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Wednesday, November 3, 1999

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THE HONOURABLE GILDAS L. MOLGAT  
SPEAKER

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## THE SENATE

Wednesday, November 3, 1999

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

Prayers.

### CURRENT FARM CRISIS

LEAVE GRANTED TO ADJOURN UNDER RULE 60 TO CONSIDER  
MATTER OF URGENT PUBLIC IMPORTANCE

**Hon. Leonard J. Gustafson:** Honourable senators, I rise today to request that an emergency debate be held on the crisis in agriculture. My understanding is that I must convince His Honour and my colleagues that there is an emergency at hand.

I wish to say at the outset that the Standing Senate Committee on Agriculture and Forestry has heard testimony for over a year and one-half from representatives of farm groups, particularly from Western Canada. They appealed to us on the basis of the problems they currently face. I believe that our committee listened well to those presenters because they had serious presentations to make.

The Premiers of Manitoba and Saskatchewan felt somewhat rejected in the response they received from their recent discussions with the Prime Minister and the Minister of Finance. There is a serious sense of alienation and desperation in Western Canada.

I will not get into the numbers today because they have been well voiced in this house and were spoken to yesterday. However, the human tragedy that is occurring in the West is very serious. I spoke to people last night who are manning the stress phone lines. They indicated to me that there have been eight suicides. The most recent case concerned a man whose wife left him because of the stress, and the husband committed suicide, leaving behind four children.

Honourable senators, we are all grown and responsible people in this Senate. This subject is so serious that it calls into question our ability to represent the regions we do and to do our duty to the entire nation.

• (1340)

Honourable senators, there are many areas about which I should like to speak. However, I believe the subject of human tragedy is one of the most important. We must make an appeal on that basis. Time is of the essence. This is an emergency and it is important that it be dealt with now.

The economic crisis, as it exists, does not affect only the farm. It is now affecting machinery dealerships, manufacturing and employment. Every machinery dealership is a small factory. They recondition tractors and other farm implements. When farmers have no money, those places go broke and people go without jobs. The government will have to pay Employment Insurance to those people. It is crucial that we not let this continue, that we deal with it quickly and effectively.

I should like to speak about the repercussions of this crisis in the rural municipalities. A dozen rural municipalities have voted to withhold their taxes. I talked to the Reeve of the Municipality of Wellington, which is north of Weyburn, Saskatchewan. He said it is not the case that farmers do not want to pay their taxes; rather, they do not have the money to do so. This situation is impacting the entire province of Saskatchewan, in many industries.

Honourable senators, I want to speak about the impact of this situation on the entire nation. This will impact not only Saskatchewan, Manitoba and parts of Alberta; it will impact all of Canada. As well, this is happening not only in Canada; it is happening around the world because of subsidies, et cetera. We know all the reasons.

A newspaper article states that, after a nine-day delay, President Clinton signed an agricultural agreement containing \$8.7 billion in emergency farm aid. In response to that, the agriculture committee chairman said:

I'm glad the president signed this important bill, though I don't understand why he delayed for so long.

Honourable senators, this is a very serious situation deserving of debate in this house.

**Some Hon. Senators:** Hear, hear!

**The Hon. The Speaker:** I wish to remind honourable senators that the rules provide for five-minute interventions by each speaker and 15 minutes of debate in total.

**Hon. Dan Hays (Deputy Leader of the Government):** Honourable senators, I rise in my role as Deputy Leader of the Government in the Senate. I begin my comments with the observation that we recognize that acceding to Senator Gustafson's request is a matter left to the discretion of the Speaker. Essentially, the matter turns on whether the situation Senator Gustafson has raised constitutes a matter of urgent public importance as provided under rule 60 of the *Rules of the Senate*. In that the matter is left to the discretion of the Speaker, I wish to be very careful in what I say.

Honourable senators, we received notice of Senator Gustafson's intention to raise this matter. We have listened to him and are quite prepared to leave this matter in the hands of the Speaker, as that is what the rules provide. I have no extraordinary comments to make. I would observe, however, that what Senator Gustafson has mentioned about the work of the Senate's Agriculture Committee is something of which we are all well aware. We are happy to leave the decision on whether this constitutes a matter of urgent public importance to the discretion of the Speaker, as required under the rules.

**Senator Lynch-Staunton:** Are you in favour or not?

**Senator Hays:** I do not wish to presume to tell the Speaker what to do because I respect the rules. I believe that the discretion of the Speaker should be exercised on the basis of what he has heard.

**Senator Kinsella:** Do you have no opinion?

**Senator Lynch-Staunton:** Is there a crisis or not?

**Hon. Mira Spivak:** Honourable senators, although I do not have the credibility on this issue that Senator Gustafson has, I am a farmer's daughter from the Interlake region of Manitoba. The farm crisis has been discussed for months. During this period, farmers have been pushed to the limit because of the cost-price squeeze in which they are caught. Costs are beyond the control of farmers. Prices are set in international markets and are also beyond their control. Competition is impossible because of the subsidies paid by the European Union and the United States.

Although almost every farm has one or two off-farm jobs, farmers are deeply in debt and face the prospect of bankruptcy. They face losing their land, their inheritance, their source of livelihood, and the way of life to which they are deeply attached.

Honourable senators, personal tragedies are not always the stuff of national emergencies, but I shall list some reasons why the crisis is so urgent as to warrant an emergency debate.

First, last week, a delegation of farmers and the Premiers of Manitoba and Saskatchewan came to Ottawa to seek help from the federal government. They knew it was imperative that additional payments be in the hands of producers by December in order to avoid bankruptcies before spring. As we know, the government refused any injection of cash, and the banks will now be forced to foreclose.

Second, the AIDA program, intended to fill a gap in the existing farm safety-net programs, is a disaster. In Manitoba, more than 55 per cent of the applicants processed to date have received no funds.

Third, the impact of the farm crisis is felt not only by farm families but by virtually everyone in rural communities. There are defaults on credit. There are fewer purchases of machinery. School children are using last year's supplies. Almost everyone is pinching, squeezing and suffering.

[ Senator Hays ]

Fourth, the level of stress is rapidly increasing among farm families in farm-dependent communities. You need only read the letters from children to the Prime Minister to know how stressed parents have become.

The issues were clarified and the crisis highlighted in meetings I have had both here and in Manitoba with desperate farm delegations. They were so grateful for the hearing they received from the Senate. They are terribly buffeted and demoralized by forces they cannot control. How can we here in the Senate watch the situation unravel further without affording their concerns a proper hearing through an emergency debate?

**Hon. Ron Gitter:** Honourable senators, I rise to encourage the Speaker to permit an emergency debate on this issue. I do so from a slightly different perspective from that of Senator Spivak and Senator Gustafson, who have considerably more knowledge in matters of agriculture than do I. Contrary to public opinion, simply being from the province of Alberta does not necessarily mean that one has a deep understanding of agriculture. I, as an urbanite, am much more comfortable with pavement under my feet than farmland, but I look at the importance of our agricultural community from the perspective of someone who was an elected representative in the province of Alberta for eight years, and from that of a senator who has met many times with individuals of agricultural background.

Over the years, I have jokingly referred to my farmer friends as "whiners and complainers" and individuals who are never happy. It is either the weather, the price of wheat, the amount of the subsidy or, perhaps, the loonie and the value of it when they go for their break in the sun.

• (1350)

In late August, Senator Gustafson invited me to a meeting here in Ottawa with a group of Saskatchewan and Alberta farmers. A number of my colleagues were also in attendance. We talked about what they were experiencing. These were not outspoken, grandstanding, attention seekers. When I looked into their eyes, I saw fear. When I listened to their voices, there was the trembling that comes from holding back tears. When I considered what they had to say, I became concerned, not only for them, but for the farm population of Canada. I examined what they had to say, together with what Senator Spivak and Senator Gustafson had been telling me. When I saw a graph showing the realized net farm income in Saskatchewan, in 1998 constant dollars, dropping from \$700 million, in 1993 to 1997; to \$400 million in 1998; to minus \$48 million in 1999, I understood what they were talking about.

This is not a situation of individuals coming to government for a bit more of something. These are individuals who are at the abyss. It involves their survival, and it is now or never. We could go on for a long time with statistics, but the fact remains that there is an emergency in rural Canada. There is an emergency in Western Canada, and the numbers are incredibly stunning when you look at them.

A whole way of life is under siege in Western Canada, Your Honour. As you come from Manitoba, you can appreciate the situation. Our rural communities, our control over agricultural resources, the cost of our food, and the survival of thousands of Canadians are at stake. By way of example, I notice that Senator Hays has had to accept a new job. Farm income has dropped so much that he has accepted the position of deputy leader in the Senate. Western alienation, as has been mentioned —

**The Hon. the Speaker:** I regret to interrupt the Honourable Senator Ghitter, but the 15-minute period has expired. However, he may proceed if leave is granted.

**Hon. Senators:** Agreed.

**The Hon. the Speaker:** Please continue.

**Senator Ghitter:** Last week, Premier Romanow and Premier Doer led a delegation to Ottawa to request \$1.3 billion in federal aid for farmers. A great deal of hope was placed on those meetings by Western Canadian farmers, who believed that immediate relief would be forthcoming. However, it was not forthcoming. The delegation was sent home with nothing but a new set of numbers. I suggest that that incident has brought this emergency to the forefront, namely, the fact that Western farmers were looking to resolve this matter last week. There was no resolution, and we, in this chamber, must now deal with it on an emergency basis in an effort to get relief to Western Canadian farmers immediately. To wait any longer may be too late.

**The Hon. the Speaker:** Honourable senators, I wish to thank all honourable senators who participated in the debate to determine whether or not there is an emergency. As has been pointed out, the Speaker must rule on this matter.

I wish to refer honourable senators to rule 60(1), which sets out the conditions which must be met. It states:

60(1)(a) must relate to a genuine emergency, calling for urgent consideration by the Senate;

(b) must not revive a discussion previously taken up in the same Session pursuant to this rule;

I agree with both paragraphs (a) and (b) that the case has been made. The next paragraph states:

60(1)(c) cannot raise any question which, according to the *Rules of the Senate*, can only be debated on a distinct motion under notice;

That does not apply. There is then the following paragraph, which states:

(d) cannot raise matters which form, in substance, a question of privilege.

That does not apply. I then refer honourable senators to rule 60(6), which states:

60(6)(a) how it concerns the administrative responsibilities of the government or could come within the scope of departmental action;

On that basis, I believe the case has been made. The next paragraph states:

60(6)(b) give reasons why the Senate will not likely have another opportunity to consider the matter within a reasonable period of time.

I regret that, under paragraph (b), the case has not effectively been made. On the other hand, I have not heard any advice opposing that point of view. In relating it to the bulk of the conditions that I must recognize, I have determined that leave should be granted.

**Senator Hays:** Honourable senators, I wish to thank His Honour for his decision, which we respect. However, this is not a matter we had anticipated. We have committees working this afternoon. I wish to raise before honourable senators the request that this debate take place, not as provided for in the rules, namely, at the end of Orders of the Day, but rather, at eight o'clock this evening. This is a day on which we normally have a short sitting to ensure our committees an opportunity to carry out their work. We respect the ruling and will be prepared to debate the matter, but our preference would be that this matter be debated at eight o'clock this evening.

**Hon. Noël A. Kinsella (Deputy Leader of the Opposition):** Honourable senators, this house has apprehended that a matter of grave concern to Canada is before us. This is an emergency. This is not something to be delayed. We are to set aside the ordinary course of proceedings such that we may attend to a matter that this side sees as a national emergency, a matter of great crisis and not something to be put off. Therefore, we would not agree to delaying consideration of this matter. We wish to deal with it at the end of Orders of the Day before other matters. I recognize, honourable senators, that the matter of —

**Senator Hays:** Honourable senators, I rise on a point of order. The Deputy Leader of the Opposition is making a speech. I have asked for leave and I have given the reason for asking for leave. I think a simple "no" is all that is required if leave is not forthcoming.

**Hon. John Lynch-Staunton (Leader of the Opposition):** Honourable senators, that is not correct. Obviously you did not read His Honour's decision of yesterday.

**Senator Kinsella:** Honourable senators, it is not quite as simple as that. Part of the matter raised by the Deputy Leader of the Government relates to the issue of business before certain committees. I wish to respond to that issue. If there is a special need for the Standing Senate Committee on Transport and Communications to sit even though the Senate is sitting, we on this side would be in agreement to granting that authority.

**The Hon. the Speaker:** Honourable senators, leave is not granted to change the rules. The rules are clear that the urgent debate will take place after consideration of the Orders of the Day or, if they are not concluded in time, at eight o'clock this evening.

Honourable senators, I wish to draw your attention to rule 60(4). Under that rule, it is clear that "the Speaker shall, instead of calling 'Senators' Statements', recognize the Senator or Senators who gave notice..." In other words, the emergency debate supersedes "Senators' Statements". The paragraph states 'instead of calling'. There will be no "Senators' Statements" today.

## ROUTINE PROCEEDINGS

### TRANSPORT AND COMMUNICATIONS

COMMITTEE AUTHORIZED TO MEET  
DURING SITTING OF THE SENATE

**Hon. Dan Hays (Deputy Leader of the Government),** with leave of the Senate and notwithstanding rule 58(1)(a), moved:

That the Standing Senate Committee on Transport and Communications have the power to sit at 3:30 p.m. today, November 3, 1999, 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?

**Hon. Senators:** Agreed.

Motion agreed to.

[Translation]

- (1400)

### COMMITTEE OF SELECTION

FOURTH REPORT PRESENTED

**Hon. Léonce Mercier:** Honourable senators, I have the honour to present the fourth report of the Committee of Selection on the nomination of senators who will sit on the various committees during the present session.

I ask that it be printed in today's *Journals of the Senate*.

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

**Hon. senators:** Agreed.

(For text of report, see today's *Journals of the Senate*, p. 87.)

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

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

[English]

## CRIMINAL CODE

BILL TO AMEND—FIRST READING

**Hon. Anne C. Cools:** Honourable senators, I have the honour to introduce Bill S-9, 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 Wednesday next, November 10, 1999.

## INTER-PARLIAMENTARY UNION

NINETY-EIGHTH CONFERENCE IN ULAANBAATAR, MONGOLIA—  
REPORT OF CANADIAN GROUP TABLED

**Hon. Sheila Finestone:** Honourable senators, I have the privilege of tabling a report from the inter-parliamentary delegation to a meeting of the Asia-Pacific Group of the Inter-Parliamentary Union, which was held in Ulaanbaatar, Mongolia, from July 26 to July 31, 1999.

[Translation]

## FRANCOPHONE AND ACADIAN COMMUNITIES OUTSIDE QUEBEC

DETERIORATION OF SERVICES—NOTICE OF INQUIRY

**Hon. Jean-Maurice Simard:** Honourable senators, I give notice that on Tuesday, November 16, 1999, I will call the attention of the Senate to the situation vis-à-vis the development and vitality of francophone and Acadian communities, its gradual deterioration, the growing indifference of governments in Canada over the past ten years, and the lack of access to services in French.

I will take this opportunity to table my report entitled "De la coupe aux lèvres, un coup de coeur se fait attendre."

[English]

## QUESTION PERIOD

### SUPREME COURT

#### APPOINTMENT OF THE HONOURABLE BEVERLEY MCLACHLIN AS CHIEF JUSTICE

**Hon. Marcel Prud'homme:** Honourable senators, since there were no Senators' Statements today, I will pose a question. It is a very happy, cheerful question which I will ask of the Deputy Leader of the Government.

Will there be some kind of special ceremony to celebrate the special event which has just taken place? I refer to an event which is historical in our nation and in the world — the appointment of Madam Justice Beverley McLachlin to the position of Chief Justice of the Supreme Court of Canada. She will begin her duties on January 7, 2000, when we expect to be in recess. This is an event of international importance, an event of pride, to name the first female Chief Justice.

Would the honourable Deputy Leader of the Government not agree that some statement must be made on such a great occasion? The Senate is the guardian of tradition and the Senate has the sensitivity to address the occasion. I do not wish to debate the matter, but other senators may wish to say some words about this major historical event.

**Hon. Dan Hays (Deputy Leader of the Government):** Honourable senators, I received that news just now and am very pleased to hear it. The honourable senator's question could be interpreted in several ways. He is asking for an opportunity today, presumably now, for senators to say something on this important occasion, one which would normally be addressed under Senators' Statements. I agree, and I think I speak for senators on this side, that a few minutes could be taken now to comment on the announcement.

Following the precedent of my homologue, the Deputy Leader of the Opposition, I will take this opportunity while I am on my feet to indicate my great pleasure and pride in hearing that the Honourable Beverley McLachlin will be succeeding Chief Justice Lamer on the Supreme Court of Canada. Justice McLachlin has a very distinguished record as a lawyer and a judge. All of us who have had the privilege of practising law are very proud of her.

