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Thursday, May 7, 1998

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THE HONOURABLE EYMARD G. CORBIN
ACTING SPEAKER

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THE SENATE

Thursday, May 7, 1998

The Senate met at 2:00 p.m., the Acting Speaker, [English] Eymard G. Corbin, in the Chair.

Prayers.

VISITORS IN THE GALLERY

The Hon. the Acting Speaker: Honourable senators, it is my pleasure this afternoon to welcome some special visitors to our gallery.

We have with us today civilian and military personnel who laboured tirelessly to provide relief from the ice storm of January 6, 1998. The 100 who are with us today are just a few of the thousands of people who helped the victims of the ice storm.

[Translation]

Their visit to Parliament is part of the activities celebrating National Emergency Preparedness Week.

I am sure I speak for everyone here in paying tribute to your determination, courage and skill. You were magnificent.

[English]

Congratulations on a job well done.

[Translation]

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 next Tuesday, May 12, 1998, at 2 p.m.

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

Hon. Senators: Agreed.

Motion agreed to.

CANADA LANDS SURVEYORS BILL

FIRST READING

The Hon. the Acting Speaker informed the Senate that a message had been received from the House of Commons with Bill C-31, respecting Canada Lands Surveyors.

Bill read first time.

The Hon. the Acting 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 Tuesday next, May 12, 1998.

• (1410)

RECOMBINANT BOVINE GROWTH HORMONE

NOTICE OF MOTION TO AUTHORIZE AGRICULTURE AND FORESTRY COMMITTEE TO STUDY EFFECT ON HUMAN AND ANIMAL HEALTH

Hon. Eugene Whelan: Honourable senators, I give notice that on Tuesday next, May 12, 1998, I will move:

That the Standing Senate Committee on Agriculture and Forestry be authorized to examine and report on the recombinant Bovine Growth Hormone and its effect on the human and animal health safety aspects.

QUESTION PERIOD

HEALTH

COST OF PROVIDING RELIEF FOR UNCOMPENSATED VICTIMS OF HEPATITIS C—GOVERNMENT POSITION

Hon. Consiglio Di Nino: Honourable senators, my question is for the Leader of the Government in the Senate. The Province of Ontario has made it clear that it will support the victims of the hepatitis C tragedy, including taking the federal government to court in order to obtain additional funds for the uncompensated victims.

Could the minister tell us first whether or not the government has calculated how much it will need to spend in order to defend itself in court, not just against a claim from Ontario but also against a claim from the uncompensated victims. I would also ask whether or not the government has made any assessment of the odds that it will lose?

Hon. B. Alasdair Graham (Leader of the Government): I find it very difficult, as my honourable friend knows, to answer such a question. I am sure he could not answer it himself with all the accountants that he might employ in his own business. I suppose we could make an estimate. I simply say in response that the ground has shifted, and I understand that a meeting of ministers of health will be held sometime next week.

Senator Di Nino: Would the minister not agree that these funds would be better spent in support of the victims of this terrible national tragedy?

Senator Graham: The Government of Canada took the lead in bringing the provinces on board in the first instance. The provinces and the federal government had an agreement, as I have indicated in answer to Senator Di Nino's earlier question. The situation has changed, and a meeting will be held sometime next week between all ministers of health. Thereafter, the Government of Canada will respond accordingly once it hears from the provincial ministers of health.

Senator Di Nino: We look forward to that response.

FISHERIES

CHANGES IN RETRAINING GUIDELINES FOR UNEMPLOYED WORKERS UNDER THE ATLANTIC GROUND FISH STRATEGY—GOVERNMENT POSITION

Hon. Donald H. Oliver: Honourable senators, when the TAGS program was first introduced in May of 1994, it required all TAGS recipients to participate in active retraining measures. The message then was: no retraining, no money. By February of 1995, this requirement had been dropped. Why was this done, and which provincial premiers brought pressure on the federal government to make this change?

Hon. B. Alasdair Graham (Leader of the Government): As all honourable senators know, the TAGS program was not the success it was hoped to be. The training program was in the order of 23 per cent successful. At the same time, the TAGS program provided food, clothing and shelter for thousands of Atlantic Canadians who were in need of such aid.

Senator Oliver: Reports indicate that the cod stocks have not returned. This means that the future of an estimated 40,000 workers in Atlantic Canada will depend on an extension of the TAGS program, or a new program. Will the government provide for, and insist on, retraining for these workers, or what will be the plan this time?

Senator Graham: The various components of the program are now under review by the government, and it will be announced in the near future.

HEALTH

COMPENSATION FOR VICTIMS OF HEPATITIS C—METHOD OF ARRIVING AT COST—REQUEST FOR TABLING OF DETAILS

Hon. Duncan J. Jessiman: Honourable senators, my question is for the Leader of the Government in the Senate. It also deals with hepatitis C.

When will the federal government release the details of the research that was conducted to come up with the \$60,000 figure? Furthermore, would the Leader of the Government table those details in the Senate once they become available?

Hon. B. Alasdair Graham (Leader of the Government): If such figures are available, honourable senator, and it is appropriate to release them, I would be happy to table the documentation in the Senate.

SAFETY OF BLOOD SYSTEM IN CANADA—USE OF INDEPENDENT LABORATORY IN ASSESSMENT OF TOTAL NUMBER OF VICTIMS OF TAINTED BLOOD—GOVERNMENT POSITION

Hon. Duncan J. Jessiman: Honourable senators, would the Leader of the Government in the Senate advise us as to whether the federal government assessed the total number of tainted blood victims by using an independent laboratory or examination board to investigate, and if not, why not?

Hon. B. Alasdair Graham (Leader of the Government): Honourable senators, I do not know the answer to that question, but I will endeavour to seek an appropriate answer for my honourable friend.

REVIEW OF COMPENSATION FOR VICTIMS OF HEPATITIS C—POSSIBILITY OF OFFER OF FURTHER FEDERAL FUNDS—GOVERNMENT POSITION

Hon. Ron Gitter: A further supplementary if I may, relating to the hepatitis C issue. I would like to know if, at the meeting on Tuesday, it is the intention of the federal government to bring some money to the table, in the sense of putting more money into the system? Is that their intention when they go to the meeting?

Hon. B. Alasdair Graham (Leader of the Government): As I indicated in my earlier response, I said that the meeting would be held sometime next week. I am not sure whether Senator Gitter knows for a fact that the meeting will be held on Tuesday. I have heard other suggestions that it may be held on Wednesday. However, as I indicated earlier, the Government of Canada will respond to any initiatives that are taken by individual provinces, or, as is hoped, by the provinces together.

Senator Ghitter: It is my understanding that some of the provinces will not go to that meeting unless the federal government discloses, prior to the meeting, that they will be putting some money on the table. If that is the case, are you or are you not putting some money on the table before attending that meeting?

Senator Graham: That will be the subject of an ongoing negotiation between the federal and provincial ministers of health.

Senator Ghitter: Does that mean that the file, then, is not closed, as the Prime Minister stated; that it has been reopened, and that there is the possibility that the federal government will come forward with more money?

Senator Graham: I would think that that would be the indication at the present time.

[Translation]

REVIEW OF COMPENSATION FOR VICTIMS OF HEPATITIS C—
POSSIBILITY OF FIRST MINISTERS MEETING—
GOVERNMENT POSITION

Hon. Pierre Claude Nolin: Honourable senators, on this same topic, yesterday afternoon during Oral Question Period in the other chamber, the Prime Minister spoke about a meeting of first ministers. Was this a slip, or should this business not be sorted out by the various first ministers?

