with Treasury Board. Pension transfers and pension transfer agreements would allow benefits to continue to grow as service time accumulates with the new employer.

In conclusion, honourable senators, I should like to point out that Bill C-9 meets the goals of the national marine policy and strikes a balance in how we manage our marine institutions and facilities. The bill complements the government's other transportation initiatives as an important element in the overall effort to prepare our transportation system for the coming century.

Hon. J. Michael Forrestall: Honourable senators, I appreciate very much the introductory remarks of our colleague. We on this side look forward to getting at this bill. We remain somewhat disappointed and discouraged with the way in which it was handled in the other place. There was neither sufficient time for the calling of adequate witnesses nor for the exposure of the more sensitive parts of some of the areas upon which the senator has just now touched.

We will want to have this bill examined, but not in all respects. We can certainly deal with some of its aspects because they are straightforward, and we do have a history of process and procedure with respect to them. However, with respect to the ports themselves, the seaway and the expansion of liability, and so on — I can think of 10 or 12 items immediately — we reserve the right to advise you at this time and to act accordingly. We will want the standing committee to call witnesses. We also reserve the right, should it be necessary — and I have a strong feeling that it will be, particularly with respect to the ports — for the standing committee to do some travel in relation to this legislation.

The bill has been a long time in preparation. It is unfortunate that it was not given the type of exposure that it deserved. It would have saved some time had the other place proceeded along those lines. However, we all know what happens in December when we are close to adjournment. This bill is too important to hurry. It may need some recommendations for changes, but we will not know that until we have examined it, particularly in concert with the community of marine users in Canada.

On motion of Senator Forrestall, debate adjourned.

The Senate adjourned until Wednesday, February 11, 1998, at 1:30 p.m.

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