As far as we are concerned, leave is granted for others to take a few moments to comment on that important event.

**The Hon. the Speaker:** Honourable senators, leave is requested to have comments now on the subject raised by Honourable Senator Prud'homme. Is leave granted?

**Some Hon. Senators:** Agreed.

**Hon. John Lynch-Staunton (Leader of the Opposition):** No.

**Hon. J. Michael Forrestall:** Do we have instructions on how that will impact on Question Period?

**The Hon. the Speaker:** I heard a "no." Leave is not granted.

**Senator Forrestall:** I did not mean to withhold consent. I was just curious as to how that proposal would impact on the time available for Question Period.

### NATIONAL DEFENCE

#### RESTRUCTURING OF RESERVE UNITS IN ATLANTIC CANADA— PLIGHT OF THE 1ST FIELD REGIMENT OF THE ROYAL CANADIAN ARTILLERY

**Hon. J. Michael Forrestall:** Honourable senators, I have a question for the Leader of the Government in the Senate. It goes back to an issue which I discussed with his predecessor regarding the restructuring of reserve units in Canada. Some units were listed as viable and others were termed non-viable. Without complicating the question too much, there is no doubt in my mind that I was seriously misled. I have chosen to believe that it happened because three or four different people were responding to the request for information.

I refer to the 1st Field Regiment of the Royal Canadian Artillery based in Halifax. That is a unit with which the minister will be very familiar and, indeed, as a Nova Scotian, somewhat proud. That unit received a 93.1 per cent effective strength rating and an efficiency rating of 88.5 per cent. There are 15 or more reserve units in Canada which are termed non-viable. However, none of them have anything like that for a record.

• (1410)

This restructuring process has driven quite a wedge between the reserve structure in Canada and the present government, for reasons such as this I suspect. I feel that this unit deserves an apology. I can think of none better than the minister responsible for Nova Scotia to proffer such an apology. I am not asking for prolonged negotiations on this matter but for an apology for the mistake, however it may have been made. Will the minister now ask for a reassessment of the score given to this historic Nova Scotia unit in the re-evaluation process?

**Hon. J. Bernard Boudreau (Leader of the Government):** Honourable senators, it has been my experience that the government has been most supportive of the important role played by the reserves throughout the country. I have some particular knowledge in my own area where we will be commissioning, if you will, two very impressive facilities in Sydney, Nova Scotia, for use by the reserves. I understand that these will make a real difference to the functioning of the reserves in the area.

The unit to which the honourable senator refers, the 1st Field Regiment, Royal Canadian Artillery, is a distinguished unit and one of which all Nova Scotians can be proud.

The senator brings up a specific and pointed question. It is one which is worthy of a specific and pointed response. I beg his indulgence for a short period of time while I make inquiries of the minister on this very point. I hope to be able to respond to Senator Forrestall in a manner which the question deserves.

**Senator Forrestall:** Honourable senators, far be it from me to speak for the regiment. On the other hand, Lieutenant-Colonel Doyle in his comments a few months ago suggested that he felt the least that could be done would be an apology from the LFC, which might go a long way to smoothing out the matter. They should be re-established as a viable unit. In fact, they are, perhaps, one of the most viable units in Canada.

**Senator Boudreau:** Honourable senators, I thank the honourable senator for the information he has provided. I certainly take seriously the record of service of the particular regiment to which he refers. I will attempt to familiarize myself with the details of the situation and respond in an appropriate manner.

## THE SENATE

### EFFORTS TO INCREASE EMPLOYMENT OF VISIBLE MINORITIES

**Hon. Donald H. Oliver:** Honourable senators, my question is for the Leader of the Government in the Senate. Last week, I had the opportunity to attend a conference in Ottawa. At that time, I remarked that the Government of Canada has failed miserably in providing opportunities for visible minorities in the public service.

According to the latest employment equity report, of the 190,000 people employed in the Public Service of Canada, only 9,200 have self-identified as members of visible minorities. This is about 5 per cent, or less than one-half of the 11 per cent which visible minorities represent in Canada's overall population.

Here, in the Senate, the latest statistics that I have are that 1.2 per cent of employees are members of visible minorities. We in this house of sober second thought are lagging far behind and have failed in setting a standard of visible minority representation for all business and government bodies in Canada.

Will the Leader of the Government in the Senate tell us what strategic plans, if any, are being developed to improve visible minority representation in the Senate of Canada?

**Hon. J. Bernard Boudreau (Leader of the Government):** Honourable senators, the issue is one which is of concern to the government in general, and not just specifically with respect to the Senate. In fact, efforts have been in place for some time to ensure that the participation of visible minorities across government would mirror their numbers in the workforce. That has not been achieved to date. However, there are some hopeful signs.

[ Senator Boudreau ]

Recent statistics — and I do not have them at hand — indicate that, in terms of promotion within the public service, visible minorities appear to be moving up through the ranks in a measure that is equal to their number within that service. That is a positive though not an entirely satisfactory situation. However, there has been some indication that improvement is taking place. Of course, we are always striving to ensure that we reach the goal of representation in government and here in the Senate that mirrors the presence of visible minorities in our general population.

## HUMAN RESOURCES DEVELOPMENT

### EFFORTS TO INCREASE EMPLOYMENT OF VISIBLE MINORITIES IN GOVERNMENT

**Hon. Donald H. Oliver:** Honourable senators, would the Leader of the Government in the Senate take these representations to cabinet and try to sensitize his colleagues to the important problem of the lack of adequate representation in senior positions within the public service? When the minister finds the statistics to which he referred, perhaps he would prepare a list and bring to this chamber the number of deputy and assistant deputy ministers in the Public Service of Canada who are members of visible minorities, as well as statistics for the Senate itself. Will he undertake to do that?

**Hon. J. Bernard Boudreau (Leader of the Government):** Honourable senators, I will certainly bring to the Senate, and give to anyone else who may have that specific interest, the report to which I referred. It is not one on which I can presently place my hands. I think it might be of interest to the honourable senator because it indicates not simply the percentage of visible minorities but how those visible minorities appear to be progressing along the chain of command. Thus, we are not faced with the situation where visible minorities are remaining stagnant at a particular level of employment, but in fact appear to be proceeding. I will undertake to give that information to the honourable senator.

With regard to the Senate, this is a matter which may appropriately be of some concern to the Standing Committee on Internal Economy, Budgets and Administration.

**Senator Oliver:** Honourable senators, I have never served on that committee. I hope that, in his role of Leader of the Government in the Senate, the minister will show some leadership and bring those matters before this chamber.

The minister refers to the progress that is being made. My specific reason for asking him to produce the list of visible minority deputy ministers and ADMs is that we will then see that the numbers are so few that it will be embarrassing for him to look at it. The progress he described refers to progress at the very lowest levels of the public service, something which is a public shame.



## UNITED NATIONS

### NUCLEAR DISARMAMENT—POLICY OF GOVERNMENT ON NEW AGENDA COALITION RESOLUTION

**Hon. Douglas Roche:** Honourable senators, will the Leader of the Government in the Senate confirm that Canada will vote in the affirmative on the New Agenda Coalition resolution which is now before the United Nations calling for the commencement of negotiations leading to a program for the elimination of nuclear weapons? This is a subject I raised yesterday with the minister.

**Hon. J. Bernard Boudreau (Leader of the Government):** Honourable senators, I appreciate the honourable senator raising this issue again today. I have not yet had an opportunity to speak to the Minister of Foreign Affairs and International Trade regarding this issue.

• (1420)

Canada has a strong record of supporting the nuclear disarmament program, both in general and in specific programs to accommodate the aftermath of nuclear disarmament, in terms of hazardous materials which must now be dealt with.

With respect to the specific question, I do not wish to usurp the position of the minister responsible, and I am confident I can bring that answer to the honourable senator very shortly.

**Senator Roche:** I thank the minister for that answer. In order to help him make his representation to the Minister of Foreign Affairs, I sent to the minister three important statements made in the past few days by the Canadian Pugwash Group, the Simons Foundation Strategy Consultation and the Canadian Network to Abolish Nuclear Weapons, three organizations representing many thousands of Canadians. These were sent to help the government understand the importance of informed opinion in Canada on this issue.

I would ask the Leader of the Government in the Senate to take a certain sense of urgency in communicating these concerns because the vote at the United Nations will be held the first part of next week.

**Senator Boudreau:** Honourable senators, I recognize the honourable senator's expertise in this area and his distinguished record of service on issues involving disarmament. I would be happy to receive that material and undertake to him that I will have that discussion prior to the end of this week.

## FOREIGN AFFAIRS

### NEW AMBASSADOR TO WORLD TRADE ORGANIZATION— POSSIBLE CONSULTING CONTRACT WITH FIRM EMPLOYING FORMER AMBASSADOR—REQUEST FOR TABLING

**Hon. James F. Kelleher:** Honourable senators, my question is for the Leader of the Government in the Senate. On August 3, the Prime Minister announced the appointment of his former

minister for international trade, Sergio Marchi, to the position of permanent representative and ambassador of Canada to the office of the United Nations and to the World Trade Organization in Geneva. Mr. Marchi replaced a highly respected civil servant with over 20 years of experience in international trade matters, Mr. John Weekes.

As you may recall, last year Mr. Weekes was elected to the prestigious position of chair of the WTO's General Council, which includes over 130 members. A *National Post* article dated October 12, 1999, stated that Mr. Weekes gave his first interview since being ousted as Canada's WTO ambassador, and he advised that he was now the chairman of global trade practice for APCO, which is an American consulting firm. The article also revealed that Mr. Weekes continues as a senior adviser to the Government of Canada.

Honourable senators, there are reports that the Government of Canada is paying this United States consulting firm over U.S. \$500,000 per year. Can the leader advise whether the Government of Canada has hired the American consulting firm APCO so that Canada's former WTO ambassador can help Mr. Marchi do his job in Geneva?

**Senator Kinsella:** That is a good question. "Yes" or "no"?

**Senator Kelleher:** A simple answer will do.

**Hon. J. Bernard Boudreau (Leader of the Government):** Thank you, honourable senator. I should like to make the answer as brief and direct as I can, but it may require more than a "yes" or a "no".

I do not know the former incumbent in the position. Obviously, he must be a very distinguished gentleman to be able to find accommodation so quickly in the private sector in such an important role. I do know the present incumbent, and he has had a very distinguished record, not only in public life, in government, but also in the area of trade.

**Senator Lynch-Staunton:** The MMT issue was his, was it not?

**Senator Boudreau:** His record would be generally regarded as a distinguished record. With a background in trade and government, he is exactly the kind of individual who would be appropriate for that type of position.

**Senator Lynch-Staunton:** He voted against free trade, remember?

**Senator Boudreau:** None of us in this institution would ever want to disqualify an individual from any office simply because he had been engaged in public life, as we are right now. I congratulate the government on his appointment.

As to whether certain contracts exist for consulting services, I am sure that the Government of Canada employs consultants on a routine basis for many purposes.

**Senator Lynch-Staunton:** People they fire?

**Senator Boudreau:** Whether this is one of them, I do not know. If they are employing this consultant, as with any other consultant, I am sure they are getting good value for their money.

**Senator Kelleher:** Honourable senators, I can assure the Honourable Leader of the Government in the Senate that Mr. John Weekes is an excellent person. He worked with me for several years when I was the minister for international trade, so I can certainly vouch for his ability.

At the end of the month, Canada and 130 other countries will meet in Seattle to launch the next round of WTO negotiations. Since these negotiations could have a profound impact on Canada, it is important for Canadians to have full confidence in how these negotiations are managed in Geneva.

To ensure transparency and to clear the air regarding the APCO contract prior to the Seattle WTO meeting, will the leader table this contract as well as all supporting documents, including those relating to the tendering and the award of this contract?

**Senator Boudreau:** I can assure the honourable senator that I will discuss the matter with the appropriate minister. It is obviously in his bailiwick. He has responsibility for the file, and I would not presume to remove that responsibility from him. I shall convey the honourable senator's request for more details on that particular contract.

## FINANCE

### DEVALUATION OF DOLLAR—INFLUENCE ON FOREIGN PURCHASES OF CANADIAN COMPANIES

**Hon. Gerry St. Germain:** Honourable senators, my question is also to the Leader of the Government in the Senate. It relates to a recent transaction that took place in my province. There was a hue and cry by many as a result of the sale of MacMillan Bloedel, a long-time Canadian firm, to Weyerhaeuser, a huge U.S. conglomerate that has taken advantage of what many of us believe is the horrific way the government has managed our fiscal and monetary system in allowing the Canadian dollar to devalue to its current rate. As a matter of fact, I rode in from Toronto this morning with a young man who says he has always been a Liberal but is totally disgusted as he watches all these corporations being scooped up by Americans and others, virtually at half price.

Does the minister have any comment as these great Canadian corporations are being gobbled up? I do not want him to think that I want a return to the dreaded Foreign Investment Review Agency, FIRA, that was brought in by the Liberal government under Prime Minister Trudeau, but there must be a concern, I believe, when we lose major companies like MacMillan Bloedel.

**Hon. J. Bernard Boudreau (Leader of the Government):** Honourable senators, I am very interested in the honourable senator's comments. Obviously, the currency being where it is

creates an economic dynamic that can in some cases lead to certain conclusions or events and in other cases to different conclusions or events.

I am surprised to hear that, as a general rule, people in the resource industry would object to the low Canadian dollar. I would think that in many cases it has been a tremendous advantage for them in marketing their products around the world. I am not an expert in the lumber industry, but I do know that in many resource sectors the low Canadian dollar has given a tremendous advantage to our producers and, as a result, has yielded great benefits in terms of employment and economic activity. The low Canadian dollar has had, at least in some aspects, a positive impact on the resource industry.

• (1430)

The point, though, is that the low dollar also serves to make some Canadian companies very attractive as acquisitions, to those with American dollars, and makes them a more attractive purchase than they would be otherwise. However, the fundamental point with respect to the currency is that we have a floating currency which finds its own level. Unless we are prepared to consider a fundamental change in the policy of the Bank of Canada, that will continue to be the case.

With respect to foreign acquisitions, there may be measures other than FIRA that could be put on the table. The honourable senator may wish to suggest some of his own.

**Senator St. Germain:** Honourable senators, the leader speaks of the low Canadian dollar and the resource industry. It is really a false economy because in some cases it has led to the country becoming less competitive. What it has led to is this horrific and unacceptable lumber quota, which is a nightmare. It restricts the development of any industry in a province because if you do not have a quota, you cannot start up a sawmill. There is a litany of problems in this regard. It is a total horror story. It flies in the face of free trade, which we endorsed and everyone else endorsed, but the government capitulated as opposed to standing its ground and going head to head with the ITC in the United States.

Honourable senators, in the spirit of short-term solutions, I believe that the government has kept interest rates too low, which has led to the devaluation of this floating dollar. Certainly, it is popular in the short term, but we will pay the price when we wake up one morning to find that all our good corporations have been scooped up by the U.S. I am prepared to compete with the U.S. at any given time, but in creating this artificial situation and this horrifically devalued dollar, no one can compete.

As individuals, our global wealth has been reduced in this country. At Heathrow Airport it costs 15 pounds for breakfast, which I believe is approximately \$45 Canadian. This is eroding our ability to remain competitive as individuals in a global economy.

I ask the minister: Is he working towards establishing a North American currency?

**Senator Taylor:** Mulroney started this.

**Senator St. Germain:** Listen, you had the chance. You were going to get rid of the GST and all these things, but you did not go ahead, sir.

**Senator Boudreau:** Honourable senators, with the greatest of respect, I would disagree with the honourable senator on a few points.

**Senator St. Germain:** I would hope so.

**Senator Boudreau:** Some even have to do with the currency.

The first question we must ask is: Are we in favour of a fixed exchange rate? Personally, I am not. If you are not in favour of fixing an exchange rate and fixing the Canadian dollar higher in comparison to the U.S. dollar, then you must create conditions that will cause the dollar to rise.

I should like the honourable senator to know that I am in favour of a floating exchange rate. I feel it is a great shock absorber in terms of the two major economies, the U.S. and Canada, adjusting to one another. I would remain in favour of a floating exchange rate, and I must say that I would have trouble advocating higher interest rates.

I cannot agree with the honourable senator that increased interest rates would be good for the country. I simply cannot accept that. Many people in the resource industries to whom I have spoken have taken advantage of the lower Canadian dollar. However, at the end of the day, the Canadian dollar will find its own level in a floating exchange.

Unless we are prepared to take some very serious and dramatic measures, such as pegging the exchange rate or increasing interest rates, the Canadian dollar will continue to find its own level. I would not be prepared to support substantially increased interest rates. I do not know if senators opposite are in favour of that, but I do not believe our party is.