[English]

Hon. B. Alasdair Graham (Leader of the Government): Honourable senators, I know that the Prime Minister has been in touch with individual premiers of the provinces. I am not aware that a meeting of first ministers is contemplated at the present time. Certainly, however, there have been discussions, as I indicated earlier, with respect to a meeting between the federal and provincial ministers of health sometime next week.

[Translation]

Senator Nolin: You are aware that last week the premier of Ontario all but contradicted his health minister. Yesterday, the Prime Minister of Canada all but contradicted his health minister. Is this not starting to look a bit like a game of cat and mouse? Why does the Prime Minister of Canada not call his premiers together to sort the matter out, put the necessary money on the table, and stop playing politics with people who deserve nothing but compassion?

[English]

Senator Graham: Honourable senators, it may come to a point where a first ministers conference would be held. That would be something for the Prime Minister and the premiers of each of the provinces to determine.

As my honourable friends knows, the Prime Minister is due to attend the G-7 or G-8 conference in Birmingham, England, which will be held during the course of next week. I am sure that all Canadians would want some action to be taken prior to that time. That is the reason, at least for the moment, that ministers of health will be engaged in an ongoing conversation, and it is to be hoped that a meeting of all ministers of health will be held sometime next week.

[Translation]

Senator Nolin: If the federal Minister of Health was able to postpone his attendance at an international meeting of health ministers scheduled for next week in Europe, I presume that the Prime Minister of Canada is able, for equally important reasons, to make his excuses to his colleagues from the G-7 nations and remain in Canada to find a solution to a problem of concern to all Canadians. What are your thoughts on this?

[English]

• (1420)

Senator Graham: Honourable senators, as my honourable friend would know, the G-7 meetings are scheduled well in advance. It would be impossible at this time for one of the countries to be absent from the table.

I know that Senator Nolin will appreciate the fact that Prime Minister Chrétien brings much wisdom, experience, knowledge and the example of progress in Canada to the table when he meets with other G-7 prime ministers.

COMPENSATION FOR VICTIMS OF HEPATITIS C—POSSIBILITY OF
RESIGNATION OF MINISTER—GOVERNMENT POSITION

Hon. Ron Ghitter: Honourable senators, considering the fact that Mr. Rock was the minister who bungled the gun control bill, considering that he was the minister who deceived the House of Commons and this chamber with respect to the Pearson airport deal, considering that Mr. Rock was the minister whose actions were totally out of order with respect to the Airbus situation and, now, considering the way he has totally bungled the hepatitis C matter, would the Leader of the Government in the Senate not agree that it is time for the minister to resign and go to the back-benches?

Hon. B. Alasdair Graham (Leader of the Government): Honourable senators, Minister Rock has taken leadership on all of these issues.

Some Hon. Senators: Oh, oh!

Some Hon. Senators: Hear, hear!

Senator Graham: Honourable senators, on the particular issue to which Senator Ghitter refers, Minister Rock has conducted himself with honesty, good grace and great dignity.

TRANSPORT

REJECTION BY AIR TRAFFIC CONTROLLERS OF NAV CANADA OFFER—POSSIBLE THREAT TO SAFETY STANDARDS— REQUEST FOR ANSWER

Hon. J. Michael Forrestall: Honourable senators, the other day I asked the Leader of the Government in the Senate if he could shed some light on the current negotiation between NAVCAN and their employees, in particular from the point of view of whether it was a question of money that caused some massive rejection of the offer or whether it was a question of safety. Can the Leader of the Government shed any further light on this situation?

Hon. B. Alasdair Graham (Leader of the Government): Honourable senators, my honourable friend will know that safety is always first for anyone involved in the airline industry. As I indicated, I promised to bring forth more information, and I will do so at the first opportunity.

ANSWER TO ORDER PAPER QUESTION TABLED

ENERGY—DEPARTMENT OF PUBLIC WORKS AND GOVERNMENT SERVICES—CONFORMITY WITH ALTERNATIVE FUELS ACT

Hon. Sharon Carstairs (Deputy Leader of the Government) tabled the answer to Question No. 103 on the Order Paper—by Senator Kenny.

[Translation]

ORDERS OF THE DAY

INCOME TAX CONVENTIONS IMPLEMENTATION BILL, 1998

SECOND READING—DEBATE ADJOURNED

Hon. Céline Hervieux-Payette moved the second reading of Bill S-16, to implement an agreement between Canada and the Socialist Republic of Vietnam, an agreement between Canada and the Republic of Croatia and a convention between Canada and the Republic of Chile, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

She said: Honourable senators, I am delighted to rise today to speak to Bill S-16 at second reading. This bill will implement tax treaties Canada recently signed with Vietnam, Croatia and Chile.

Legislation is necessary because tax treaties often include rules that differ from those contained in the Income Tax Act.

Passing separate legislation ensures that, in case of conflict, treaty provisions take precedence over those of any other act.

Canada enters into such agreements for two reasons: to avoid double taxation and prevent tax evasion. While the terms of the treaties necessarily vary depending on the country involved, they are in essence similar to those of treaties signed previously by Canada.

Let us take a moment to put this bill into perspective. Among the consequences of the 1971 reform of the Canadian tax system was an increase in the number of tax treaties signed with other countries, which currently stands at 64.

Major changes have taken place since 1971. For example, dividends paid to a Canadian corporation by a foreign subsidiary used to be fully tax exempt. However, since 1976, only dividends from foreign subsidiaries actively exploited in countries with which Canada has signed tax treaties are exempt.

Bill S-16 must be examined in the context of Canada's constant efforts to review its conventions.

Tax treaties are very important for our country. They are directly linked to international trade and thus have a direct impact on our economic performance as a nation.

Let us not forget that close to 40 per cent of Canada's economy depends on exports, foreign trade and direct foreign investment, not to mention the flow of information, capital, technology, royalties, dividends and interests.

Since there is currently no tax treaty with Vietnam, Croatia and Chile, these agreements will undoubtedly help Canadian corporations and individuals doing business or investing in these countries.

In addition to promoting international trade and investment, these agreements will help give investors and traders an impression of certainty and stability, something which can only improve Canada's economic relations with each of these countries.

Let me give you a few examples. First, Canadian taxpayers will be pleased to learn that a tax rate set by convention cannot be increased without the taxpayers being informed well in advance. Second, by clarifying the "rules of the game," tax treaties reduce the regulatory burden of Canadian taxpayers who have commercial interests and investments in these countries. Third, double taxation, which sometimes affects international operations, will be eliminated.

In discussing the bill in more detail, I will start with the issue of double taxation. In a world where people and capital are increasingly mobile, conventions on double taxation are essential to prevent revenues from being taxed twice.

Basically, Canada's 64 conventions eliminate double taxation in one of two ways: by dividing exclusive taxation powers between the taxpayer's country of residence and the country where the income originated, or, when the income is taxable in both countries, by requiring the country of residence to provide a credit for the tax paid to the country of origin.

In addition, double taxation conventions usually include measures to encourage an exchange of information between tax officials to prevent tax evasion or avoidance, which is the second aim of the conventions.

I would now like to talk about source deductions. The taxpayer's country of residence may deduct taxes at source, but the rate is generally capped at 5, 10 or 15 per cent for dividends and branch profits and 10 per cent for interest and royalties. In some instances, copyright, software, patents and know-how are exempted at source.

In the case of Vietnam, there will be a reduced rate of 5 per cent on dividends paid to a company holding at least 70 per cent of voting shares, a rate of 10 per cent for a company holding between 25 and 70 per cent of voting shares, and a rate of 15 per cent in other cases. In addition, there will be a reduced rate of 5 per cent for branches, 10 per cent for interests and royalties, and 7.5 per cent for technical service honoraria.

Where there is no immediate exemption on copyright, software, patents and know-how, Canadians will automatically benefit from any future exemptions Vietnam may give to other members of the OECD.

In the case of Croatia, there will be a reduced rate of 5 per cent on dividends if a company has at least 10 per cent of voting shares or 25 per cent of capital stock, and a rate of 15 per cent in other cases.

In addition, the rate of taxation of branches and the rate on interest and royalties will be reduced to 5 and 10 per cent respectively.

There will not be any exemption with respect to copyrights, computer software, patents or expertise.

As for the agreement with Chile, a reduced rate of 10 per cent will apply to dividends if a corporation holds at least 25 per cent of voting shares, or 15 per cent otherwise. The tax rate for subsidiaries will be 10 per cent, and if Chile were to enter into an agreement for a 5-per-cent rate with another OECD member, that lower rate would apply to Canada automatically.

There will be a 15-per-cent rate for interest and royalties, but no exemption with respect to copyrights, computer software, patents or expertise. In addition, Bill S-16 protects Canada's right to tax pensions and annuities paid to non-residents.

Under the agreements concluded with Vietnam and Croatia, pensions will be taxable in both countries, but the source country must not tax at more than 15 per cent of the total payment. In Vietnam and Croatia, social benefits will be taxable in the country of origin, without restriction.

According to the taxation agreement between Canada and Chile, pensions and social benefits will be taxed by the paying country. As well, the country of origin will retain the right to tax capital gains involving the sale of real property, business assets, stocks in real property corporations, and interest in real estate partnerships and trusts.

In conclusion, honourable senators, this bill offers some real advantages to Canadians.

Passage of this bill will help solidify Canada's international trade and investment position, in an increasingly competitive field, while ensuring that Canadian tax policy remains consistent on the international level.

The bilateral effect of each of these conventions is that no country should lose revenue. The increased trade and investment opportunities for corporations and individual Canadians resulting from these conventions will almost certainly result in gains for taxpayers and for the Canadian government. In addition, these conventions will promote better relations with these countries.

One very important feature is that taxpayers will not be taxed twice on their income. Conventions such as these form a normal context of international relations in a modern economy and their expansion is part of the ongoing activities of a responsible government.

This is an important bill, honourable senators, which entails no controversy. I wish to take this opportunity to pay tribute to the excellent work of the departments of finance and international trade, and particularly to their officials for the quality of negotiations, and I hope that these efforts are continuing with other countries.

I urge you, honourable senators, to pass Bill S-16 without delay so that Canadians may begin to reap the benefits.

On motion of Senator Kinsella, debate adjourned.

CANADA SHIPPING ACT

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon. Léonce Mercier moved the second reading of Bill C-15, to amend the Canada Shipping Act and to make consequential amendments to other acts.

He said: Honourable senators, it is with great pleasure that I speak to you today, on the occasion of the second reading in the Senate of Bill C-15.

Bill C-15 is an act to amend the Canada Shipping Act, one of Canada's oldest laws, and the very first law regulating safety in the marine sector. This bill also contains important amendments stemming from former Bill C-73, which died on the Order Paper in the last session.

It has not been updated since it first came into effect, in 1936, and it is showing its age. The 1936 original version was patterned on the 1896 British Shipping Act. This old Canadian law contains such anachronisms as a \$10 fine for drunkenness and the captain's power to auction the personal effects of a deceased seaman. Needless to say, Canada's marine community deserves better.

The bill is the result of the first of two stages in the urgently needed reform of the Canada Shipping Act. The proposed legislation also follows numerous discussions with marine industry stakeholders, who fully support it. Bill C-15 will bring about long-awaited and essential changes to the shipping industry. The marine sector can only benefit from a modern act.

Canada must preserve its competitive edge on the international market. At the same time, our transportation policies must be in line with those of the countries with which we do business or compete. This is an important fact which the government must take into account to help the marine industry. To achieve these objectives, the government has taken initiatives regarding every mode of transportation, particularly to streamline laws and regulations.

That is why I am pleased to see that this bill is going ahead. It strengthens the government's resolve to pursue its reform of the Canada Shipping Act in order to modernize it and to help the industry operate safely.

The government has included in this first-track reform initiative important provisions of the former bill. The other provisions will be incorporated into the second track of the reforms.

Bill C-73 contained urgent amendments to change the Quebec Harbour Pilots Pension Plan. There has been an extensive overhaul of the administration of pension plans in recent years. One plan not affected by this overhaul was the pension fund administered by the Corporation of Pilots for and below the harbour of Quebec.

This initiative will bring some recognition to this plan and improve the protection of rights for members belonging to this plan. These changes will make affected pensioners subject to recent legislative initiatives rather than rules which predate Confederation. In addition, these changes will improve the corporation's ability to manage the pension fund.

The bill includes a new part outlining for the first time the objectives and framework of the act. This addition will provide

direction for the remainder of the legislation. In addition to the provisions dealing with ship registration and ownership and the other urgent amendments from former Bill C-73, Bill C-15 will form the basis for the long-awaited modernization of this outdated piece of legislation.

We will achieve our goal of implementing a simpler, modernized act that is more consistent with the federal government's regulatory policies and susceptible of contributing to better economic performance in the marine industry.

The industry supports our shift toward a new legislation, and the government remains true to its commitment to seeing this initiative through, resulting in a new Canada Shipping Act.

I must tell you that I am very pleased with the favourable reaction to this bill. The Standing Committee on Transport of the House of Commons made a few comments which prompted us to make minor changes to the bill.

Honourable senators, it is the vigorous efforts of industry and its examination of Bill C-15 that made changes to the bill possible. The industry's participation enabled the government to make changes that improved the bill's wording.

The key changes to Bill C-15 include the elimination of the new clause that was aimed at amending the regulatory power to issue permits for small vessels.

The power provided under the Canada Shipping Act will be retained. The government will take another look at the existing provisions on licencing.

The current section will be kept to ensure continued operation of the licencing system, which permits life-saving groups and law enforcement agencies to identify vessels. The wording on military vessels was revised. It provides now that the Department of National Defence will be subject to stiff legal requirements, including those of the collision and liability limitation regulations.

In addition, the industry requested an amendment to clarify the government's intent concerning the power to regulate control and management of ballast waters. The industry wanted to avoid having all ballast waters treated as pollutants.

The act provides the power to manage ballast waters and to reduce the introduction of harmful organisms into Canadian waters. This further reinforces mechanisms for protecting the environment and implementing legislation on the environment, while reducing the threat associated with harmful aquatic organisms.

At the request of the Corporation of Lower St. Lawrence Pilots, a technical amendment was also made to the wording, to improve the definition of the word "fund" without changing the original scope of the text.

Throughout the consultation process and the subsequent drafting of the bill, officials from the Department of Transport had extensive discussions with the industry, including shipowners and operators, unions and the legal marine community.

I want to thank these groups for participating in the reform project, and for their continuous support of the new legislation.

I am firmly convinced — and you will surely agree — that this new bill is an important step toward modernizing Canada's marine legislation.

I will conclude by asking you to support this bill, so that it is also passed in the Senate as quickly as possible.

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

[English]

SECURITY AND INTELLIGENCE

REPORT OF SPECIAL COMMITTEE REQUESTING AUTHORIZATION TO ENGAGE SERVICES AND TO TRAVEL ADOPTED

The Senate proceeded to consideration of the first report of the Special Committee of the Senate on Security and Intelligence (budget), presented in the Senate on May 5, 1998.

Hon. William M. Kelly: Honourable senators, I move the adoption of this report.

Motion agreed to and report adopted.

REPORT OF SPECIAL COMMITTEE REQUESTING AUTHORIZATION TO MEET IN CAMERA ADOPTED

The Senate proceeded to consideration of the second report of the Special Committee of the Senate on Security and Intelligence (*in camera* meetings), presented in the Senate on May 5, 1998.