## DELAYED ANSWERS TO ORAL QUESTIONS

**Hon. Dan Hays (Deputy Leader of the Government):** Honourable senators, I have a delayed answer in response to a question raised in the Senate on October 13, 1999, by the Honourable Senator Lowell Murray regarding Nova Scotia responsibility for the cleanup of toxic waste sites, and a response to a question raised in the Senate on October 13, 1999, by the Honourable Senator Donald Oliver regarding Nova Scotia funds for the cleanup of flood damage in Cumberland County.

## THE ENVIRONMENT

### NOVA SCOTIA— RESPONSIBILITY FOR CLEANUP OF TOXIC WASTE SITES

*(Response to question raised by Hon. Lowell Murray on October 13, 1999)*

The upcoming privatization of the Cape Breton Development Corporation (Devco) has raised environmental concerns regarding the rehabilitation of properties inherited or acquired by the Corporation since its creation in 1967.

As indicated in the *Debates of the Senate* of October 13, 1999, the liability and work associated with any environmental clean-ups at existing and abandoned Devco mines rests with the corporation.

Indeed, in its annual report (for the period ending March 31, 1999), the Devco corporation recorded its best estimate of anticipated future costs of environmental issues related to building demolition, cleanup, earthworks, water treatment, and other reclamation works. Based on management's best estimate of the cost of complying with the requirements of appropriate environmental laws and regulations, and an assessment provided by the Senes consulting firm, the Devco annual report shows an expected cost of \$110 million for future environmental remediation.

Environment Canada is providing technical and scientific advice to Devco on the present and future environmental issues associated with the corporation's operations with the objective of ensuring that cleanup activities meet the requirements of existing environmental guidelines and legislation.

## NATIONAL DEFENCE

### NOVA SCOTIA—FUNDS FOR CLEANUP OF FLOOD DAMAGE IN CUMBERLAND COUNTY

*(Response to question raised by Hon. Donald H. Oliver on October 13, 1999)*

The Province of Nova Scotia was severely affected by the remainder of tropical storm Gert that moved up the Atlantic Coast on September 23-24, 1999. Emergency Preparedness Canada's regional director in Nova Scotia has been, and remains, in constant liaison with the Nova Scotia Emergency Measures Organization to ensure federal support is made available when requested.

The Province of Nova Scotia is still in the process of evaluating the damages to public infrastructure caused by the storm. Provincial authorities are well aware of the availability of federal financial assistance under the Disaster Financial Assistance Arrangements (DFAA) and of the eligibility guidelines.

According to Emergency Preparedness Canada officials, as of November 1, 1999, the Province of Nova Scotia had not yet requested financial assistance under the DFAA. If and when it does, federal funds will be available according to the same guidelines used to provide assistance to all provinces and territories having to cope with the economic impacts of major disasters.

## BUSINESS OF THE SENATE

**Hon. Noël A. Kinsella (Deputy Leader of the Opposition):** Honourable senators, I believe we are in need of clarification with respect to who, under our rules, are the honourable senators to whom we can pose questions during Question Period.

It is my understanding that questions are properly put to chairmen of the various committees and to the Leader of the Government in the Senate. I believe the first question today was put to the Deputy Leader of the Government in the Senate. Had I known that was provided for under our rules, Senator Carstairs and I would have had many more exchanges than we had in the last session. It would be helpful if we had clarification as to whether the Deputy Leader of the Government is one of the senators to whom we can put questions during Question Period.

**The Hon. the Speaker:** Honourable senators, my understanding is that, under normal circumstances, when the Leader of the Government is in his seat, questions can only be asked of the Leader of the Government, or to chairs of committees and, in so far as chairs of committees, only in regard to the technical management of the committee, not on policy matters. In the absence of the Leader of the Government in the Senate, it has been our practice for the deputy leader to field questions to the extent that he can. However, when the leader is present, questions should be addressed to the leader.

## ORDERS OF THE DAY

### SPEECH FROM THE THRONE

MOTION FOR ADDRESS IN REPLY—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Kroft, seconded by the Honourable Senator Furey, for an Address to Her Excellency the Governor General in reply to her Speech from the Throne at the Opening of the Second Session of the Thirty-sixth Parliament.—(2nd day of resuming debate)

**Hon. Marie-P. Poulin:** Honourable senators, the Speech from the Throne by Her Excellency the Governor General and the Prime Minister's subsequent response hold the promise for

renewed optimism among all Canadians. They were uplifting speeches that invigorated the soul and put a sheen on our aspirations for the future of our nation.

Not in a long time have we been presented with such buoyant optimism for capitalizing on the enormous potential of this bountiful country. The end of the millennium has given rise to naysayers, cultists and those who fear-monger with their depressing predictions and exhortations over the end of the millennium. They are no match for the effervescence and vibrancy that we, supporters of this government, feel. We are buoyed by Canada's accomplishments during the 20th century, and we rise with confidence and excitement to the challenges of the next century and the next millennium.

• (1440)

Honourable senators, the Speech from the Throne set the tone for how we cross that threshold into a new era. We are neither going blindly into the future nor setting anchor in the past. We are cognizant of some mistakes, but they have been dwarfed by our accomplishments. Having learned from our errors, we will move on to greater heights. We shall remember our past, but not be manacled to it. We shall grow and prosper, enriching the lives of all Canadians.

[Translation]

Honourable senators, we cannot accurately predict the future, any more than we can change events of the past. We can, however, influence change through effort, conviction, determination and through our courage, work, innovation, creativity, motivation and especially by setting limits in order to grow in partnership with other governments and the private sector, and by setting an example.

[English]

Honourable senators, we can rise to unimaginable heights of achievement in the arts and sciences, in research and development, in social progress, in promoting personal growth and, above all, in fostering a climate of peace and goodwill. Canada, my friends, is the right place to be.

Through good planning by this government, and sacrifices by all Canadians, the burden of growing debt has been vanquished. Fiscal health is the watchword of the day, for only by putting our books in order can we hope to accomplish all that we wish for all Canadians. Our nation was built on a vision of prosperity, of fulfilment, of equality, of opportunity and of safety in all its manifestations of health, security, and peace of mind. This is not a vague, ephemeral vision, but a vision grounded in practicality and doability.

Honourable senators, the Speech from the Throne, and the follow-up remarks by the Prime Minister, spelled out a framework for action that is not wishful thinking. It is already being done and we will build that vision piece by piece, one brick at a time.

[ Senator Hays ]

[Translation]

Honourable senators, my grandfather was a carpenter in Northern Ontario, in Sudbury. We learned as children and grandchildren that growth required our house to be built on a strong, secure and deep foundation. This is what our government has given us in the past six years and will continue to provide, because we have clearly understood the Speech from the Throne.

[English]

Honourable senators, the foundation is the country's restored fiscal health, the elimination of a crippling deficit, and a frontal assault on the accumulated debt. Our economy is growing steadily. Unemployment is down, inflation rates are low, exports are up, taxes are starting to go down, and wages are rising.

More so than any other single plan of action, the Speech from the Throne laid the most important brick in the building of a national vision: an abiding commitment to children and youth. It is a mighty big brick, the cornerstone of this government's pledge for a robust Canada, where opportunity and compassion coexist, where self-worth and human dignity are not sacrificed on the altar of wealth and ambition. Quite rightly, the strategy to make the vision a reality starts with our children.

Let me enunciate what has already been initiated by this government: the Canada Prenatal Nutrition Program; the Aboriginal Headstart Program; the Canada Education Savings Grant; improved childcare expense deductions; the National Child Benefit for low- and modest-income families; and non-taxable child support payments. In addition, there will be extended maternity and parental leave benefits, federal-provincial agreements on more support for early childhood development, more after-tax money in the hands of families, more family-friendly workplaces, modernization of family laws, significant investment in the National Child Benefit, and enhanced learning opportunities through an expanded Schoolnet.

The points I have just made demonstrate that these child-centred initiatives are not just whimsy. They are sound, practical ways in which Canada can prepare for the next millennium, both at home and abroad, by providing our greatest asset — our children — with the resources, knowledge, skills and experiences that allow them to succeed.

I am happy to note, honourable senators, that the enthusiasm and technological attributes of young Canadians will be utilized in meaningful ways, ways that will exercise their abilities and give them exposure nationally and internationally. Allow me to list only four: first, Exchanges Canada, to give 1,000,000 young Canadians every year the chance to learn about another part of the country; second, engaging tens of thousands of young Canadian volunteers in community and national environmental projects and to help others improve their literacy skills; third, enabling young Canadians to apply their energy and talents overseas through international internship programs and in

helping developing countries to connect to the Internet; fourth, hiring young Canadians to help rural and urban communities set up Internet access sites for public use.

To encourage education, the government has announced, and has already put in place, the Millennium Scholarship Foundation, from which the first \$100,000 will be awarded in January; the Canada Education Savings Grants; the deductibility of interest on student loans; and the use of RRSPs for training.

It is clear that this government is putting considerable emphasis on young Canadians. In addition to its child-youth programs, the government is building a modern infrastructure of universities and laboratories through the establishment of the Canada Foundation for Innovation.

Clearly, the vision is off to a good start. However, the scope is much more expansive. It means sound commitments to our social programs, especially for health and old age. It means commitments to the environment, trade promotion, investment, research and development, entrepreneurship and partnerships.

As you can tell, many building blocks are being assembled, the pieces together being more than the sum of their parts. That is good leadership. It is dynamic leadership and it is visionary leadership. It is leadership that instils optimism and enthusiasm, that activates and propels us forward, that stimulates and encourages us to adapt to new ideas and technologies.

• (1450)

Honourable senators, I have mentioned the cornerstone of the vision: our children and youth. I have mentioned our fiscal responsibilities, our obligations to protect the environment, and the need to preserve our social programs. All of this is jeopardized if we do not generate the right climate in which the corporate sector, both big and small companies, can succeed. Without investment, without our entrepreneurs, without the skills of a knowledge-based economy, we risk losing our envied position in the world. There is so much to lose: a prosperous, diversified, cultural, caring and compassionate community of communities reaching from sea to sea. That is why I was pleased that the Speech from the Throne, later expanded upon by the Prime Minister, also focused on trade and investment. I was gladdened by the recognition that, in order to keep and attract our best and brightest, we must be innovative in our thinking.

Collaboration among governments, our universities, research institutions and the private sector is vital if we are to remain at the forefront of global competition. It is only appropriate, therefore, that the government intends to increase support to research through our various granting councils, such as the Medical Research Council, the Social Sciences and Humanities Research Council, and the Natural Sciences and Engineering Research Council. The proposal to establish up to 2,000 new chairs for research excellence across Canada is a forward-thinking initiative; likewise is the plan to create the Canadian Institutes of Health Research.

There was a portion in the Prime Minister's response to the Speech from the Throne that sums up the government's efforts in promoting research. It is worth repeating:

With the Canadian Millennium Scholarship Fund providing access to higher education...the Canada Foundation for Innovation providing our universities and teaching hospitals with the most advanced infrastructure...the 21st Century Chairs for Research Excellence attracting the research stars of today and tomorrow...and the Canadian Institutes of Health Research providing massive research support in the health area...this government is putting in place a sweeping and comprehensive strategy for putting Canada in the forefront of the knowledge-based economy of the 21st Century.

Honourable senators, in presenting a strategy that integrates the economy, social policy and the environment, this government also recognizes that however well-meaning its policies and programs might be, they cannot succeed in isolation of the private sector. It is the private sector that provides the fuel that drives the economy. The government can provide the policy machinery, but it is our business decision-makers who oil the cogs and produce the goods and services for sale at home and abroad.

We have all heard about the so-called brain drain. In presenting its vision of the future, the government has provided the winning conditions to keep and attract the best researchers, the best innovators, the best producers and the best marketers in the world. After all, they come from all points on the globe, and who better to help us compete internationally?

Having chaired a subcommittee that presented its findings in this chamber in June, I am confident in Canada's ability to compete effectively in the advancing fields of computer technology. I am a firm believer that Canada will remain a leader in electronic commerce, and I have every faith in our ability, both public and private, both government and business, to capture 5 per cent of the world's e-commerce by the year 2003. That goal, issued as a challenge by the Prime Minister to the private sector, represents a stake of \$200 billion worth of business.

Honourable senators, there is much in the Speech from the Throne and the Prime Minister's remarks that I have not dealt with yet and that, together with the broader picture that I have focused upon, holds the promise of a bright tomorrow for Canadians. This government is taking steps to represent the future to the present, sometimes by acting directly, sometimes in partnership, sometimes by creating a framework for the private sector, and sometimes by simply leading by example. There is before us a vision of Canada. It is a vision of a modern society, a society built on shared experiences and on values, a society built on a determination to triumph against the odds, to be the best that we can be, a society to be envied. Honourable senators, this is Canada, this is our Canada, this will be Canada.

[ Senator Poulin ]

**Hon. Erminie J. Cohen:** Honourable senators, the Speech from the Throne outlined the government's agenda for the new millennium and gave us a blueprint and a list of priorities which reveal that children will be the focus of the coming budgets. In part, we will see a series of sensible programs for children, an increase in spending and benefits for poor families and their children, paid maternity leave, housing for the homeless and a national children's agenda. Those are good, sound reasons for government spending in an age of surplus. In fact, they are laudable goals. However, where is the target date? What are the programs envisioned to end child poverty, and when will we have a national strategy in place?

Though the Speech from the Throne appealed to those Canadians who see the necessity for social spending, they are disappointed that the government failed to detail a concrete plan to help those most in need. As Canadians, what are we doing to alleviate the pain for the disenfranchised people in our country? It takes perseverance, determination, commitment, caring and action to fight poverty in Canada.

Unfortunately, on October 12, we heard a list of priorities. We heard an agenda from the government designed to appeal to its constituents on both the left and the right, but does this agenda represent the message heard in the Speech from the Throne when the Governor General said:

Let the Canadians of tomorrow look upon this Parliament and say: Here were men and women committed to building a stronger Canada and a better quality of life for their children and grandchildren.

As the co-chair of the PC National Task Force on Poverty, I had the opportunity to speak with many individuals and poverty advocates from across the country. Their testimony reflected the tremendous costs of poverty both to the individuals and to society. Many witnesses pointed out that programs to reduce poverty will not only improve the circumstances of low-income Canadians today but also strengthen Canada's economic and social outlook for the future. There is a linkage, honourable senators. Good economic policy and good social policy go hand in hand. You cannot have one without the other.

Honourable senators do not need to be reminded that poverty in Canada has reached epidemic proportions. We hear over and over again of the million Canadian children living below the poverty line. With winter fast approaching, more and more families face the daunting task of trying to find shelter. The Speech from the Throne contained only half a line on homelessness. In contrast, on October 26, *The Ottawa Citizen* ran an inspiring story about Catherine Luxton, a 10-year-old girl who recognized the growing problem of homelessness. She decided with the help of her father to do something to help those in need. The Luxtons have set a goal. They will raise money to purchase 50,000 hot meals to distribute to homeless people around the Ottawa area. How heartwarming when a young girl recognizes a pressing need in our society and then sets out to do something immediately to rectify the situation. Why is it taking the government so long?

• (1500)

Thousands of Canadians live in parks, under bridges, on the streets. They are the forgotten citizens of our society. Homelessness is a real and severe issue facing too many Canadians today; it is one that I had hoped the government would address at length in the Speech from the Throne.

Mother Teresa cautioned us when she said:

You and I will be judged on what we do for the poor.

Now that we are in a surplus position, I hope this government will take the opportunity to seriously address the pressing and urgent issue of Canadian poverty before their own so-called judgment day.

The vision articulated in the Speech from the Throne laid out the direction the government intends to take in the new year. I commend the government for having the foresight to recognize that an investment in our children's early years is an investment in our nation's future. However, in order to break the poverty cycle, every child in Canada must be given an equal opportunity to reach his or her full potential. Sadly, they do not have those opportunities today.

If we could successfully address the social conditions that perpetuate family poverty, honourable senators, we could raise a new generation of children — children who can enjoy life's basic necessities, who are healthy, self-sufficient, educated members of Canadian society.

The Prime Minister has said:

We must move as quickly as possible from talk to action.

Those are hollow words in light of the fact that, in 1989, an all-party resolution was passed in the other place to eliminate child poverty by the year 2000. Honourable senators, it has been 10 years since that resolution; yet this government has done shamefully little to fill the empty bellies of the one in five Canadian children who are going hungry. As the poverty crisis in Canada grows, this empty promise by the government does not instill much hope for the future. The government has promised new investments in the National Child Benefit, but why, when there is a surplus of funds today, are they waiting until tomorrow to take action?