Hon. William M. Kelly: Honourable senators, I move the adoption of this report.

Motion agreed to and report adopted.

[Translation]

NATIONAL DEFENCE

MOTION TO ESTABLISH SPECIAL COMMITTEE TO EXAMINE ACTIVITIES OF CANADIAN AIRBORNE REGIMENT IN SOMALIA—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Lynch-Staunton, seconded by the Honourable Senator Berntson:

That a Special Committee of the Senate be appointed to examine and report on the manner in which the chain of command of the Canadian Forces both in-theatre and at National Defence Headquarters, responded to the operational, disciplinary, decision-making and administrative problems encountered during the Somalia deployment to the extent that these matters have not been examined by the Commission of Inquiry into the Deployment of Canadian Forces to Somalia;

That the Committee in examining these issues may call witnesses from whom it believes it may obtain evidence relevant to these matters including but not limited to:

1. former Ministers of National Defence;
2. the then Deputy Minister of National Defence;
3. the then Acting Chief of Staff of the Minister of National Defence;
4. the then special advisor to the Minister of National Defence (M. Campbell);
5. the then special advisor to the Minister of National Defence (J. Dixon);
6. the persons occupying the position of Judge Advocate General during the relevant period;
7. the then Deputy Judge Advocate General (litigation); and
8. the then Chief of Defence Staff and Deputy Chief of Defence Staff.

That seven Senators, nominated by the Committee of Selection act as members of the Special Committee, and that three members constitute a quorum;

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

That the Committee have power to authorize television and radio broadcasting, as it deems appropriate, of any or all of its proceedings;

That the Committee have the power to engage the services of such counsel and other professional, technical, clerical and other personnel as may be necessary for the purposes of its examination;

That the political parties represented on the Special Committee be granted allocations for expert assistance with the work of the Committee;

That it be empowered to adjourn from place to place within and outside Canada;

That the Committee have the power to sit during sittings and adjournments of the Senate;

That the Committee submit its report not later than one year from the date of it being constituted, provided that if the Senate is not sitting, the report will be deemed submitted on the day such report is deposited with the Clerk of the Senate; and

That the Special Committee include in its report, its findings and recommendations regarding the structure, functioning and operational effectiveness of National Defence Headquarters, the relationship between the military and civilian components of NDHQ, and the relationship among the Deputy Minister of Defence, the Chief of Defence Staff and the Minister of National Defence,

And on the motion in amendment of the Honourable Senator Forrestall, seconded by the Honourable Senator Beaudoin, that the motion be amended by adding in paragraph 2 the following:

“9. the present Minister of National Defence.”.

Hon. Marie-P. Poulin: Honourable senators, in recent months we have had occasion to hear interventions in this house as to whether it was or was not appropriate to resume an examination of the incidents in Somalia. We know that a commission of inquiry had access to 2 million pages of documents over more than 2 years and at a cost of some \$20 million. Last spring, during the second session of the 35th Parliament, a special Senate committee on which I sat met with the intent of asking certain questions concerning the Canadian Airborne Regiment in Somalia. At that time, certain members of the special committee refused to continue the inquiry.

[English]

Honourable colleagues, we all know that there are times in the affairs of a nation when it is folly to become obsessed with mistakes of the past. Yet it is prudent to learn from those mistakes and move on to the challenges of the day. Such is the case with the Somalia incident.

For over two years, at a cost of approximately \$20 million, a commission of inquiry had access to some two million pages of documents. During that time and in its final report, the commission brought forward evidence which contributed significantly to a better understanding of the problems revealed by the incidents in Somalia.

Members of the Canadian forces were all blanketed with shame and faced finger-pointing during the inquiry. They deserve better. They are only now starting to get back on their feet. In fact, events like the recent ice storm have shown how effective and efficient they can all be when they are asked to help their fellow Canadians at the drop of a hat and in any situation. Why would my honourable colleagues want to continue to muddy the work and reputation of the Canadian forces by digging up again the unfortunate Somalia events? Several extensions were granted to the inquiry.

No one condones the terrible events that happened in Somalia. We were all saddened by their impact. Quick and decisive action has been taken to implement major reforms at the Department of National Defence. Indeed, of the commission's 160 recommendations, 132 have been accepted in whole or in part. Of the 28 not accepted, most could be achieved by means other than those recommended.

• (1450)

The government should be praised for its effectiveness in dealing with the recommendations. Those who harbour doubts need only consult the Defence Minister's Report on the Recommendations of the Somalia Commission of Inquiry and other pertinent information the minister has issued.

[Translation]

Honourable senators, the time has come to move on. We have learned the lessons of Somalia. It is time to stop damning the military and their families. Instead, let us look to their accomplishments, for example during the floods in the Saguenay and in Manitoba in 1997 and during the 1998 ice storm, and in other countries like Bosnia and Haiti.

It is time to call a halt to suspicions, unfair accusations, insinuations and hostilities. In fact, a decision given last week completely exonerated one of the members associated with the deployment in Somalia.

I would also mention that Bill C-25 is aimed at making profound changes to the National Defence Act. My colleagues will be pleased to know that Bill C-25 aims particularly to amend the Code of Service Discipline, which provides the basis for Canada's military justice system. The planned amendments will mean greater honesty, fairness and transparency within the system.

[English]

In fact, most of the Somalia commission's recommendations concerning military justice are being implemented exactly as proposed or in a way that addresses their underlying concerns. Steps have already been taken to enhance the independence in the military justice system by establishing the National Investigation Service on September 1, 1997, and by organizing the Office of the Chief Military Trial Judge, effective September 27, 1997.

As well, the proposed amendments to the National Defence Act will establish a Director of Military Prosecutions, a Director of Defence Counsel Services, a Military Police Complaints Commission, as well as an annual and public reporting by the Judge Advocate General, the Military Police Complaints Commission and the Canadian Forces Grievance Board.

I should also add that annual and public reporting will be provided by the Chief of Defence Staff, the Canadian Forces Provost Marshal and Ombudsman, and that will be done without the necessity of amending the National Defence Act.

[Translation]

These amendments, which will also be considered in this house, constitute one of the pillars that will quietly raise the morale of the troops. The hearings and recommendations of the parliamentary committee examining the quality of life of members of the Canadian Forces and their families are another.

[English]

I believe that the Canadian Forces and the Department of National Defence have shown that they listened, investigated and acted following the Somalia inquiry recommendations and the response tabled by the minister. I think it is very important that high pride and deep respect in our Canadian Forces be restored and conveyed to our children.

Honourable senators, let us ensure that Canadians across the country respect the Canadian Forces and the work they accomplish here and around the globe, as they respected them before the Somalia events occurred. Let us not raise that red flag again.

On motion of Senator DeWare, debate adjourned.

HEALTH

COMMISSION OF INQUIRY ON THE BLOOD SYSTEM IN CANADA—
COMPLIANCE WITH RECOMMENDATIONS—
MOTION—DEBATE ADJOURNED

Hon. John Lynch-Staunton (Leader of the Opposition),
pursuant to notice of May 5, 1998, moved:

That the Senate endorses and supports the findings and recommendations of the Commission of Inquiry on the Blood System in Canada;

That the Senate for humanitarian reasons urges the Government of Canada and the Governments of the Provinces and of the Territories to comply with these findings and recommendations; and

That a copy of this motion be forwarded to each federal, provincial and territorial Minister of Health.

He said: Honourable senators, I cannot recall any event in recent memory when there has been such an outpouring of disgust and dismay as there has been since the announcement that a federal-provincial agreement to compensate victims of tainted blood who contracted hepatitis C was to be limited to those infected between 1986 and 1990. Why there is no compensation for those infected before 1986 has been, and continues to be, the question that preoccupies so many, and to which answers are universally condemned.

In an extraordinarily detached manner, the Minister of Health, acting more like a self-satisfied lawyer who has settled a case to the advantage of his clients than a minister whose responsibilities, by their very nature, require compassion and understanding, told shocked Canadians, particularly the devastated pre-1986 victims, in so many words, that the government's liability was limited to a period when, according to the minister, testing procedures were available but not authorized. For the rest of you, the minister said, "the file is now closed." In other words: "See you in court if you feel badly done by."

Honourable senators, a file on human tragedy is never closed. This is not Airbus or Somalia or Pearson or any other embarrassment that the government clumsily tries to disassociate itself from by closing the file, whatever the cost. This is about untold thousands of Canadians who, through human error and negligence which could have been avoided, have had their lives turned into a living hell for themselves and their loved ones.

Mr. Justice Horace Krever's final report of the Commission of Inquiry on the Blood System in Canada lists a number of key mistakes leading to the contamination of the blood supply and identifies those responsible. I will summarize them as follows:

First, the federal government did not properly fulfil its duties as a blood systems regulator, meaning it did not keep a close enough eye on the activities of the Red Cross.

Second, the federal government reacted too slowly to the threat of blood-borne AIDS and mistakenly played down to Canadians the risk of the virus contaminating the blood supply.

Third, the provinces, which funded the Red Cross's blood program through the Canadian Blood Committee, did not provide timely and sufficient funds for scientific tests that would have screened out blood contaminated with the AIDS virus and hepatitis C.

Four, the provinces did not do enough to track down infected blood recipients, some of whom were unaware they had AIDS and unknowingly passed it on to their sexual partners.

Five, the Red Cross took inadequate steps to implement a screening program that would have prevented high-risk donors, such as sexually active gay men, from donating their blood.

• (1500)

Six, the Red Cross did not move quickly enough to replace its inventory of contaminated blood products used by haemophiliacs with newer, heat-treated products that were safe.

None of these conclusions has been seriously challenged by any of the parties involved.

As for the testing procedures not being available before 1986, as claimed by the minister, I should like to quote from page 689 of the report which states:

When the possibility of using surrogate testing for non-A, non-B hepatitis arose in 1981, the Red Cross's blood transfusion service advisory committee decided that no action should be taken until there were Canadian data to justify making a decision. It did not, however, recommend that the Red Cross take steps to collect the necessary data. The Laboratory Centre for Disease Control, which was represented on the committee, also took no steps to collect the data.

If this is not clear enough, I will quote from remarks made in the House of Commons on Tuesday, May 5, 1998 by the member for Macleod, Dr. Grant Hill, who said:

The minister said so plainly on TV last week that the test was not available in Canada before 1986. What he should have said, and should have added to that, is that the regulators decided not to use that test to screen for hepatitis C in donated blood. If he had added that proviso, he would have been on firm ground. But to say the test was not available before 1986, I cannot use the word I would like to use to express how I feel about that, but it was wrong. It was available. It was here. I used it. Every single MD in Canada knows that.

Honourable senators, the evidence is clear, and none of the health minister's flowery eloquence will successfully alter it.

Perhaps, legally, he is on firmer ground. No doubt the testing procedures available before 1986 were not as advanced and precise as those developed since. Perhaps a court may well be more sympathetic to post-1986 victims than to pre-1986 ones.

All this being true, must government policy on any issue — including untold hardships suffered by thousands of Canadians because of the blundering of governments — always be decided by a Justice Department opinion, a Treasury Board directive and a Finance Department veto?

I should like to return to the Krever report, which states in part:

The compassion of a society can be judged by the measures it takes to reduce the impact of tragedy on its members....it is of little consolation or even relevance to those unfortunate members of our society who suffer from infection caused by blood transfusions or blood products that the blood supply now is adjudged relatively safe. A system that knows that these consequences will occur and what brings them about has, at the very least, a moral obligation to give some thought to the question of appropriate relief for those affected by the inevitable events.

There is extensive evidence that tort liability not only fails to deter careless behaviour but too often fails to compensate those who have been injured through no fault of their own. In Canada, despite an increase in litigation, only a modest percentage of persons suffering avoidable health care injuries receive compensation. The 1990 Report to the Conference of Deputy Ministers of Health of the Federal-Provincial-Territorial Review on Liability and Compensation Issues in Health Care (the Prichard Report) estimated "that the percentage receiving compensation is certainly less than 10 per cent of potential viable claims." In 1987, although \$200 million were invested in liability insurance, "less than 250 injured patients received compensation of any kind from medical malpractice litigation, whether by way of settlement or trial judgment, anywhere in Canada." Some persons received significant sums, while others received much less than their actual financial losses. Even advocates of the tort system acknowledge that the system is ineffective in ensuring compensation for all who need it.

However uncertain the results may be, the costs of litigation are unreasonably high. Delays in legal proceedings are common, and their associated costs are exceptionally high. Taxpayers shoulder a major portion of that cost, but litigants who are also taxpayers assume a double burden. The costs of a single case are high, even for the successful

party. The Ontario Civil Justice Review, a provincial government task force, concluded in its first report in March 1995 that costs to the user of the civil justice system "are considerable, sometimes insurmountable. They pose a significant problem in respect of access and the affordability of civil justice."

There are those who will accuse us on this side of bringing in this motion to take advantage of the government's untenable position to jump on the bandwagon, so to speak. This is false. In the other place, my caucus colleague the honourable member for Charlotte, Greg Thompson, was among the first to address this matter, and he has not let up since.

Colleagues here will certainly recall the eloquent interventions on the question of compensation by a number of my colleagues, such as Senators Andreychuk and Di Nino, and the numerous interventions by Senator Doyle who, as early as June 1995, expressed concern over the safety of the blood supply and the status of consumer groups before the Krever commission. Only two weeks after the report was made public, Senator Doyle had this to say about it:

The story of the progress of the plague is told in sombre passages through the three volumes, telling how slow this country was in responding to the spread of infections and the callous attitude of health guardians to warnings. The evidence points out how we ignored the cautions taken in the United States.

Senator Graham, the Leader of the Government in the Senate, replied on the same day:

The tainted blood scandal devastated the lives of thousands of Canadians. That is well recognized. It raised very real and legitimate fears about the safety of the national blood system. No one could help but be moved by the plight of those affected, the victims. As indicated earlier in this place, when Senator Doyle raised this very important question, the conclusions in Justice Krever's report on the federal role in what happened are fully accepted by the Government of Canada. We accept those conclusions without reservation. We accept them in their entirety.

One of the conclusions which has been accepted, in Senator Graham's own words, without reservation, is the following. Justice Krever wrote:

Until now, our treatment of the blood-injured has been unequal. After years of suffering devastating financial losses, many persons infected with HIV from blood or blood products, or their surviving family members, finally did receive financial assistance. Other Canadians who have

suffered injuries from blood therapy have not received any compensation. Yet the needs of those who have been harmed are the same, regardless of their cause, and whether or not fault can be proved. Compensating some needy sufferers and not others cannot, in my opinion, be justified. The provinces and territories of Canada should devise statutory no-fault schemes that compensate all blood-injured persons promptly and adequately, so they do not suffer impoverishment or illness without treatment. I therefore recommend that, without delay, the provinces and territories devise statutory no-fault schemes for compensating persons who suffer serious adverse consequences as a result of the administration of blood components or blood products.