The National PC Caucus Task Force on Poverty, when meeting with poor people from across Canada, repeatedly heard a strong message that the time has come for the federal government to re-index the National Child Benefit to inflation. The Progressive Conservative member from Shefford, Quebec, introduced such a motion in the other place last session. The motion was passed. We are now looking for action.

The Liberal government has unveiled plans to contribute \$1 billion to extend maternity leave from six months to one year. I applaud this initiative and the foresight of the government who acknowledged the importance of mothers and

fathers spending time with their children in the first formative year. However, under closer review, we must ask who exactly will benefit from this funding. With changes in the labour force, many people work on contracts and are self-employed. Those people are not part of the Employment Insurance system. What is more, this measure does nothing to help people who have been excluded from the paid labour force. It does not address the needs of low-income women who will not be able to take advantage of maternity leave if their spouse is not earning a living wage. What about the single parent who has to make it on her or his own?

I feel confident in saying that unemployed Canadians are not concerned with maternity leave, but are only concerned with how they can put the next meal on the table. The United Nations has rated Canada as the best country in the world in which to live. Yet 5.2 million Canadians live below the poverty line. What the people of Canada needed to hear on October 12 was a plan with real solutions to real problems; the development of a concrete plan of action to eliminate poverty, homelessness and the need for food banks. Unfortunately, what they received were vague promises within a vague time frame.

As we enter the 21st century, I implore the government to take a courageous and bold stance and make a concerted effort and a commitment to raise the standard of living and to turn the vision of the Speech from the Throne into reality for those in need. I implore them to close the gap between the haves and the have-nots; to raise the National Child Tax Benefit; to raise the income-tax paying threshold; to re-index the personal income tax system so that gains will not be eroded by inflation; and to improve the EI program so that it reduces the financial insecurity of Canadians struggling in the new labour market in order to ensure that benefits are available to all who are in need. It is the duty of government to provide a decent standard of living for all its citizens.

The Indian poet Tagore wrote:

I slept and dreamt that life was joy,  
I awoke and found that life was duty,  
I acted and found that duty was joy,  
I wish the government joy!

[Translation]

**Hon. Gerald J. Comeau:** Honourable senators, in connection with the very recent decision by the Supreme Court of Canada, on September 17, 1999, five justices of the Supreme Court of Canada, ruling on an appeal of a decision of the Appeal Court of Nova Scotia, found that, under treaty rights dating back to a treaty signed on March 10, 1760, Donald Marshall was not required to comply with fishing regulations.

I should like to draw your attention to some considerations and to a historical context that were not taken into account by the Supreme Court and show that the 1760 treaty is not valid. Consequently, the Court ought to reconsider its decision. I will quote a memorable extract from this judgment, if I may:

Nothing less would uphold the honour and integrity of the Crown in its dealings with the First Nations.

Such sentiments conjure up visions of knights in shining armour, brave officers, generous functionaries. The justices ought perhaps to go so far as to call for a monument to honour the memory of Governor Lawrence, the signatory of the 1760 document, to be erected on the lawn of the Supreme Court, as a lasting reminder of the weight of their decision.

However, a scant five years before signing this document that has now been immortalized, then lieutenant-governor Lawrence signed another, on August 11, 1755, in which he gave instructions to Colonel John Winslow. This document sealed the fate of some 15,000 British subjects in Nova Scotia. This is what awaited the Acadians.

You must collect the inhabitants together in order to their being Transported in the Best Manner in your Power by Stratagem or Force as Circumstances may require, but above all I desire you would Not pay the Least attention to any remonstrance or Memorial from any of the inhabitants.

Lawrence, he who was cited and immortalized by the Supreme Court as the man who inspired the Marshall acquittal, has become the agent of change behind a legal decision that will mark the end of our 20th century. An ignoble being, puffed up by his military authority, a man who, illegally, of his own initiative, and without the permission of his superiors, gave the order to arrest, detain and deport 15,000 men, women and children, half of whom perished in the process, this is the same man who signed the treaty of 1760.

Let us consider the extent of the error. The deportation order was signed in peace time. The Acadians were British subjects and accordingly enjoyed certain rights. The order openly infringed article 29 of the Magna Carta. It infringed the petition of rights of 1628. Absolutely nothing would indicate that the Acadian people questioned the British system. If some Acadians had committed political misdeeds, no British or other law provided for the punishment of their wives and children. Nothing other than an order by Parliament could lead to the deportation of a British subject from his country, even if the person were a criminal.

The Treaty of Utrecht of 1713 and the decree by Queen Anne in June 1713 extended the protection provided by the treaty. They provided that the Acadians had rights over their lands and that they could not be expelled without a court decision.

A member of the executive, a mere lieutenant-governor, should not have repudiated a royal prerogative, as this went against fundamental British law of the time.

• (1510)

In 1729, Governor Richard Phillips had assured the Acadians in writing of his protection against such action.

[ Senator Comeau ]

Under British law, only the Governor had the power to change policies in Nova Scotia. Governor Hopson had returned to England in 1753 for reasons of health, and Colonel Lawrence was replacing him temporarily. Colonel Lawrence acted without orders and ignored all the laws protecting the Acadians.

Not even the King could sign a deportation order, because under the 1297 provisions of the Magna Carta the King was not above the law, and this was even less so in the case of a mere acting lieutenant-governor.

This figure had Acadians' property confiscated, their homes and fields burned and their animals slaughtered. He separated families, which he put on unsafe vessels to be sold as slaves or to be condemned to servitude in the American colonies. This criminal deportation and these concentration camps were already being implemented when the treaty of 1760 was signed and extended to 1763.

The learned judges inform us that they presume that Lawrence acted honourably in drawing up the 1760 treaty. These were the actions of a powerful bureaucrat whose duty it was to protect the Acadians. His actions show that he respected neither the treaties nor the British Crown.

Decisions such as these have always been unacceptable, whether in times of peace or war. Lawrence's actions were barbaric and unacceptable, even from the perspective of 18th century standards. His actions were unacceptable in the past and are just as unacceptable today.

A criminal should not be allowed to create fundamental laws in a civilized society. His reprehensible actions preclude his having any legal or moral right to sign any document on which we might rely today for direction in our modern civilization.

By basing our laws on anything having to do with Lawrence, we are showing contempt for the memory of our courageous Canadians, our martyrs who fought and died in order to put a stop to the deadly behaviour of people like Lawrence. They gave their lives so that tyrants like this would not hold sway over us and enforce the law at gunpoint.

Yet here, at the dawn of the new millennium, we are going to officially immortalize Lawrence's legacy in the reports of the Supreme Court of Canada. This is blasphemy against the memory of our Acadian ancestors and our martyrs, the first Europeans to settle in Canada. We are passing a terrible legacy on to coming generations.

Some will say that I have a grievance against the British Crown. They are mistaken; I have a grievance against an abusive psychotic, a disgusting bureaucrat. I believe most Acadians think as I do: that this certifiable mental case was acting on his own initiative.

We all know that Lawrence was not the first bureaucrat in history to abuse his power and to resort to acts of conspiracy, violence and terrorism. Unfortunately, he will not be the last either.



I invite the judges to consider the implications of their reasoning. To consider the 1760 document valid is to assume that he carried out his general and usual duties with the approval of the Crown and the British people.

It follows then that he had grounds for deporting the Acadians and that he followed the wishes of the Crown to the letter. In recognizing Lawrence's legal power to sign legal documents on behalf of the Crown, the Supreme Court recognizes the validity of the deportation order.

Can we really admit that the Supreme Court of today and the Crown and the British people of the 18th century would accept such barbarous treatment of British subjects in peacetime? I think not.

Over the centuries, the Crown has swept this illegality under the carpet. This is perhaps why the deportation order was never withdrawn and anyone can read it. This is perhaps why the Acadians were expressly excluded from the Treaty of Paris of 1763 and this illegal banishment has remained on the books. To cancel the order might mean that the action was in fact taken. The denial of atrocities has a long history.

British bureaucrats may well have committed abuses during the long history of colonialization, but never intentionally on such a scale. I do not think that the Crown ever approved of the cruelty inflicted on the Acadians. In fact, I would like to read a letter I sent to the Consul General of Great Britain in Houston on October 18, 1994, which shows that I am not raising this subject for the first time today. I will read it as I wrote it:

[English]

I have been monitoring the progress of Warren Perrin's petition to British authorities regarding the 1755 expulsion of the Acadians from Nova Scotia.

Mr. Perrin seeks modest redress relative to the enormity of the tragedy targeted at the Acadians. The Acadians were British subjects and entitled to state protection. The 1713 Treaty of Utrecht had ceded Acadia to Britain. The Acadian community had been firmly established in Nova Scotia for over a century when the infamous deed was committed. Unfortunately, the British government has never acknowledged the illegality of the expulsion carried out under its name by its colonial representatives whose primary responsibility was to protect British subjects and possessions. The passing of time in no way diminishes the gravity of the act.

The fact that the event happened is a terrible black mark on Great Britain's proud democratic history. I am sure that most Britains would endorse the universal principle that

there is no statute of limitations on crimes against humanity, especially when government employees commit crimes against the country's subjects....

As a parliamentarian, I appreciate that it is important to acknowledge the mistakes of the past so that such incidents are never repeated. The expulsion of the Acadians was a barbaric act of immense proportion. It was immoral and criminal ethnic cleansing....

The British government has the opportunity to make a universally positive statement for all people of all nations. Ethnic cleansing, genocide, and the mistreatment of citizens are wrong. It may take centuries but justice will always prevail.

[Translation]

Some may say that I have no sympathy with the problems of aboriginal Canadians. On the contrary, the Acadians and the aboriginal peoples have been friends from the beginnings of colonial times. They have lived and worked together in harmony, and there has been much intermarriage. During the deportation, history records that the native people helped the Acadian refugees at great risk to themselves. I have no ill feelings toward those who were the sole allies of my ancestors.

A large number of native people also fell victim to Lawrence's intimidation. In 1756, he ordered that hostilities be directed toward the Indians, and offered bounties for the scalps of men, women and children. The native people were familiar with Lawrence's methods of ethnic cleansing aimed at the Acadians. They had seen first-hand what happened to people who dared stand up to Lawrence. They had no choice; they had to sign his documents. It was an offer they could not refuse.

Surely, the Supreme Court justices could not imagine any bureaucrat being that uncivilized. In a civilized world, a bureaucrat respectful of the law could have produced a document containing what the justices wanted to read into it, but not Lawrence. Perhaps Madame Justice Louise Arbour will manage to show her colleagues what ignoble acts corrupt bureaucrats can inflict on the innocent.

This could have been an opportunity to redress past wrongs. The justices' intentions were praiseworthy but misplaced. They must not think that Parliament is incapable of respecting citizens. Democracy is a prize won at great cost and deserves the chance to be applied.

The justices ought to give thought to bringing down helpful decisions, not ones that stir up resentment, insults and upheaval. They did not reflect on the consequences their interpretation would have on our coastal villages and on the exploitation of our limited ocean and land resources.

The Supreme Court decision has already divided two populations that have always lived together in harmony and mutual respect. Without proper guidance, anger, jealousy, cupidity and racism are terribly powerful forces if they are unleashed. Many questions have been raised, but few answers have been given. The lawyers must be rubbing their hands in glee. Lawrence would be proud.

• (1520)

The purpose of my speech today is not to dwell on the misfortunes of the past. This would create a victim's mentality that would generate feelings of inferiority, acrimony and indifference. It would also not reflect the mentality of Acadians, quite the contrary.

Some may say that the time has come for Acadians to forgive. Indeed, this is the right thing to do. But to forget? Never. Those who forget history are condemned to relive it.

The international community is just beginning to discuss the possibility of establishing a permanent international criminal court to put on trial those who are guilty of crimes against humanity.

Let me read an excerpt of a speech delivered by the Honourable Lloyd Axworthy at the United Nations, on September 24, 1999, which clearly shows that we are reliving history:

In 1999, civilians have become tools of warfare, herded about to destabilize governments, pressed into military service, held hostage, exploited sexually, and used as human shields. We absolutely need to create mechanisms that hold violators of international law accountable for their actions. We must break the culture of impunity. The prospect of prosecution and punishment must be a real part of the calculus of those who resort to violence.

**The Hon. the Speaker:** Honourable senators, Senator Comeau's time is up. Is leave granted to allow him to carry on?

**Hon. Senators:** Agreed.

**Senator Comeau:** Cultural genocide cannot be forgotten and the aggressor is never worthy of praise. Time has not erased Lawrence's evil acts. He belongs to a group of monsters that must never be revered. His name must never be rehabilitated. Otherwise, who would be next? Slobodan Milosevic? Saddam Hussein? Will they not claim that Lawrence's rehabilitation opens the door to their own rehabilitation?

I am therefore asking the Supreme Court to stay the *Marshall* decision until after a duly conducted inquiry into the validity of Lawrence's signature on documents of any sort. Does the law not

[ Senator Comeau ]

demand that the honour and integrity of the Crown be maintained? In fact, the judges could refer to a petition for an inquiry submitted by the Acadians in 1760. Note carefully the date of the petition. This inquiry invalidated any prescription statute that might exist. Do Acadians not deserve to be defended and not found guilty of the crime that led to their deportation by Lawrence? If Lawrence always acted within the law and with the blessing of the Crown, history shall record that fact. Otherwise, Lawrence should be condemned by history, as he deserves to be.

Some will dismiss my request for an inquiry as the irrelevant symbolism of a bygone era. To them I say that there is nothing more symbolic than our attachment to the Crown, the Governor General, and the red robes of our Supreme Court judges.

I will close with the words of Zachary Richard, an Acadian singer from Louisiana, who echoes how many Acadians feel about what Lawrence did. The words of Mr. Richard's song go like this:

We must rise up today.  
They took my poor dad,  
Took his freedom away.  
My mother she cried,  
Watched him carted away.  
From the home I once knew  
Flames shot up to the sky.  
And an orphan was I  
Acadie was no more.

On motion of Senator Hays, for Senator Finestone, debate adjourned.

[*English*]

ADDRESS IN REPLY—MOTION FOR TERMINATION  
OF DEBATE ON EIGHTH SITTING DAY—DEBATE ADJOURNED

**Hon. Dan Hays (Deputy Leader of the Government),** pursuant to notice of November 2, 1999, moved:

That the proceedings on the Orders of the Day for resuming the debate on the motion for an Address in reply to Her Excellency the Governor General's Speech from the Throne addressed to both Houses of Parliament be concluded on the eighth sitting day on which the order is debated.

**Hon. Noël A. Kinsella (Deputy Leader of the Opposition):** Honourable senators, in trying to understand this particular motion, I could not help but think that the reason the government side would want to limit the number of days — namely eight — to debate the Speech from the Throne is that they are having an awfully hard time finding much in that speech on which to have honourable senators from the other side rise and participate.

If that is not the reason, then perhaps the reason for wanting to limit this debate results from some other consideration. Let us consider the reality of our work here. I recognize that a few senators have already spoken in this debate and that speeches are limited by our rules to 15 minutes each. Generally, we would spend one or two hours a day — certainly a maximum of two hours a day — debating the Speech from the Throne. More typically, it would be one hour. Hence, four senators per day would speak. If it were two hours a day, we would have a maximum of eight senators speaking. If it were two hours a day, which I have not seen occur since the session started, that would be a total of 16 hours. In that scenario, only 32 senators would have an opportunity to speak on what I assume to be, from the government's perspective, its whole vision for this session. Less than one-third of the honourable senators in this house would have an opportunity to participate in the debate on the great vision this government has for the affairs of Canada.

Honourable senators, we must lift up the covers and look behind this motion for limiting debate. We should always question seriously the limiting of debate on any matter before Parliament. How often do we see the government side bringing in time allocation, a technique to limit debate?

**Hon. John B. Stewart:** There is a limit of 15 minutes on speeches. Think of that.

**Senator Kinsella:** That limit speaks directly to the need to examine the effect of an eight-day limit for debate on the Speech from the Throne.

Senator Stewart will no doubt recall the words of the great writer Joseph Joubert, who stated:

It is better to debate a question without settling it, than to settle it without debate.

Honourable senators, the motion before us is dangerous because it is yet another attempt by this government — and perhaps even previous governments fell into this terrible habit — to keep real issues from being debated in Parliament. Only yesterday, honourable senators attending a meeting of the Standing Senate Committee on Transport and Communications heard witnesses discuss documents in circulation that spoke directly to limiting debate in Parliament on the matter of the proposed airline merger, a subject the committee is currently examining.

• (1530)

These were documents about which senior people in our business community asked during the summer, when Parliament was in recess and there was not much opportunity for debate.