The motion before us, honourable senators, is to give support to this recommendation, which was endorsed most forcefully and unequivocally by the Leader of the Government in the Senate only last December. When the National Assembly in Quebec voted unanimously to allow compensation regardless of the date of infection, the government's reaction was curt, and even rude, as the Assembly felt that the additional costs should be borne by the federal government. Since then, of course, the Quebec government has agreed to contribute to these costs. Yet, when Ontario endorsed Quebec's position and offered to pay the extra costs, the federal government agreed to reopen the file which it had so crudely closed only a few days before.

The interpretation that I give to two different reactions to the same proposition is that Ottawa accepts the suggestion as long as it does not need to pay for it exclusively. If so, this can only mean that the 1986 cut-off date is more the product of concerns for the country's credit rating than for the needs of its affected citizens.

To those who argue that additional compensation would be too great a strain on the government's financial resources, let me remind them that the budget includes an amount of \$2.5 billion for the establishment of Canada Millennium Scholarships which will begin to be awarded in the year 2000. Surely the government could satisfy whatever its share of any additional compensation by making use of funds already set aside, although not needed for two years.

The arguments in favour of this motion are compelling, as a number of my colleagues will demonstrate during this debate. The victims and their families are suffering because of official negligence. Canadians overwhelmingly support them.

We are a country which does not hesitate to come to the aid of those affected by natural disasters, such as floods, ice storms, forest fires and crop failures. Why, then, must we be so cold-hearted and unfeeling when the disasters are of our own making?

[Translation]

Hon. Céline Hervieux-Payette: Honourable senators, why would the no-fault regime in the health sector apply only to hepatitis C? Is the government claiming that tests were not available or recognized when the line was being drawn between no-fault and fault? Why not also say that, in the case of breast cancer, the examinations done in the 1980s were not as good as those done today? Some people have apparently died as a result. I could name many other illnesses. Should this system apply in all sectors?

Why, in 1985, did the Progressive Conservative government not implement the tests that were perhaps available? Senator Lynch-Staunton said earlier that doctors back then knew that tests were available and approved by the medical community.

As parliamentarians debating this important issue, it is easy to hand out money. We are well aware that this money comes from Canadian taxpayers. We must act responsibly. This does not mean that we are not deeply moved and that we do not offer our sympathy to all those who are suffering. We are all saddened by this situation. We are tackling the issue with a feeling of responsibility towards all Canadian taxpayers.

[English]

• (1510)

Senator Lynch-Staunton: Honourable senators, I do not care which government did or did not engage in neglect. The point is that neglect can be shown and proven, and compensation and satisfaction must be given to the victims of that neglect.

Awarding compensation to victims of this particular neglect does not mean that all those who suffer, for whatever reason, from an unfortunate surgical intervention automatically can be eligible for compensation.

This particular tragedy was caused by horrible neglect, even indifference, by government officials, the Red Cross and others who knew that there were facilities available to improve the system and refused to adopt them, for whatever reason. That is the difference from other situations where the patient unintentionally suffers grievous damage, whatever reason. In this case, it was done with knowledge. It was known that the blood was tainted. That is the difference.

Hon. Nicholas W. Taylor: Honourable senators, the Honourable Leader of the Opposition's recommendation is that we follow the Krever report. Unfortunately, I do not have the report before me, but the recommendation was that the provinces make restitution, that the provinces should pay. He did recommend, as has been mentioned, that the compensation be to

everyone, but his recommendation was that the provinces should pay. Does the honourable senator agree with that?

Senator Lynch-Staunton: I quoted from that recommendation, and I can quote it again. Mr. Justice Krever does say that the provinces and territories should pay, but the federal government has taken the lead on this. They are boasting about taking the lead. They are saying, quite rightly, that the provinces and territories at one time did not want to pay, that there was unanimous agreement not to touch it. The federal government then decided that, no, that was unfair, and got the provinces and territories together. They agreed, reluctantly or not, to a sharing of the cost. The federal government drew them into this.

Mr. Justice Krever said that if you are going to pay, pay them all; do not discriminate. Now that the federal government has decided to be a senior partner in the compensation package, it has an obligation, if it wants to be consistent with the report, to reopen the package, get the provinces on side, and apply compensation to all. The federal government took the lead on this. They cannot let it drop now.

Hon. Jeremiah S. Grafstein: Honourable senators, this is a complex subject. Forgive me if I am not as astute as others as to the allocation of the responsibility in the tainted blood matter. However, I have some questions to ask of the Leader of the Opposition in the Senate.

The senator mentioned a universal program. How many people are we talking about? What should the allocation be between those who are affected directly by tainted blood transfusions and those who may suffer from a latent onset of problems but who are not now materially affected? When should the payment be made? How should the payment be divided between the federal and the provincial governments? There is a question of mutual responsibility here, and the allocation of liability is unclear to me.

We then must deal with the question asked by Senator Hervieux-Payette which is: In what position does this place us, men and women of compassion and spirit on both sides? Should we allocate responsibility for similar universal problems where there has been conduct that falls below certain standards? Perhaps the honourable senator could cite a precedent. If there is such a precedent, what would be the consequence of that?

Senators on both sides wish to have a responsible medicare system, not an untenable, run-away health care system. We must balance our compassion on the one hand with some form of accountability and responsibility on the other.

I have asked a series of questions. Perhaps the honourable senator cannot respond to them today. However, when he rereads them, he may be able to respond at a later date. This is of concern to all of us.

Senator Lynch-Staunton: I deliberately did not quote any figures related to the number of victims, because I have my doubts about them. I read somewhere of some mathematical model which was based on all sorts of assumptions. That put forward a figure of 60,000, with 20,000 within the period in question. I do not know the exact figures, but I do know that this affected many people.

Are we creating a precedent with this? Surely to God we are not. Surely to God we will learn from this. I cannot believe that the federal and provincial governments would be knowing partners in allowing fellow citizens to be injected with a product which they knew was tainted. This is the tragedy. The government knew the blood had not been tested. They refused to implement testing procedures which were already available. Surely to God this will not happen again.

Hon. Noël A. Kinsella (Acting Deputy Leader of the Opposition): Honourable senators, "The file is closed." These words will go down in infamy in the annals of social justice in this country. Let me remind honourable senators of that great phrase from the classics: *Ab uno disce omnes* — From this example, you may know the rest.

The manner in which the present government has responded to our national tragedy with respect to hepatitis C speaks volumes about this government's philosophy as to what governance is about. A government that operates from the basis of "managing the dossier," "massaging the message," "bringing closure to the issue," and "closing the file," is a government which has lost its way, a government that has abandoned the liberal policies of its former leaders who understood and acted on the centrist principles of social justice, compassion, and subsidiarity.

• (1520)

Where, Canadians ask, have the progressives of the party of Laurier, St. Laurent and Pearson gone? Where has the virtue of fortitude and backbone gone from a once-principled caucus? How could each and every member of the government caucus in the other place leave their liberal social principles at the door and allow themselves to be whipped into voting against their conscience?

Honourable senators, governance cannot be allowed to mean "managing the file." Canadians are not items to be placed in a manila folder. Canadians are not pieces of paper to be moved from one place to another. The needs and crises with which Canadians are challenged from time to time are not confronted on the arbitrary choice of opening a file.

Honourable senators — and Senator Gigantès will join me in this — Aristotle taught us a great lesson many centuries ago, namely, that people are, by nature, social and political, that we need each other, that we are interdependent. The legitimacy of government rests on that very foundation which speaks to the needs of people living in community.

The role of government is to serve the people. It is the role of government to be the vehicle of the community's response to the needs of the people as they arise. The government's role is to be at the service of the people in all seasons. Therefore, honourable senators, we consider it appropriate and we support the intervention of governments to assist those victimized by disasters such as floods, as we had this year in Manitoba, and to help those victimized by the ice storm in Ontario and Quebec.