As a parliamentary democracy, in a bicameral system, which has stood the test of 131 years, notwithstanding the views expressed by some leaders in the other place, I believe that our bicameral system has been a “humongous” success. The practice of freedom and liberty in our country has enjoyed a high degree of success. I challenge those who would question that to find a

part of the world, or country in the world, or system of governance, in which freedom, democracy and human rights has had a grander success.

Honourable senators, I believe in our parliamentary system and I believe that, as parliamentarians, those who are summoned by Her Majesty to sit in this chamber, and those who are elected by the people of Canada across the 301 constituencies of this country through direct election, in very special and different ways, have a responsibility to debate in Parliament as the word itself indicates. The practice of freedom in Canada demands no less.

Honourable senators, I feel we need to resist any temptation to limit debate under whatever guise such an attempt to limit debate is brought forward.

#### MOTION IN AMENDMENT

**Hon. Noël A. Kinsella (Deputy Leader of the Opposition):** Honourable senators, I move, seconded by the Honourable Senator DeWare, that the motion be not now adopted but that it be amended by striking out the word “eighth” and substituting the word “fourteenth”.

**The Hon. the Speaker:** Is it your pleasure, honourable senators, to adopt the motion in amendment of the Honourable Senator Kinsella?

On motion of Senator Hays, debate adjourned.

#### CRIMINAL CODE

##### BILL TO AMEND—SECOND READING

**Hon. Donald H. Oliver** moved the second reading of Bill S-6, to amend the Criminal Code respecting criminal harassment and other related matters.

He said: Honourable senators, I have spoken on this matter at great length on two occasions in this chamber. The matter in its previous life, under the title Bill S-17, was referred to the Standing Senate Committee on Legal and Constitutional Affairs, and it is my hope that this chamber will see fit to order that it go back there again for further evidence.

**The Hon. the Speaker:** If no other honourable senator wishes to speak, are you prepared to adopt the motion at second reading?

**Hon. Dan Hays (Deputy Leader of the Government):** Before we proceed, honourable senators, could I ask Senator Oliver for a further comment in terms of a precedent and justification for following this practice? I believe it is common practice in this chamber to do as he has proposed; however, I have had some honourable senators question the practice. I should like to ask the honourable senator if he would elaborate a bit on what he has determined by looking at the rules and commenting on what he might have learned with regard to past precedents.

**Senator Oliver:** Should the Senate agree to second reading, the matter will be referred to the Standing Senate Committee on Legal and Constitutional Affairs. I have a motion prepared by the Table which is based upon the precedent of this chamber. To directly answer the Deputy Leader's question, perhaps I could read that motion so he can see what the precedent has been. I will so do.

By Honourable Senator Oliver, seconded by the Honourable Senator Di Nino

With leave of the Senate and notwithstanding rule 58(1)(f),

That the papers and evidence received and taken by the Standing Senate Committee on Legal and Constitutional Affairs during its study of Bill S-17, to amend the Criminal Code respecting criminal harassment and other related matters, in the First Session of the Thirty-sixth Parliament be referred to the Committee for its present study of Bill S-6.

**The Hon. the Speaker:** If no other honourable senator wishes to speak, shall I proceed with the question on second reading?

**Hon. Anne C. Cools:** Honourable senators, perhaps I could ask a question. I was out of the chamber for a moment and I am just trying to catch up. Exactly what is the honourable senator proposing? He says he will give notice and move a motion to that effect, or is the motion before us?

**Senator Oliver:** I have not moved the motion because we do not have second reading yet. Senator Hays asked me for precedents of this chamber for moving that evidence taken in a previous session be adopted, and the Table has prepared a motion that I cannot move now. Rather than taking it over and showing it to the honourable senator, I read the motion but I have not so moved the motion yet.

**Senator Cools:** From what the honourable senator is saying, it is his intention to move that motion, so in point of fact he is giving us a kind of notice that he will be moving such a motion.

**Senator Oliver:** It is not notice at all. Out of deference to Senator Hays, who asked what I had in mind, I read to him precisely what I had in mind.

**Senator Cools:** Then perhaps I can put my other question. When does the honourable senator plan to formally place that notice before us?

**Senator Oliver:** After second reading is granted to the bill.

**Senator Cools:** I believe we are somewhat confused. What the honourable senator is saying is that after second reading he intends to move a motion to that effect.

**Senator Oliver:** That is correct.

**Senator Cools:** That would be quite interesting. I thank the honourable senator.

**The Hon. the Speaker:** If no other honourable senator wishes to speak, shall I proceed with the second reading motion?

**Hon. Senators:** Agreed.

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

**Hon. Senators:** Agreed.

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE—  
MOTION IN AMENDMENT ADOPTED

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

**Hon. Donald H. Oliver:** I move that this bill be referred to the Standing Senate Committee on Legal and Constitutional Affairs.

**The Hon. the Speaker:** Honourable senators, we have a slight problem in view of the fact that the committee has not yet been organized. Therefore, may I add the words "when the committee is formed?"

**Hon. Anne C. Cools:** A better suggestion might be to wait until the committee is constituted and then to make the necessary references. Otherwise, we will have a host of motions that keep saying when some committee or the other will be constituted. It seems to me that the question of the constitution of committees is only a day or two away anyway, is it not?

**Senator Oliver:** I should like to amend my motion by adding "when and if the said committee is so formed."

**The Hon. the Speaker:** Is it agreed that the motion be amended?

**Hon. Senators:** Agreed.

**The Hon. the Speaker:** It is moved by the Honourable Senator Oliver, seconded by the Honourable Senator Di Nino, that the bill be referred to the Standing Senate Committee on Legal and Constitutional Affairs, when and if that committee is formed.

Is it your pleasure, honourable senators, to adopt the motion, as amended?

**Hon. Senators:** Agreed.

Motion as amended agreed to.

## LEGAL AND CONSTITUTIONAL AFFAIRS

### MOTION REQUESTING AUTHORITY TO APPLY PAPERS AND EVIDENCE GATHERED ON EXAMINATION OF PREVIOUS BILL TO STUDY OF BILL S-6—DEBATE ADJOURNED

**Hon. Donald H. Oliver:** Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(f), I move:

That the papers and evidence received and taken by the Standing Senate Committee on Legal and Constitutional Affairs during its study of Bill S-17, to amend the Criminal Code respecting criminal harassment and other related matters, in the First Session of the Thirty-sixth Parliament be referred to the Committee, when and if it is formed, for its present study of Bill S-6.

• (1540)

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

**Hon. Senators:** Agreed.

**Hon. Anne C. Cools:** Honourable senators, am I correct in my understanding that this is a debatable motion?

**Senator Oliver:** Yes.

**Senator Cools:** Perhaps Senator Oliver could lead off the debate so that we can be clear as to why he is proposing this motion.

**Senator Oliver:** Honourable senators, the main reason for proposing this motion is to try to save the time and money of the people of Canada. Many witnesses gave evidence on a bill that is worded identically to the bill that is now before us. That evidence has been transcribed. Honourable members of the Standing Senate Committee on Legal and Constitutional Affairs examined all of the witnesses who appeared before the committee. Rather than calling all those witnesses back, some at public expense, and having that evidence taken again, taking the time of staff and honourable senators, it is my hope that we can incorporate by reference the evidence that has been transcribed, summarized, and widely circulated in order that that work would not have to be redone. That is the principal reason for the request, honourable senators.

**Senator Cools:** Honourable senators, it is my understanding that this motion is a form of instruction to a committee to act in a particular way. The proposition produces a certain amount of difficulty in that the Senate has no knowledge of the matter the honourable senator is proposing because, as I understand it, the committee never reported that bill to the Senate. Therefore, this house has never had that subject matter before it. Thus, the honourable senator is asking the house to give instruction on something of which it has not taken cognizance. I am having difficulty with that and I am not sure how to proceed.

If the honourable senator could give more of his reasoning, I would be happy to consider it. In the absence of that, I am prepared to adjourn the debate in order that we can have some time to instruct ourselves further.

**Senator Oliver:** Honourable senators, the motion is not an instruction to anyone. It is a request to the Standing Senate Committee on Legal and Constitutional Affairs.

It is my information that this precedent has been used on many other occasions in this chamber as a way of getting evidence that is —

**Senator Cools:** It is difficult for us to be debating a motion that we do not have before us. You have read it to us, but it would be helpful to have a copy of it before us. I am unclear as to precisely what we are speaking to.

**Hon. Dan Hays (Deputy Leader of the Government):** Honourable senators, in that there does not seem to be agreement on this matter, perhaps debate could be adjourned and the matter proceeded with tomorrow.

**Senator Oliver:** I am aware that the committee has not yet been formed. My motion relates to if and when the committee is formed. I do not expect the matter to be rushed to the committee tomorrow, because there is no committee as yet. However, it is my hope that this matter will not be delayed indefinitely. It is my hope to get this matter before the committee before its agenda is filled with government legislation, which will certainly take priority, in order that, at the discretion of the committee, a few more witnesses may be heard.

**Senator Hays:** Honourable senators, I did not interpret the remarks of Senator Cools to mean that she or anyone on this side wishes to unduly delay the motion. It seems to me that the motion is in order, but Senator Cools has some questions and I believe that she is entitled to have them dealt with through debate on the motion.

I understand that Senator Cools would like to have a written copy of the motion. As Deputy Leader of the Government, I can undertake to the Honourable Senator Oliver that there is no desire on this side to delay the motion unduly.

**Senator Cools:** Honourable senators, I would be happy to move the adjournment of the debate. I do not believe that an adjournment will cause any delay, because the committees have not been constituted. I am concerned because there is an unusual aspect to this motion and I think the chamber should give it a proper hearing.

If the Honourable Senator Oliver wishes to speak again, that is fine with me, but I am happy to move the adjournment of the debate, seconded by Senator Milne.

**The Hon. the Speaker:** Honourable senators, I am treating these comments as questions to Senator Oliver, in order that we will be within the rules.

**Senator Oliver:** Honourable senators, I am in full agreement with the suggestion of Honourable Senator Hays that we adjourn the debate. However, I should like to refer him to one precedent, of which there are several that are well-known by people who have been in this chamber longer than I. In the *Journals of the Senate* of April 2, 1998, at page 584, it is indicated that the Honourable Senator Watt moved, seconded by the Honourable Senator Adams:

That the papers and evidence received and taken by the Standing Senate Committee on Aboriginal Peoples during its study of Bills S-10 and S-12 (An Act providing for self-government by the First Nations of Canada) in the Thirty-fifth Parliament be referred to the Committee for its present study of Bill S-14.

The question was put on the motion and it was adopted. There is ample precedent.

On motion of Senator Cools, debate adjourned.

• (1550)

## CONSEQUENCES OF EUROPEAN MONETARY UNION

FOREIGN AFFAIRS COMMITTEE  
AUTHORIZED TO ENGAGE SERVICES

The Senate proceeded to consideration of the second report of the Standing Senate Committee on Foreign Affairs (budget—study on the European Monetary Union), presented in the Senate on November 2, 1999.—(*Honourable Senator Stewart*)

**Hon. John B. Stewart:** Honourable senators, I move:

That the Senate concur in the second report of the Standing Senate Committee on Foreign Affairs presented to the Senate on November 2, 1999.

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

**Senator Stewart:** Honourable senators, I should like to say a word or two about this report, anticipating at the same time, my motion relative to the third report.

If you will look at the appendix to the *Journals of the Senate* for November 2, you will see that an amount of \$36,000 was

approved for the work of the Foreign Affairs Committee on the European Union. In the last session, we expended that amount of money.

Honourable senators, if you will look at the third report, at page 81 of the *Journals of the Senate*, you will see that the budget granted to the committee in the last session for our peacekeeping or NATO study was \$137,400. Of that amount, we expended only \$73,000.

We are now asking, in effect, that the unspent money for our NATO study be renewed for the continuing NATO study in this new session, and that an additional amount of \$10,000 be granted. In the case of the first report, where all the money was expended, we are asking for an additional \$6,500.

Putting all this together, the situation is that, for the two studies, there is a balance of some \$64,400 unspent from the last session's budget. We are now asking for the two studies, a total additional amount of \$1,570. I have dealt with these two reports together because the work of the committee on these two references is sufficiently entangled to require that our financial requests be explained at the same time.

**The Hon. the Speaker:** If no other honourable senator wishes to speak, I shall put the motion.

Is it your pleasure, honourable senators, to adopt the report?

**Hon. Senators:** Agreed.

Motion agreed to and report adopted.

## FOREIGN AFFAIRS

CHANGING MANDATE OF  
NORTH ATLANTIC TREATY ORGANIZATION—  
BUDGET REPORT OF COMMITTEE ON STUDY ADOPTED

The Senate proceeded to consideration of the third report of the Standing Senate Committee on Foreign Affairs (budget—study on Canada's relation with NATO and peacekeeping), presented in the Senate on November 2, 1999.—(*Honourable Senator Stewart*)

**Hon. John B. Stewart:** Honourable senators, I move:

That the Senate concur in the third report of the Standing Senate Committee on Foreign Affairs presented to the Senate on November 2, 1999.

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

**Hon. Senators:** Agreed.

Motion agreed to and report adopted.

## CURRENT FARM CRISIS

### CONSIDERATION OF MATTER OF URGENT PUBLIC IMPORTANCE PURSUANT TO RULE 60

**The Hon. the Speaker:** Honourable senators, we have reached the end of the Orders of the Day. I call on the Honourable Senator Gustafson.

**Hon. Leonard J. Gustafson:** Honourable senators, pursuant to rule 61(1), I move:

That the Senate do now adjourn for the purpose of discussing a matter of urgent public importance, namely, the current farm crisis

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

**Hon. Senators:** Agreed.

Motion agreed to.

**Hon. Erminie J. Cohen:** Honourable senators, I wish to thank His Honour for allowing this debate to take place. I am compelled to participate. I am not a member of the Standing Senate Committee on Agriculture and Forestry. I live in an urban environment. I know very little about farming, but working as an advocate for people in poverty, I do know about desperation and despair. This is what I encountered when I attended a meeting with farmers and farm wives from Alberta, Manitoba and Saskatchewan a few weeks ago.

I learned of the severe crisis in farming, the imminent foreclosures and the devastating effects it is having on farm families. This nightmare, honourable senators, is occurring in a country rated as the best country in the world in which to live.

Honourable senators, I wish to share with you now some raw testimony, excerpts from letters we received from farm wives, mothers, parents, grandparents. The first letter is from Carol Nicholson, and she writes:

I am writing to tell you my concerns as a wife and mother about farm life. Life on the farm used to be enjoyable but has it ever changed...

I have been married to my husband, Martin, for 13 years. The first few years of farming were not so bad but the last few years have been devastating to us. My husband has had to go out and get a job to put food on the table and support the family. He is also farming so life has been real hard on him. He would get up at 4:00 a.m. and work on the field until 2:00 p.m., then go to work so he could provide for his

family. He couldn't afford to take time off so some days he would work around the clock with only one or two hours of sleep. Some nights I would hear weeping and I knew it was my husband because he just couldn't make ends meet no matter how hard he tried. He just wants his children to have the things other children do. This has deteriorated his health with him losing a great deal of weight and he has become so withdrawn trying all possible ways to see the light at the end of the tunnel. I love him dearly for this but I want my husband back not a walking time bomb.

• (1600)

I have suffered severe depression due to the phone calls and harassment. In 1997, I lost a baby and I have been trying to deal with these problems as well. Trying to keep my family going and trying to help my husband and children survive. I have had to take a job also and now have to leave my 1 year old, 10 year old and 11 year old without a mother figure. This is very hard and I cry everyday that I have to leave, wondering if they are okay and if they need me....

My daughter Amanda has been having trouble at school, and she has a hard time adjusting to things around her. She hears the calls from collectors and wonders if we will be okay or not. She has complained of being sick so that she can spend time with her parents who she misses. She gets teased at school because she doesn't have good clothes to wear or things like the other kids have.

My son Tyler, has had to see a therapist because he knows times are tough and he worries about all of us. He also complains of being sick so he can be near us. Many nights he would be sleeping at the foot of our bed. When asked "why" he said I just wanted to see my dad.

Joshua, the baby, is small but he feels the tension in the house and he doesn't get to see much of his parents together. Either one or the other. He cries when I go to work and tries not to let me out of his sight. This is terrible for a child to have to go through.

So, life on the farm is not easy at all and I sure hope we get help soon. My husband and I never see each other which is hard on a marriage. He works from 3:00 p.m. to 12:00 a.m. and I work from 7:00 a.m. to 3:00 p.m. I also work weekends. My husband has to bundle up the baby and bring him to work for me so he can then go to work. Who is suffering here??? The child, being shifted from place to place, in the cold, woken up from his nap.

Then you receive harassing phone calls from the bill collectors. With the price of grain, who can afford to sell??? The bills won't even get paid by those small grain checks... We are all suffering. Is there anyone listening????? What is happening to our farm families???? The farm children are suffering. They don't get extra curricular activities like other's because we can't afford it. Christmas and Birthdays are sad for the children and the parents feel guilty always because we can't get them anything. We had an Education Fund for our children when times were good but had to remove the money to pay the bills. Now will my children go to college????? I don't know the answer....

There is a lot more to tell about farm life but I am only giving the beginning of my story. In closing, I ask that you please help the farm families who are suffering. Help the children who live on farms. I want to see my children smile and laugh again, stress free. Life could be better if the government would just open their eyes and see that there are enormous problems and the poor children are suffering as well.

Another excerpt, honourable senators, read as follows:

One of the first things that needs to be mentioned is the fact that I must phone the Farm Stress Line (1-800 line) to have them forward this fax since we have had no long-distance telephone service because our bill could not be paid. We have harvested a whole crop with a lot of calls needing to be made for parts and repairs. We borrowed a cell phone for those calls. On October 10 an emergency arose and we needed to call a doctor. With no local doctor, long distance was needed. We could not even call an operator! My mother passed away in July, and with my family in B.C., I have not been able to contact my family for support or talk to my Dad unless they phone me.

We have been in a family business for 26 years. We operate a 2500 acre mixed farm with a value-added type business processing seed. For 17 years both my husband and I worked off the farm to subsidize the farm. With both of us working, we had to hire help to farm. Since the employee took most of what we made, when the employee left after 4 years, we left off farm jobs and do all the work ourselves.

It has been difficult to keep the lights on this last year. Sask Power Corporation has been our most regular collections telephone caller. There is a tremendous lack of compassion when you are forced to bare your soul to an employee of a large corporation such as this. As always I planted a large garden. I spent my summer and fall devoted to that garden, weeding, freezing, and canning. My 2 freezers are full to the brim with my vegetables and fruit. I feel pride and contentment to think that I am providing a

year's worth of food for my family. When a letter arrived from Sask Power telling me that "service will be turned off without further notice" if payment is not received, I realized that all my work, all my produce, could be ruined with a flick of a switch. I can hardly believe that I could be forced to travel to a city and avail the resources of a food bank and have the resources of my own hands destroyed.

Something is very wrong with the picture when the people who produce food for our country literally have bare cupboards. I cook and bake all we need for meals, lunches, etc., but what happens when you run out of sugar, baking powder, margarine, oil. What happens when you run out of laundry soap, shampoo, toilet paper (we haven't been buying kleenex). There are some things you can't make. We may become vegetarians as we cannot afford the abattoir's bill to have our beef butchered.

Another lady writes:

Each year we see our community struggle to hold on. Each year our tiny community gets smaller and smaller. The church can no longer afford building repairs. Our community centre demands more of our time and donations of food because the membership continues to decline. When I go for a walk, I never see anything new, or hopeful, or fresh. All I see is things deteriorating, shrinking or dying. Babies are very rare in my neighbourhood. Farmers around here are all in their mid 40's to mid 80's.

And I ask myself, "Why are we doing this?" So I can watch my husband's good nature and health be constantly tested. So I can watch my children struggle to balance their jobs, school work and extracurricular activities. So I can listen as my elderly mother complains because I never have enough time to visit her.

But yet, I am the person available to serve at the funeral lunches, the bonspiels, the weddings. I am the family member who can be there when the surgeries, accidents and deaths all demand my support. I can listen to my children as they talk over the trials and uncertainties they have faced, that day, even if it is in the cab of my tractor when they bring me a sandwich.

But what I need to know is this: If Canada doesn't want me as a farmer, then where should I go? Especially, if there are thousands more, just like me, who have to leave the farm, where will we all go? Are there enough jobs for all of us? Will there be enough food produced without us? Will the land be farmed in a manner that will still be able to produce food for my grandchildren and their children?

That letter is from Judy.



And this letter:

We have tried to diversify, but everything requires more money. We've also thought of selling out, but who would be crazy enough to buy land? And if so, after all the creditors are paid there wouldn't be much left. We're too young for retirement, and too old to start a new career, and what a bright future that leaves for our sons.

We have withdrawn all our R.R.S.P.s and NISA, all that's left is our life insurance. Have you checked how many farmers have committed suicide these last 2 years?

We used to be proud to be farmers, but now we've been degraded to beggars. Maybe if we relocated to a Third World country our government would see fit to help us. They seem to find endless money for foreign disasters, yet the disaster in their own country falls upon deaf ears. Why should we feed the world and be left to starve?

This terrible situation is not self-inflicted, it is the direct result of circumstances beyond our control. Why won't our government understand, and acknowledge our state of need? We pray that something will be done soon, or the unemployment and food bank lines will be getting longer, and longer.

Please hear our pleas before it's too late!

Honourable senators, I rest my case.

**Hon. J. Bernard Boudreau (Leader of the Government):**

Honourable senators, I appreciate very much the opportunity to discuss and debate this issue. It is a matter of real concern, so I offer my thanks to the honourable senator who brought this opportunity before us.

I will begin by trying to bring a little balance to the debate we will hear today. I commend my cabinet colleague, the Minister of Agriculture and Agri-Food, for his concern and commitment to a joint approach for taking action in leading the national response to the financial hardships which surely confront farmers, particularly in the Prairie provinces.

These hardships confront certain farmers, and I say "certain farmers" because I must also add that the agricultural industry remains quite strong and robust overall. Incomes in general are very close to long-term trend lines, and agri-food exports have been growing.

• (1620)

We exported more than \$22 billion worth of agricultural and food products last year. That is an increase of almost 1 per cent over the record that was set in 1997 — and it happened despite the economic crunch.

Taken individually, the challenges facing Canadian farmers this past year have not been unique. Commodity prices, costs,

world markets, the economy, and the weather will always see ups and downs, sometimes in the extremes. This time, however, our farmers have been subjected to particularly difficult combinations: low commodity prices plus higher input costs; reduced demand from key markets plus increasing world supplies of key commodities; less than ideal weather plus floods and droughts.

Under the leadership of the Government of Canada, governments and farmer representatives came together to respond to a problem that is made particularly difficult by the fact that it is not uniform across the country. The nature and the intensity of the problem vary according to the region you farm in and according to the crop or commodity you produce. That presents a bit of a puzzle in terms of designing a universal solution. Nevertheless, steps have been taken to respond.

The Minister of Agriculture has been working closely with the provinces and territories to make improvements to the farm safety net in which both levels of government, together, invest no less than \$1 billion each year. The government has laid the groundwork for long-term reforms that will improve the ability of producers to adjust to the income crisis over time, and that will also help us to respond effectively to future crises.

This past July, for example, the Minister of Agriculture and his counterparts from the provinces and territories began hammering out a number of issues surrounding the development of a longer-term agricultural disaster assistance program. Part of that discussion involved ensuring that the long-term program will work effectively with NISA, crop insurance and the province-specific companion programs that make up the current farm safety net system.

In August and September, at meetings of agricultural exporting nations, the Minister of Agriculture also began the fight to make the international trading system more conducive to higher incomes for Canadian farmers. That is the proverbial battle for the level playing field. He tabled Canada's negotiating position for the coming meeting of the World Trade Organization. With support from government and industry, he called for the abolition of export subsidies, for the reduction of trade-distorting domestic agricultural support, and for the opening up of more access to more markets for Canadian farmers.

These measures are important elements in the overall strategy to improve producer incomes. In the meantime, honourable senators, the government has also implemented measures to supplement incomes earlier, to provide easier access to more crop insurance, to provide faster access to savings and loans, and to increase timely cash flow.

To blunt the impact of reduced incomes, the Government of Canada, in consultation with the producers and the provinces, developed the \$1.5 billion Agricultural Income Disaster Assistance Program, AIDA. The federal government provides 60 per cent of that funding, with the other 40 per cent coming from the provinces. That is \$900 million, honourable senators. It is a two-year program for farmers who are facing critical declines in income.

The Government of Canada has also delivered on a commitment by the minister to provide farmers with interim AIDA payments — in other words, giving farmers faster access to the money they need, rather than having them wait until all of their calculations are done at the end of the 1999 claim year.

Agriculture and Agri-Food Canada has developed a quick calculation worksheet to help farmers estimate the payment they would ultimately be entitled to receive. Through the interim payment, producers are eligible for 60 per cent of their estimated full 1999 AIDA payment. This program is putting real dollars into farmers' pockets more quickly in the four provinces where the federal government is delivering the program: Saskatchewan, Manitoba, Nova Scotia and Newfoundland.

Honourable senators, we are also making NISA easier to get. We have considerably eased the ground rules for withdrawals from, and deposits to, Net Income Stabilization Accounts. As a result, 41,000 more farmers have faster access to more funds. In late June, following consultations with the provinces, the minister announced changes to NISA that make available to our farmers an additional \$117 million. The forecast NISA withdrawals and AIDA payments will make a significant dent in the income drop on the Prairies in general and in Saskatchewan in particular. The Minister of Agriculture is expecting that the full \$1.5 billion allocated to AIDA will be paid out for 1998 and 1999.

In addition, more than 105,000 farmers across the country have almost \$1.2 billion in their income stabilization accounts, which they can withdraw right now. That is what it is there for. Nearly 26,000 farmers have already taken that step, withdrawing over \$274 million to help them through this difficult period. In Saskatchewan alone, as of the end of October, some 13,000 producers had tapped into NISA and taken out more than \$119 million. These are substantial funds that can help many farm families get back on their feet again.

Many of you will certainly understand and empathize with the very difficult problems that flooding and drought can pose for farmers and their families. Recognizing this, the Government of Canada worked with the Province of Saskatchewan to improve the crop insurance system on which many producers rely. To ease the plight of producers, crop insurance was made more flexible, and benefits were increased, sped up and made more accessible. New measures were announced this summer giving Saskatchewan farmers up to \$25 per acre in supplemental crop insurance benefits on unseeded acres, and that was on top of the \$25 per acre benefit already available for unseeded acres under the basic crop insurance program. A further \$25 per acre was made available to farmers in both Saskatchewan and Manitoba who were unable to seed this spring. That assistance is provided as an interim payment under AIDA.

The federal government also took steps to help farmers manage their income by providing better cash flow as early as possible at end of the growing season. Stronger loan guarantees

were put in place, making it easier for farmers to use the interest-free federal advance payments program. As honourable senators may know, this program enables farmers to collect payment before they actually deliver crops. In the 1998-99 crop year, almost 38,000 producers received advances totalling \$798 million — and advances under \$50,000, by the way, are interest-free.

I give these statistics in an attempt to balance the debate, not to deny that there are very significant, serious problems in the Prairie farmers' situation. There are serious problems in the agricultural sector; no one can doubt that or deny it. A combination of the things I have mentioned — low commodity prices and the lack of a level international playing field — has placed great stress on this sector of our economy.

• (1620)

That is why, even as we speak, serious discussions are taking place between federal and provincial representatives. Just last week the Prime Minister met with the Premiers of Saskatchewan and Manitoba on the issue. The federal Minister of Agriculture, Mr. Vanclief, has been in regular and ongoing contact with his provincial counterparts. It is a serious situation and the Government of Canada is treating it as such.

Honourable senators, no one is underestimating the needs that exist in the agricultural community, which is why the federal government is now looking at changes to the existing AIDA program in order to get more money into the hands of more farmers more quickly. Having said that, I must be forgiven for making a slight diversion in the debate. It must be remembered that this agricultural situation and the agricultural sector is an area of shared federal-provincial jurisdiction. The solution to the problem will not be found in unilateral action by the federal government. For instance, there have been recent reports from Senator Gustafson's home province that provincial spending on agricultural support in Saskatchewan has dropped dramatically since the early 1990s.

Yesterday, Saskatchewan's provincial auditor, Wayne Strelloff, reported that provincial spending in the province of Saskatchewan on agricultural programs had fallen by more than 70 per cent since 1991-92. In 1991-92 provincial spending on agricultural programs in Saskatchewan was \$1.2 billion. In 1997-98 it was \$251 million. It went from \$1.2 billion down to \$251 million as a result of the decisions of a government whose premier came here, asked for \$1.3 billion, and left in a fit of moral outrage when he did not go home with a cheque.

In 1998-99, their spending rose slightly to \$323 million, but that still represents a 73 per cent reduction. However, this is a premier who can come to the capital, make a demand on the Government of Canada that they produce \$1.3 billion, and do it now, and then leave in moral outrage, without a reference to the record of his own government. This is a federal-provincial problem. It must be dealt with by both levels of government.

Mr. Ken Krawetz, the finance critic of the Official Opposition in Saskatchewan, blamed the current farm income crisis on the provincial government. When the provincial auditor cited the reduction that was made by the provincial government, he said:

That's the reason our current agricultural economy is in the problem it is in.

Honourable senators, what is happening at the provincial level of government in Saskatchewan underscores the need for a joint federal-provincial approach to this serious situation. This is not a matter on which we can seek partisan advantage. This problem is too important to the country. This challenge is too large. The challenge facing Prairie farmers is not imaginary; it is real. The challenge and the problem facing Prairie farmers did not originate yesterday and it will not be solved tomorrow. The problem and the challenge facing Prairie farmers require a multi-level approach, a thoughtful approach, an approach in which I would say we should call upon all parties and all levels of government to cooperate, in putting in place a long-term and a meaningful solution.

I have given some indication of the efforts of the government to date. I hope I have given some assurance of further interest and effort in this very important area by the Minister of Agriculture and the government in the very near future.

**Hon. A. Raynell Andreychuk:** Honourable senators, I have spoken often in this chamber about the farm situation in Saskatchewan. I wish to touch on a few points that are of particular significance to me. I do not know whether I am fortunate to speak right after Senator Boudreau or not, because there were many things I should like to rebut in the statements made by him; however, I am sure that my colleagues will address them more specifically.

Honourable senators, there is no doubt that there is a farm crisis. There is no doubt that that farm crisis has existed for a long time. What is certain is that from time to time governments have intervened to help the farmers and they have helped at the provincial level and at the federal level. What is different today is not the fact that we do not have a long-term answer; what is different is that the federal government does not view the situation in Saskatchewan and Manitoba, the Prairie situation, as any different from the situation in agriculture across Canada.

Senator Boudreau has forcefully pointed out the programs that we have in agriculture; however, they are all the one-size-fits-all type of programs. If we had addressed the fishery or the forestry sectors in the same way, we would be much poorer today. We acknowledge that regionalism exists in Canada; we are aware of the weather differences in the country; nor do we say that one AIDA program fits all. Indeed, all of the facts and figures that have been pointed out by Senator Boudreau are, in my opinion, correct. I have no reason to doubt his figures.

The problem, however, is very much as I have described in this chamber time and time again: those figures are national figures; but we need to talk about the effect on Saskatchewan. At

this point, if the Prime Minister would only come to Saskatchewan, he would hear time and time again from farmers about the impact of this crisis; and he would hear about it from those of us who live in the cities, because it is now affecting the cities too. It is affecting teachers and doctors and lawyers and gas station attendants and waitresses. Everyone knows, not that the figures are there, but that the farmers are in trouble — real, deep trouble.

One year ago the farmers were in trouble, just as part of a long-term issue — the ebbs and flows of the international situation, the export situation. However, today, for whatever reason, the farmers are in trouble in a crisis situation.

A provincial delegation came to Ottawa to ask for help. Perhaps they could have done more; perhaps they should have done more. They now understand how deeply rooted this problem is and that it needs immediate fixing. They came with the expectation and hope that there would be some federal response. What was the federal response? "Go home, we will look at the numbers again." There was none of that willingness to work together, none of that willingness to look at Saskatchewan and Manitoba differently. We can go back and study the figures for the long term, however, and perhaps those studies and those figures will help those farmers who survive — but many are not surviving.

Senator Cohen has read some of the letters sent to parliamentarians. We are all getting letters of desperation. We are all getting telephone calls from farmers who soon will no longer be there. They cannot wait for more facts and figures.

Honourable senators, the problems in Saskatchewan are not just the result of international farming issues. They have been brought about in large part because farming issues, and Saskatchewan farming issues in particular, have been low on the agricultural totem pole. There is not, to this day, a national agricultural policy that takes into account the variations or the variables in farming in the various areas. We are too timid when it comes to the international arena to put together a national strategy. We are always mindful that the farmers in Quebec and Ontario have their own unique sets of problems. We know that Saskatchewan and Manitoba have other problems, not to mention the problems of the fruit growers in British Columbia and farmers in Atlantic Canada.