The role of government was played by the progressive governments in helping Canadians infected by other medical disasters such as HIV. One might also recall the same model of leadership was demonstrated by the previous government in the matter of the Japanese redress program. This is the type of leadership which the present government failed to give in the matter of hepatitis C.

Noteworthy, honourable senators, is the fact that Health Minister Rock had the advantage of the report of an independent Royal Commission and yet he got lost in his lawyer-like file mentality. The case was not closed.

We in this chamber wish to address the recommendations made by Mr. Justice Krever, and the motion of my colleague Senator Lynch-Staunton addressed precisely that.

I draw the attention of honourable senators to two matters: One is the letter that was addressed to the Prime Minister dated May 5, 1998, by the Premier of Ontario, who writes:

Yesterday, the federal government was informed of Ontario's position about assistance for Ontarians infected with the Hepatitis C virus through the blood system prior to 1986.

Ontario is committed to sharing assistance for pre-1986 victims on the same basis as the existing package for those infected between 1986 and 1990.

As you are aware, the number of surviving pre-1986 victims is not known with certainty. At least 20,000 Canadians is one estimate. Estimates of health and social assistance costs range from a low of \$1.6 billion to as high as \$3.2 billion. Using the most conservative of these estimates, Ontario's offer to share costs on the same basis as the current package would break down as follows nation-wide:

The federal amount would total \$1.6 billion and the Province of Ontario's cost would be \$2.2 billion.

The Premier of Ontario continues:

While I urge other provincial and territorial leaders to adopt the 1986-1990 agreement as the basis for treating pre-1986 victims, the disparity between the levels of federal and provincial contribution would be pronounced. A fair and equitable federal share would be at least equal to the provincial contribution to the costs of health and assistance for these victims — in other words, at least \$2.2 billion.

Details aside, the issue is not one of dollars but one of compassion and humanity. Regardless of legal liability, all governments have a moral responsibility to Canadians who placed their faith in the blood system and, through no-fault of their own, became infected.

Yesterday, your government responded to Ontario's commitment by calling for yet another series of meetings — a response of process rather than substance.

Prime Minister, pre-1986 victims should not be forced to wait while officials and politicians at two levels of government wrangle over legalities and technicalities. Nor should they be left in uncertainty pending the outcome of yet another series of meetings.

Ontario is committed to treating pre-1986 victims on the same basis as the 1986-1990 victims. I urge the federal government to make the same commitment.

Your commitment will allow officials from both our governments to determine not whether but how to get assistance into the hands of Ontario victims as quickly as possible.

On behalf of victims, their families, and all Canadians who want their governments to do the right thing, I look forward to a prompt federal commitment to assist pre-1986 victims. This will allow officials to work out the details of assistance in a timely manner.

Honourable senators, I endorse the recommendations of the Krever commission. In contrast with how this matter has been so poorly managed by the present federal Minister of Health, we think the Premier of Ontario is showing the kind of leadership that has been lacking in this city.

Some Hon. Senators: Hear, hear!

Senator Grafstein: Honourable senators, I am delighted that the honourable senator concluded his statement in a different vein from his opening remark which was, "The file is closed." He then went on to indirectly quote the Prime Minister as having said that the file, in effect, is open and that meetings will be held next week. It is inappropriate to state that the file is closed when, in fact, it has been reopened. As a matter of interest, honourable senators, the file being dealt with this week is a different file.

According to the Hansard of the other place, the Prime Minister, in response to a question by the leader of the opposition said that there will be a meeting next week and he went on to state:

• (1530)

They will meet representatives of the people who have been affected. They will follow the instructions of the

House of Commons. The Minister of Health will be there and will discuss with his colleagues the change of mind in the governments that had signed the deal before, the Government of Ontario, the Government of Quebec. If that file has been closed, a fresh file or dossier is being examined. I see my honourable colleague nodding in acquiescence.

However, I wish to ask him a question, responding to his responsibilities as a senator from a region. There are other senators from regions and from provinces who, up to this moment, have not changed their position with respect to sharing the responsibilities for pre-1986 victims who have received tainted blood transfusions.

Senator Gigantès: Tainted by the Mulroney system.

Senator Grafstein: Let me complete my question, please.

The Hon. the Acting Speaker: Order, please!

Senator Gigantès: They made the mess, and now they are trying to make out that someone else is guilty.

Senator Lynch-Staunton: That is such a narrow-minded approach.

Senator Grafstein: Honourable senators, I wish to narrow my focus because the honourable senator opposite raises an important issue of national and provincial responsibility. The leader on the other side was very careful to indicate that there was joint responsibility and accountability for the problem, and how it should be shared. I think he was fair in his comments.

Has the honourable senator made representations to the Province of New Brunswick or to the Province of Saskatchewan? I look at senators from Saskatchewan, a province which to the best information we have received as of this moment, has refused to share in this new deal proposed by the premier from my province and the premier of Quebec.

Senator Kinsella: Honourable senators, I wish to thank Senator Grafstein for his questions, and the spirit in which the question is raised. We need this kind of exchange more often in this chamber.

We are engaged in a serious debate on a matter of national tragedy. The motion by Senator Lynch-Staunton is for this chamber to urge upon the federal Minister of Health and the provincial and territorial Ministers of Health that they undertake activity that will yield the result of responding to this need of Canadians in crisis.

With the unanimous support of this motion, I think the Senate will be very effective in encouraging our leaders in the provinces that we represent in this chamber, and the government, in light of the debate that has occurred in the other House.

Our objective is to meet the needs of Canadians who are experiencing a disaster of enormous proportions. At this time last week, the word we had from debates reported in Hansard from the other place was that the file on the matter had been closed. Earlier today, I took some comfort in the manner in which the Leader of the Government in the Senate answered questions on this matter.

Honourable senators, we shall vigorously participate in this debate. If that contributes to keeping this issue alive and keeping the matter before federal, territorial and provincial governments so that an equitable redress can be found, then we will have done our job.

However, in reading Hansard from the other place, it was categorically stated that the file was closed. If Senator Grafstein is apprehending that the matter has been reopened or reconsidered, then I am hopeful that this motion will be part of the solution.

Senator Grafstein: As a final comment, I guess the short answer to my second question is that the honourable senator has not made representations to the Province of New Brunswick. His implicit response — and I do not wish to put words in his mouth — is that we do not want to end up in a situation where some provinces join in, while others do not, to bear their fair share. In that event, we would end up with a distorted system as opposed to a universal system. I assume my honourable friend is speaking in favour of a universal as opposed to a distorted or asymmetrical system.

Senator Kinsella: Honourable senators, that certainly is my position and the position outlined in the motion advanced by the Honourable Senator Lynch-Staunton.

On motion of Senator Carstairs, debate adjourned.

The Senate adjourned until Tuesday, May 12, 1998, at 2 p.m.