• (1630)

We blame all our problems on the international situation. We can talk about removing subsidies and forcefully pursuing a strategy, led by Mr. Marchi, that the United States and Europe must eliminate their subsidies. The fact is that they have not in the past and they will not now eliminate their subsidies. In fact, they will increase them and maximize advantages for their farmers. Yet, we go back with the same strategy. We have done nothing new, creative or different. Our federal leaders must formulate a strategy, as they did with the Cairns Group a number of years ago. We made gains in that respect and we are still reaping the benefits in world trade structures.

Where is the new creative thinking? Will we simply ask again that subsidies be eliminated? They will simply tell us to eliminate subsidies, and we will say, "You first." If we do not have a strategy, we will be driven by the Americans and the Europeans.

Nothing I have heard from the federal government indicates to me that it understands that there must be a new way of addressing the issues. That was particularly true when we studied the Canadian Wheat Board legislation. We left it to the board of directors of the Canadian Wheat Board to solve the problems of Canadian farmers and Western Canada rather than formulate legitimate support systems for farmers. For example, what are our marketing policies on grain?

The bottom line is that there is no creative awareness within the federal government in particular, and there must be a new way of looking at the issues of farming in the West. I cannot say that the premiers were always on side. It took an election to jolt some of them before it became clear that this is not an ongoing, long-term issue. This is an immediate crisis.

Ministers Goodale and Vanclief are still saying that we can sort the problem out with the existing programs. While we are attempting to do that, farmers are going under. We will be left with corporate farming. It is time for the government to come clean. Does it wish farming to continue as an exemplary way of life that sustains food production for the rest of us? We can continue to revamp the figures, but the fact is that farmers in Saskatchewan are leaving the land in greater numbers than ever before. Families are under greater pressure than ever before. We will not be able to sustain farming in Saskatchewan if we continue on this route.

Honourable senators, time has run out. The speeches have been made in this and the other chamber. All parties, other than the governing party, agree that there has been enough talk and analysis and that there must now be real commitment. If the Prime Minister or the Minister of Agriculture had given some emergency aid to the farmers of Saskatchewan, that 3.2 per cent of the population, it would have shown them that they have some merit.

Today we do vote counts. Saskatchewan and Manitoba will not win on vote counts. They will not win on majority. They will only win when the majority understands that the minority in Saskatchewan is hurting and needs specific and specialized attention, not broad figures thrown around.

It does not serve us well to lay the blame on the provinces. They will have to shoulder their portion of whatever program is put in place, and they are signalling a willingness to do that. The federal government seems to be putting the responsibility on others, and it has yet to do anything constructive.

The Leader of the Government in the Senate has again said that the government will study the figures and that they are

[ Senator Andreychuk ]

working on committees with the provincial governments and the agricultural community. The only party saying that the process in place today is working is the federal government. All farming organizations, the provincial governments and, more particularly, the farmers, are saying that the process is not working.

Honourable senators, what will it take for the government to give a hand to those who want to cooperate to ensure that food supplies continue and that Saskatchewan and Manitoba will continue to be part of the Canadian mosaic?

**Hon. Sharon Carstairs:** Honourable senators, I thank the Honourable Senator Gustafson for launching this emergency debate on this important issue. I thank Senators Spivak, Andreychuk, Gustafson, Tkachuk and Sparrow who, through the spring and into the fall, frequently asked questions of the government about the problems the agriculture sector, is facing particularly in Saskatchewan and Manitoba.

Honourable senators, it is important for us to realize that, when the federal government works with the provinces, farm organizations, farmers, and producer organizations and comes up with a plan, and that plan does not work, not all of the blame can be placed on the federal government, which is all too often what I hear.

The Agricultural Income Disaster Assistance program is not working in its present form. Of that there is no doubt. However, this was not a federal government program alone. This was a federal government program in cooperation with the provinces. The provinces stood proudly with the federal government and announced this program. They said that it would help the farmers in need throughout this country. Regrettably, it has not. When the federal government says it must look at the criteria, examine the program and find ways to make the program work, we have to accept that this approach has some validity. When the federal government says that it is not the only player at the table and cannot come up with a program with which the other parties to the original program do not concur, we cannot move forward. This is not a stand-alone federal government issue. The very fact that AIDA is a 60-40 program means that the provinces are contributing 40 per cent of the cost.

• (1640)

One of the major problems faced by many farmers in southwestern Manitoba and in a large part of Saskatchewan was flooding. Premier Romanow and Mr. Vanclief, the federal Minister of Agriculture, came to an agreement. They agreed that there should be an additional \$50 per unseeded acre.

What happened in my province? The premier, facing an election, decided he would not sign that agreement. The federal government could not proceed without the participation of the province because crop insurance is a joint program. It is not a unilateral federal program.

I have yet to hear — and perhaps I am wrong — that Mr. Doer, the new Premier of Manitoba, has signed on to this program, so the farmers of the province of Manitoba who could have been aided and abetted by this unseeded-acreage payment have not received that aid.

It is important to examine exactly why AIDA is not working. Clearly, the criteria set by all the partners were not the right criteria. Was there malfeasance? Was there a deliberate attempt to put into place a program that would not work? No, I do not think so. I think Senator Andreychuk is right that a sensitivity to the particular problems in Saskatchewan and Manitoba was needed. Unfortunately, the people on the ground in Saskatchewan and Manitoba in the first instance thought the program was terrific and signed on as fast as they possibly could. Let us examine why the program started to unravel.

Senators Spivak and Senator Andreychuk brought to my attention the fact that farmers were being forced to pay \$400 or \$500 or \$600 to an accountant to file the application forms. Clearly that was mistake number one. If the particular forms were that complicated, then we should have provided assistance to help the farmers fill them out. We did not do that. It was particularly unfortunate that we missed an opportunity, as we were going into the university summer session, to hire and train young accounting students to help farmers with those forms. We did not do that. Senator Sparrow pointed out that, in one program, the forms did not even fit into the envelopes provided. Perhaps that was a different program, but we did not respond as rapidly as we should have to those kinds of details.

What happened? From a \$1.5 billion program, \$900 million of which came from the federal government, according to my most recent figures, only \$236 million has been spent.

**Senator Gustafson:** It went to the wrong people, too.

**Senator Carstairs:** Where is the rest of the money going?

**Senator Spivak:** It is going to the wrong people.

**Senator Carstairs:** Why are these needy farmers not qualifying for these funds? How can we make that money accessible to the farmers? Before we start talking about new money, we must get the currently committed money out to the farmers of Saskatchewan and Manitoba. I am assured, and I am confident, that Minister Vanclief is working overtime to do just that — to quickly find the means to get the balance of that money into the hands of the farmers in Saskatchewan and Manitoba.

Let us face it — commodity prices are in a disaster mode for the farmers of Western Canada. We must examine prices. We must understand that at no time in our history, in comparative dollar terms, have prices been so low. We must work cooperatively, and I do not refer only to the provinces and the federal government. The Leader of the Government in the Senate pointed to the reduced contributions of the Saskatchewan government to agriculture. I am sad to say that the same situation exists in Manitoba. The same situation exists in the federal

government. Let us be honest. Everyone has backed off and decided that we can spend less money here.

Honourable senators, there have been some extraordinarily complex changes in farming in Western Canada. We have not yet dealt adequately with all of those changes. The only way we will successfully meet the needs of Western Canadian farmers is if the federal government, the provincial governments, the farmers and the producer organizations all work together cooperatively.

**Some Hon. Senators:** Hear, hear!

**Hon. Mira Spivak:** Honourable senators, I thank His Honour for allowing this debate. Some of you may not know this, but he did at one time represent a farm constituency with which I am familiar, namely, Ste. Rose, Manitoba.

I appreciate, too, the comments from the other side, from Senator Carstairs and the Leader of the Government. I know their comments are sincerely felt. I do not disagree that there has been blame on all sides. We do need to work together, but there are a few points still to be made.

In my opinion, there is not sufficient acknowledgement of the urgency of the problem. It is not appropriate to look at present programs; they are not important now. This problem is urgent. Why is the problem so urgent? The situation is much worse than the 1930s because these farmers are far more deeply in debt. They have spent unbelievable sums of money for machinery and inputs. Now the banks are ready to foreclose. The farmers cannot pay their taxes.

Perhaps the Saskatchewan government did cut their contributions to the farm community by 70 per cent, but the federal government has contributed to the problem. When I refer to the federal government, I do not mean just the Liberal government; I mean the federal government. The federal government cut transportation subsidies by 60 per cent to decrease the deficit. That decrease was too much too soon, and it had catastrophic results for farmers in Manitoba.

• (1650)

Only the federal government has a tax base sufficient to give that \$1.3 billion now. The provincial governments — no matter what sins were committed by the previous administrations, and there were many — do not have the tax base to help. They have been cutting deficits and putting money into health and education. Now the federal government is expecting \$60 billion or more over the next few years. Money is earmarked for the Millennium Scholarship Fund and other things which are important but which do not constitute an urgent crisis.

As my colleagues have expressed, a way of life is disappearing. The whole western agricultural economy is being transformed by vertical integration. Cargill and others will take over more and more farms if we continue on this course. If we do not want that to happen, we must act swiftly. Sometimes a sharp, surgical stroke is the best way to do it.

Those of us who are on the Agriculture Committee have been watching the current crisis develop. We heard the early warnings of it through the work of the committee and its very able chairman, and have been obtaining firsthand reports from farmers who have come to Ottawa in recent weeks. These very productive Canadians are caught in financial strife. I want honourable senators to know that they are productive; there are no inefficient farmers left after all this time.

With all due respect, this is a trade-driven government, as was the previous government — therefore, I am making a nonpartisan comment. Ministers' speeches are full of references to competitiveness in the global economy. Yet the government seems to be blinkered to the enormous competitive disadvantage faced by farmers who work in a sector which, last year, accounted for \$26 billion in exports. It is not market access that counts here; it is the price one is receiving for product. Perhaps market access will help the producer, but not soon enough. Competition is impossible in an export market where the U.S. and European subsidies are many times the amount the Canadian government can provide.

The message the government delivered to farmers via the provincial premiers last week was a surprising one. It was a refusal to meet their request for additional aid. The government's new statistics on farm income estimates do not reflect the reality of what is going on in Manitoba and Saskatchewan. Incomes in Saskatchewan were estimated to drop by about 107 per cent in 1999, while the estimate for Manitoba was about 133 per cent. I do not know whether those figures are accurate. It was the estimate in July.

Dwain Lingenfelter, the Saskatchewan Minister of Agriculture, calls the federal estimates seriously flawed. Of course, his views may be seriously skewed as a result of actually working and living in Saskatchewan, by talking to farmers and by paying close attention to a problem. On the other hand, the federal people have an advantage, in Rex Murphy's words, "of a perspective through a long-distance periscope."

Minister Lingenfelter called the new federal numbers an overestimation of earnings, including AIDA and NISA payments. Somehow these new estimates show operating costs in Saskatchewan to be reduced by \$60 million, which is quite a cut. They do not know the source of those figures. The Manitoba agriculture minister stated that the official federal agriculture forecast for Saskatchewan and Manitoba released in July is still valid because not much has changed in the situation since then.

However, provincial ministers stated that the \$1.3-billion trade equalization payment that they had requested from Ottawa was a modest request. It was a modest request, not only in light of what we are seeing, thanks to prudent management in terms of the surplus, but in light of what European and American farmers are receiving. It is nothing compared to what they are receiving. The bottom line is that whatever the estimates may actually turn out to be, they cannot alleviate the need for farmers to receive help now.

[ Senator Spivak ]

This year, a spring wheat producer lost \$15.50 for every acre he grew. A producer of feed barley lost \$12.20 per acre. A farmer who grows rye has lost \$50.22 for each and every acre he produced. The reasons are not complicated and have nothing to do with efficiency or inefficiency. They are not related to weather or luck. They have everything to do with the global economy and trade.

The price farmers must pay for goods and services has been rising steadily. I refer to fertilizers, herbicides, fuel, utilities, insurance and repairs. The cash outlays alone are running \$60 to \$80 per acre. That is before the farmer pays taxes, repairs buildings and pays loans on equipment, which can run another \$40 an acre.

When wheat sold for \$160 per tonne and canola sold for \$355 per tonne, there was something left over for the farmer at the end of the day. This year's price for wheat is 24 per cent below the five-year average, and canola prices have dropped by one-third.

Commodity prices have fallen to historic lows for three reasons. The first is that production this crop year and last is well above average. The second is that demand has fallen due to the world financial situation, especially in Asia. The third is that our major competitors, the U.S. and the EU, are protecting farmers from these extreme market conditions through high subsidies. As members of the Agriculture Committee found when we went to Europe, these subsidies encourage overproduction, which gluts the world market and causes prices to fall.

Subsidies elsewhere are a major problem for our farmers. Our wheat growers see 9 per cent of their income in the form of subsidies, compared with 56 per cent for their counterparts in the EU, and 38 per cent for wheat producers in the American Midwest. The situation is even worse for producers of oilseeds.

Since 1993, Canada has decreased its support to agriculture by 45 per cent. U.S. support has increased by 34 per cent, while EU support has remained essentially unchanged. The OECD estimates the support payments to producers of all agricultural commodities — not just grains and oilseeds — average U.S. \$17 per acre. In the U.S., that figure was \$45 per acre, while in the EU it was \$362 per acre.

Without additional income support, which the Saskatchewan delegation very correctly described as trade equalization payments, collectively farmers in Saskatchewan will lose an estimated \$48 million. In Manitoba, it is estimated to be \$100 million. No industrial sector could hope to stay competitive against these odds. The international subsidy problem must be resolved. In the meantime, our farmers must have more federal government assistance. The only other choice is to see their land, field by field, surrendered to the banks and multinational companies that can afford to wait until this government stops digging in its spiked shoes or the EU countries lower support to their farmers. From our Agriculture Committee's inquiries and travel to Europe, we know that hell will freeze over before the latter takes effect.

If it continues on its same course, the government is choosing an unprecedented option for this country. Unlike governments in the Depression that could not offer much help, this government has some money. Today, the government could afford to carry our food producers over this hump. Honourable senators, I am speaking largely about Western Canada. People in the feather and dairy sectors are doing all right because of supply management programs.

One could say that the federal government is to blame for this problem, as well as other governments, because cuts to agriculture in excess of \$1 billion were made to bail them out of their deficit problems. Why should the government help farmers keep their land? As a westerner, I am tempted to say because it is the soul of a huge part of this country. I am talking about the family farm way of life. It is as priceless as the French language is to Quebecers, as life on and near the sea is to the people of the Atlantic provinces, and the mountains and forests are to British Columbians. I am tempted to put it in terms of culture and heritage. However, I know that, in the end, only the numbers will appeal to the government — the number of seats, revenue numbers and export statistics.

• (1700)

Honourable senators, I hope that there will not be too much of a dispute over some of these statistics. The field of wheat that the farmer is paying to grow has an enormous value to other Canadians. A bushel of wheat can produce 57 loaves of bread that sell at \$1.25 or more. Sometimes you pay \$2 or more for a loaf.

**The Hon. the Speaker:** Honourable Senator Spivak, I regret that I must interrupt you. The 15-minute period has expired.

**Senator Spivak:** I am asking for leave.

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

**Hon. Senators:** Agreed.

**Senator Spivak:** By growing 30 bushels an acre, the farmer's 160-acre field yields bread worth \$342,000 on store shelves. The farmers may be facing financial ruin, but many people count on their grain to turn a tidy profit or earn a modest living.

Another important example is the barley producer who is losing money on every acre. By producing 50 bushels an acre and selling it to the breweries to make beer, the farmer is producing an enormous amount of tax revenue for federal and provincial governments. In fact, a 160-acre field of barley producing 133 bottles of beer per bushel ultimately reaps \$1.5 million in taxes on beer and GST. You can check these figures, which come from the farmers.

Honourable senators, in closing, I will table some letters from children in our area so that you can read their concerns. This is a disaster and it must be alleviated unless we want the entire agricultural economy of the West to be transformed.

May I have leave to table these letters?

**The Hon. the Speaker:** Honourable senators, there is a request by Senator Spivak to table letters. Is it your wish that the letters be tabled?

**Hon. Senators:** Agreed.

**Hon. Douglas Roche:** Honourable senators, this is a crucial debate concerning the plight of Canada's agriculture industry.

Agriculture is a core element of the economy in my province of Alberta, and the farmers in Alberta did not like the insensitive treatment given to the Premiers of Saskatchewan and Manitoba when they made a legitimate representation to the Government of Canada. This lack of response by Ottawa hurt all the more in light of the extraordinary surplus being racked up by the federal government.

Farmers and their leaders have been disappointed in the government's leadership in not adequately responding to the disastrous situation facing Canadian farmers. Families are losing their farms, and plants are closing in Alberta and Saskatchewan, with job losses and grave social and economic distress. We are witnessing the demise of an entire industry, with devastating impact on Western Canadian communities. Are we to tell these communities that Ottawa has nothing for them as the government decides what to do with its impressive and growing budget surplus?