THE SENATE OF CANADA
PROGRESS OF LEGISLATION
(1st Session, 36th Parliament)
Thursday, May 7, 1998

GOVERNMENT BILLS
(SENATE)

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
S-2	An Act to amend the Canadian Transportation Accident Investigation and Safety Board Act and to make a consequential amendment to another Act (Sen. Graham)	97/09/30	97/10/21	Transport and Communications	98/04/02	four			
S-3	An Act to amend the Pension Benefits Standards Act, 1985 and the Office of the Superintendent of Financial Institutions Act (Sen. Graham)	97/09/30	97/10/21	Banking, Trade and Commerce	97/11/05	seven	97/11/20		
S-4	An Act to amend the Canada Shipping Act (maritime liability) (Sen. Graham)	97/10/08	97/10/22	Transport and Communications	97/12/12	three	97/12/16		
S-5	An Act to amend the Canada Evidence Act and the Criminal Code in respect of persons with disabilities, to amend the Canadian Human Rights Act in respect of persons with disabilities and other matters and to make consequential amendments to other Acts (Sen. Graham)	97/10/09	97/10/29	Legal and Constitutional Affairs	97/12/04	one	97/12/11	Senate agreed to Commons amendments 98/05/06	
S-9	An Act respecting depository bills and depository notes and to amend the Financial Administration Act (Sen. Graham)	97/12/03	97/12/12	Banking, Trade and Commerce	98/02/24	one	98/03/19		

GOVERNMENT BILLS
(HOUSE OF COMMONS)

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
C-2	An Act to establish the Canada Pension Plan Investment Board and to amend the Canada Pension Plan and the Old Age Security Act and to make consequential amendments to other Acts	97/12/04	97/12/16	Committee of the whole 97/12/17	97/12/17	none	97/12/18	97/12/18	40/97
C-4	An Act to amend the Canadian Wheat Board Act and to make consequential amendments to other Acts	98/02/18	98/02/26	Agriculture and Forestry					
C-5	An Act respecting cooperatives	97/12/09	97/12/16	Banking, Trade and Commerce	98/02/24	none	98/02/25	98/03/31	01/98
C-6	An Act to provide for an integrated system of land and water management in the Mackenzie Valley, to establish certain boards for that purpose and to make consequential amendments to other Acts	98/03/18	98/03/26	Aboriginal Peoples					

C-7	An Act to establish the Saguenay-St. Lawrence Marine Park and to make a consequential amendment to another Act	97/11/25	97/12/02	Energy, Environment and Natural Resources	97/12/09	none	97/12/10	97/12/10	37/97
C-8	An Act respecting an accord between the Governments of Canada and the Yukon Territory relating to the administration and control of and legislative jurisdiction in respect of oil and gas	98/03/17	98/03/25	Aboriginal Peoples	98/03/31	none	98/04/01		
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 repealing and repealing other Acts as a consequence	97/12/09	98/03/26	Transport and Communications					
C-10	An Act to implement a convention between Canada and Sweden, a convention between Canada and the Republic of Lithuania, a convention between Canada and the Republic of Kazakhstan, a convention between Canada and the Republic of Iceland and a convention between Canada and the Kingdom of Denmark for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and to amend the Canada-Netherlands Income Tax Convention Act, 1986 and the Canada-United States Tax Convention Act, 1984	97/12/02	97/12/08	Banking, Trade and Commerce	97/12/09	none	97/12/10	97/12/10	38/97
C-11	An Act respecting the imposition of duties of customs and other charges, to give effect to the International Convention on the Harmonized Commodity Description and Coding System, to provide relief against the imposition of certain duties of customs or other charges, to provide for other related matters and to amend or repeal certain Acts in consequence thereof.	97/11/19	97/11/27	Banking, Trade and Commerce	97/12/04	none	97/12/08	97/12/08	36/97
C-12	An Act to amend the Royal Canadian Mounted Police Superannuation Act	98/04/28	98/04/30	Social Affairs, Science & Technology					
C-13	An Act to amend the Parliament of Canada Act	97/10/30	97/11/05	Legal and Constitutional Affairs	97/11/06	none	97/11/18	97/11/27	32/97
C-15	An Act to amend the Canada Shipping Act and to make consequential amendments to other Acts	98/05/05							
C-16	An Act to amend the Criminal Code and the Interpretation Act (powers to arrest and enter dwellings)	97/11/18	97/12/11	Legal and Constitutional Affairs	97/12/16	none	97/12/17	97/12/18	39/97
C-17	An Act to amend the Telecommunications Act and the Teleglobe Canada Reorganization and Divestiture Act	97/12/09	98/02/24	Transport and Communications	98/03/25	none	98/04/29		
C-18	An Act to amend the Customs Act and the Criminal Code	98/02/10	98/02/18	Legal and Constitutional Affairs	98/04/02	none	98/04/28		
C-21	An Act to amend the Small Business Loans Act	98/03/19	98/03/25	Banking, Trade and Commerce	98/03/26	none	98/03/31	98/03/31	04/98

C-22	An Act to Implement the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction	97/11/25	97/11/26	Foreign Affairs	97/11/27	none	97/11/27	97/11/27	33/97
C-23	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1998	97/11/26	97/12/04	—	—	—	97/12/08	97/12/08	35/97
C-24	An Act to provide for the resumption and continuation of postal services	97/12/02	97/12/03	Committee of the whole	97/12/03	none	97/12/03	97/12/03	34/97
C-28	An Act to amend the Income Tax Act, the Income Tax Application Rules, the Bankruptcy and Insolvency Act, the Canada Pension Plan, the Children's Special Allowances Act, the Companies' Creditors Arrangement Act, the Cultural Property Export and Import Act, the Customs Act, the Customs Tariff, the Employment Insurance Act, the Excise Tax Act, the Federal-Provincial Fiscal Arrangements Act, the Income Tax Conventions Interpretation Act, the Old Age Security Act, the Tax Court of Canada Act, the Tax Rebate Discounting Act, the Unemployment Insurance Act, the Western Grain Transition Payments Act and certain Acts related to the Income Tax Act	98/04/28							
C-31	An Act respecting Canada Lands Surveyors	98/05/07							
C-33	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1998	98/03/18	98/03/25	—	—	—	98/03/26	98/03/31	02/98
C-34	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 1999	98/03/18	98/03/26	—	—	—	98/03/31	98/03/31	03/98

COMMONS PUBLIC BILLS

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
C-220	An Act to amend the Criminal Code and the Copyright Act. (profit from authorship respecting a crime) (Sen. Lewis)	97/10/02	97/10/22	Legal and Constitutional Affairs					

SENATE PUBLIC BILLS

No.	Title	1st	2nd	Committee	Report	Amend.	3rd	R.A.	Chap.
S-6	An Act to establish a National Historic Park to commemorate the "Persons Case" (Sen. Kenny)	97/11/05	97/11/25	Energy, the Environment and Natural Resources					
S-7	An Act to amend the Criminal Code to prohibit coercion in medical procedures that offend a person's religion or belief that human life is inviolable (Sen. Haidasz, P.C.)	97/11/19	97/12/02	Legal and Constitutional Affairs					
S-8	An Act to amend the Tobacco Act (content regulation) (Sen. Haidasz, P.C.)	97/11/26	97/12/17	Social Affairs, Science & Technology	98/04/30	two			
S-10	An Act to amend the Excise Tax Act (Sen. Di Nino)	97/12/03	98/03/19	Social Affairs, Science & Technology					
S-11	An Act to amend the Canadian Human Rights Act in order to add social condition as a prohibited ground of discrimination (Sen. Cohen)	97/12/10	98/03/17	Legal and Constitutional Affairs					
S-12	An Act to amend the Criminal Code (abuse of process) (Sen. Cools)	98/02/10	98/05/06	Legal and Constitutional Affairs					
S-13	An Act to incorporate and to establish an industry levy to provide for the Canadian Tobacco Industry Community Responsibility Foundation (Sen. Kenny)	98/02/26	98/04/02	Social Affairs, Science & Technology					
S-14	An Act providing for self-government by the first nations of Canada (Sen. Tkachuk)	98/03/25	98/03/31	Aboriginal Peoples					
S-15	An Act respecting the declaration of royal assent by the Governor General in the Queen's name to bills passed by the Houses of Parliament (Sen. Lynch-Staunton)	98/04/02							
S-16	An Act to implement an agreement between Canada and the Socialist Republic of Vietnam, an agreement between Canada and the Republic of Croatia and a convention between Canada and the Republic of Chile, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income	98/05/05							

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