Clearly, these communities need some form of adjustment or transitional assistance from the federal government. We are not just talking dollars and cents; we are talking about their well-being — the very preservation of communities as they face a situation not seen since the Great Depression. The government must alleviate the present disastrous price and trade circumstances to save this industry.

The industry is being hit hard through the domestic and export subsidies of its competitors in other countries. Surely, the government must take note of the suffering on the Prairies in devising its strategy for the upcoming World Trade Organization summit in Seattle. However, the present circumstances cannot continue while lengthy trade negotiations take place, since they will produce no result in Alberta, Saskatchewan and Manitoba once the agriculture industry has been devastated.

Further federal assistance is needed now.

**Hon. Nicholas W. Taylor:** Honourable senators, I enter this debate with some trepidation because, with agriculture, there is little that you can do that is 100 per cent right. We have been dealing with the idea of adapting to a free market on the horizon, and also the farm family as not only a business but a home, a way of life and a community, as has already been emphasized. It is a difficult problem.

It is well to remember that only a scant six years ago farm organizations were making trips to Ottawa and Edmonton, where I was serving in the legislature, asking the government to get out of the business of farming. They said the government was

ruining the normal process of the market and the normal chances of farmers being able to forecast, using computer technology, what the market would be.

I am a member of the Agriculture Committee, and we made trips throughout the West, in particular in Manitoba and Saskatchewan, which have more Prairie land than Alberta, my native province, and where the problem is probably the worst. Also, as a member of the Agriculture Committee, I toured Europe to try to talk to the European community. As Senator Spivak so well pointed out, they do not have much intention of changing.

What is happening in agriculture is a bit of a revolution. The government of the day, which happens to be my government, is stuck with this conversion from aid to farm and food producers on a commodity basis to a form of income insurance. That came about quite naturally in Canada because we export so much of our food production compared to any other nation. If we were to try to subsidize the price of our products, wheat, apples or whatever, the rest of the nation would not be able to stand the expense. Therefore, we came up with an idea which we are hoping will catch fire in Western Europe. We did see some glimmer of this in Germany and Scandinavia where, instead of paying the food producers by the unit of production, whether it is a cow or a quart of milk or a bushel of grain, we work out some form of income insurance.

We tried to use the argument when we talked to Western Europeans that, with their method of paying their food producers by the commodity, they were ending up with an abused environment. They were ending up with nitrates contaminating their water table because of over-fertilization and the spread of different types of weeds and genetic modification in order to get the grains to produce more. They were modifying the grains and so on. When you reward farmers on the basis of product, as Western Europe and the U.S. are doing, you do a great deal of harm to the environment.

Canada, quite wisely, opted for the idea of income insurance. The fact of the matter is that we should not throw out the baby with the bath water. Income insurance is falling down on the Prairies. There is no question that our way of analyzing income is not working very well in Saskatchewan and Manitoba. However, it is interesting to see how well it is working in Alberta. I hate to say this, because I was in the opposition and threw shots at the government at the time, but they were some of the first people in Canada to come up with the idea of insuring income. It has worked quite well. Certain accidents in geology and geography have given them less of a problem than we have in Saskatchewan and Manitoba, but they do have a way of handling the problem which is better than the other provinces.

• (1710)

That is primarily because they got to the agricultural producers, and the agricultural producers started to think of

[ Senator Taylor ]

income insurance, and not of so many dollars per acre or so many dollars for wheat and so on, which warps the marketplace.

If you are truly in favour of the free market, you want to design your system in such a way that the free market functions properly, which means of course trying to put in a form of income insurance. In that respect, the Canadian government has moved in the right direction with the AIDA package and the other assistance programs we have in place to reward farmers or food producers for saving their money and putting it aside for a rainy day. We have come up with a program that, admittedly, is faltering in Saskatchewan. I think it has worked out to about \$11,000 for each producer that has qualified. In Ontario, that figure is about \$15,000 per producer, and across Canada it is about \$14,000 per producer.

Any system or program based on income requires the farmers to keep track of the accounting in an entirely different way than the farmer has done in the past. If the government is guilty of anything, it is perhaps a lack of sensitivity by the bureaucrats with regard to selling a system of income insurance rather than commodity insurance. There are no excuses for sometimes being a little unsympathetic. The problem may have been aggravated by the government's being a little insensitive in responding to farmers and in selling the whole system of income insurance, but you have to imagine the farmers' point of view. They have a feeling of inevitability and hopelessness that is not entirely caused by the government: "If the government could not sell my wheat last year, and it is poor this year, and all I am growing is grain, what will I do next year?"

We are not proposing, although perhaps we should be, ways of changing the system so that they can see a future in farming. All they can see is competing against Western European and American subsidies and then begging the government to try to come up with the difference. The farmers know that any government over the long run will say, "We have to stop this some place. We cannot keep rewarding you on a commodity basis." There has to be some sort of revolution in food production. The farmer does not know which way things are going, the opposition says the government does not know, and I have not heard anything from the opposition, either here or in the other place, to suggest that they do. Everyone can describe very well what the calamity is — the boat has sunk and you are all out there swimming — but no one has told us how to get around to a solution.

Honourable senators, I should like to hear more with regard to an alternative — something that goes beyond sober second thought. Sometimes we have good first thoughts. We have our Agriculture Committee. Perhaps we could be doing something more to come up with an alternative for our food producers, to give them hope and to allow them to stay in their communities and educate their children, rather than just telling them, "We are competing against the Americans and Europeans, and we do not have enough money." That is not a good enough answer. We are moving into the area of income insurance, and perhaps we can do



more work on that. It can be argued that income insurance is something like a safety net underneath someone walking on a tightrope. If we can get an income insurance system in place so that the farmers themselves, through free enterprise, can think up alternatives, then we will have done something. I should like to challenge the Senate to do something along this line, because we have some good and imaginative thinkers here.

**Hon. David Tkachuk:** Honourable senators, first, I should like to thank His Honour for allowing us to have this debate this afternoon.

I was listening to the Leader of the Government talk about the drop in support for agriculture in our province of Saskatchewan since 1992. That is true. It took place under an NDP government. Perhaps that is what solved their deficit problem.

Under the present circumstances, the government and the members across should be able to help stimulate the flow of a little more money from the province, considering that their party is now sleeping with the NDP. Melenchuk and Romanow are partners in politics, sit together on the same side of the house, and, so far as the people of Saskatchewan are concerned, are one and the same. Certainly, so far as the farmers are concerned, they are one and the same. As Senator Spivak said, that election jolted Premier Romanow, the Premier of Saskatchewan, to come to Ottawa to ask for farm aid.

As a Conservative, at least I can look back on Alvin Hamilton and John Diefenbaker and Don Mazankowski and Bill McKnight and Charlie Mayer and Brian Mulroney as people who took sufficient time to understand Western Canada. That is not something the present government in Ottawa can say. When he was Prime Minister, Brian Mulroney took the time to understand western agriculture, and he understood it well, unlike his immediate Liberal predecessor or, of course, the present Prime Minister.

My belief is that the Liberals are never interested when commodity prices in Western Canada are going down. They are only interested when commodity prices are going up, as they were when oil prices went up and Western Canadians were reaping the benefits of world prices and hence we had the National Energy Program imposed by the Liberals, a program that redistributed billions of dollars all across Canada, money that belonged to the producing provinces. The Liberals paid the political price then and, despite the little 1993 hiccup, they will pay the political price again.

The response that we have had to this crisis from the Liberal government has been the AIDA program. It is a typical Liberal response. It is a welfare program. You fill out reams of forms, you hire accountants, you deal with bureaucrats. This is not a normal response to an emergency. We do not deal this way with earthquakes, tornadoes or emergencies. We do not fill out forms. That is not what we do. However, that is what the Liberal government in Canada expects the farmers to do.

In 1996-97, net farm income fell 55 per cent nationally, and it dropped another 35 per cent in 1997-98. We now have negative figures in Saskatchewan and in Manitoba for farm income. Of course, the Liberal government has produced new numbers, along with their \$97 billion in extra cash over the next five years, to say that is not so, but bankruptcies in agriculture and related service industries have totalled 1,053 since 1995, with accumulated liabilities of \$227.5 million.

What we do not have from the present government is a national agricultural policy. What we have instead are temporary band-aids every time there is a problem in Western Canada. In the highly populated areas in Eastern Canada, we have marketing boards, subsidy programs paid directly by the consumer to the farmer. That is exactly what a marketing board is. It is a monopoly. Out in the West, however, we are fencing for ourselves. We all know what is happening in Europe. They are paying up to \$8 in some countries for a bushel of wheat. European governments are subsidizing this because they cannot sell it for that price. They cannot even give it away.

• (1720)

Other countries will not get rid of their subsidy programs any more than we want to get rid of our marketing boards. The reason for that is once you have been weaned on subsidies, have grown up on subsidies and gotten rich on subsidies, politically, it becomes impossible to get rid of them. That is what has happened in Europe.

The Americans have joined the fray. They have decided to take the Europeans on and are now paying subsidies. Meanwhile, the poor Western Canadian farmer, exposed to the marketplace, has nowhere to go. He has seen his land fertile and he has seen his land turn against him. Nothing grows. That is not unusual in the West. It is not unusual for a farmer anywhere. When he has seen his land fertile and has seen people reaping the benefits of that land by making bread, whiskey and beer, or by exporting at cheap prices around the world, and the land becomes worthless to him, then we have an emergency. That is what is happening on the Prairies today.

Senator Taylor said he has not heard from this side about what we should do. I am as perplexed as he is at times about what we should do, but I know one thing — we can no longer continue to grow commodities that everyone else in the world is subsidizing. We know our economics, and we know that if we give away cars in Europe, we will not be able to make money on cars in North America. That is what those countries are doing. They are giving away their wheat.

Canada is an exporting country. We do not have enough people in Canada to eat all we produce. However, we cannot take away the resource that we have because these human beings on the Prairies are our resource. They must be protected because they know how to farm that land. We cannot let them all go broke and leave town. We need a national program, not based on welfare, but based on an agricultural industrial strategy stating that this land must be put to other uses.

Honourable senators, we must allow for a time of transition. I believe there should be 10 years of transition, where we say to the farmer that we will pay so much per acre. The farmer will then have an incentive to grow crops that make money during this time because he will make more money. Let us not deduct the money when we give a farmer the acreage payments if he does well. Let us make sure that he does very well so he can wear himself off that subsidy. That is what we must do. We cannot ask the Europeans to get rid of subsidies. Forget that. We all know what happens with welfare. People become dependent on it and refuse to get off. That is what has happened. The Americans have decided to do something else. We must devise a made-in-Canada program to save our family farms because they are worth saving.

As a Conservative, I believe that a rural way of life is important to a country. I do not wish to see people live only in urban centres. A rural place is a place to which you can get away. Everyone says how nice it is to go out into the wilds and go to a park where no one is around. You are alone to some extent. If you have ever gone to rural Saskatchewan, Alberta, Quebec or Ontario, you know exactly what I mean. The rural areas are different and they are important. However, they must be economically viable. Rural people are smart. They live in a rural part of the country and survive, which means they are smart and they work hard.

Let us give the farmers something that has some hope attached to it. Let us not continually say that they are in trouble and that we have this little welfare program for them. We say to them, "Fill out all these forms, and if you are poor we will give you money, but if you are somehow eking out any kind of a living we will not give you any money." That will not help. They do not want welfare. They never have and they do not want welfare now. However, I will tell you one thing: If we make them dependent on welfare, they will love it.

Mr. Romanow came here. I do not believe I have ever agreed with Roy Romanow, but I agreed with him on this trip. The Premier of Manitoba came here at the same time, along with leaders of the opposition and farm delegations. They did not treat him well. The government did not take their concerns as a high priority. We heard the Minister of Finance yesterday and he never even mentioned agriculture, one week after the visit. Oh, yes, it is important, but in the speech of the Minister of Finance, it is not that important. He says, "I have \$90 billion to spend and I can hardly wait. Maybe I will give you some tax cuts and pay off a little debt." Mr. Martin did not mention agriculture, so we asked for the emergency debate.

Honourable senators, AIDA is flawed. We know it does not work, so we should not try to make something work that will not work. We should get rid of it and come up with something that works. This was supposed to work last spring. It is now fall. The farmers in Saskatchewan must get ready for April pretty soon. It is already November. Then it is Christmas and then seeding is a few months down the road. When the government set up this program, farmers applied in the spring and they are still waiting for money today. That is not the way to respond to an emergency.

[ Senator Tkachuk ]

I hope that even after this debate is over we can continue to debate in one form or another until we come up with a solution that will solve at least some of the problems. We can work together more in this place than probably any other legislature in the country because we are here for a long time, health permitting.

Senators on this side know what must be done, and what is being done now is not working. We ask that senators opposite have a close look at what their government is doing. We ask you to ask your Prime Minister to make a visit to the Prairie provinces and spend some time listening to what the farmers, the municipal governments and the provincial governments are saying because they are close to the people. They are worried about their communities. We ask honourable senators opposite to do that, and then perhaps you will fully agree with us that there is an emergency in Western Canada and that it must be dealt with immediately.

**Hon. Herbert O. Sparrow:** Honourable senators, first, I should like to thank and commend the senators who sit on the Agriculture Committee for the stand they have taken in support of the agricultural community in the past year, and certainly previous to that. Senators Spivak, Andreychuk, Gustafson, Hays and Fairbairn have all played a very important part in trying to bring the message to the government, and to all Canadians, of the plight of the agricultural industry in this country and, in particular, the plight in Saskatchewan, Manitoba and Alberta. Allow me to commend them for that because there may not be many more kudos in my speech.

• (1730)

I am not so sure I know what happens when we have an emergency debate. I do not know where this message goes, but this is an important debate. There is a saying, "If it ain't broke, don't fix it." Well, this system is "broke" so let's fix it. That is the message that the leadership in the Senate must take: It is broken; let us fix it.

Enough is enough. We have heard about plans to do this, to do that, and to change the forms. Nothing is happening except that our farmers are going broke. When this problem arose last November, one year ago, a program was brought forward. Senator Carstairs says that all the parties agreed, and that there was cooperation with farm organizations and governments. Yes, there was some consultation. The attitude was that the AIDA program funds would go out early in the new year. That usually means that in February, March or April money would be made available to allow for time to seed the next crop. That did not happen.

Senator Carstairs said everyone cooperated. That is not a fact. I also went to meetings with the Department of Agriculture, including the minister. I believed that the program as suggested was fine and would work. When the program finally came out with the AIDA forms, it became obvious that the program would not work. It is obvious today that it did not work and that it will not work.

I am aware of only one group that reacted immediately when the program was delivered. The Canadian Federation of Agriculture said it was a good program, but within a month they had changed their minds. When they saw how the system would work at the farm gate and where the money would go, the CFA withdrew their support. Not one farm organization in Western Canada — and I cannot speak for the East — agreed with the AIDA program.

The provincial governments did not agree. The money was to be available in the first part of the year. The provincial governments were blamed for not coming on side. It was said that Saskatchewan would not sign the agreement, but Saskatchewan had made their \$200 million available, had set it aside in January and February of 1999. They did not receive the agreement for signing until June.

What was the federal department doing? Why would it take the federal government that long to send out an agreement? The money of the Saskatchewan government, \$200 million, is there to be sent on a cost-sharing basis. It is not being spent because the federal government did not put their own money there.

Time is crucial for the agriculture community. We can talk about long-term programs. We can talk about what will happen in the future, but the crisis is now. It is not tomorrow. It was a month ago or six months ago. Let us deal with the crisis. Let us get that money into their hands.

We are talking about additional money. Yes, additional money is needed, but we can save a lot of family farms by spending the money that has already been committed. Why talk about the long-term program when the need is there now? Yes, there could be a long-term program. People who are not aware of the problems often ask how long this program will go on. They ask if this is a one-time shot or if it will go on forever. Perhaps it will be needed forever. If we are not prepared to provide what is needed, then we must level with the Canadian farmers and tell them to get out, that enough is enough and we will not subsidize them anymore. Let them go in dignity. Give them the money and say that that is it, but let the farmers go into other aspects of the community with some type of dignity, not while pleading and begging, not while starving, not while contemplating suicide. All those things are happening now. We must look at the facts.

We do not ask how long old-age pensions will be given out. We do not give old-age pensions for one year or two years and then cut them cut off. As a nation, we agree to help support those people forever. We will support the youth and the low-income families forever, for as long as they are there. When it comes to the agriculture community, however, this extremely important part of our nation, we ask if they will be wanting more money next year.

Do we want an agricultural industry in this nation? We must decide. Let us decide if we want this industry or not. What about the marketing boards? We are in the process of giving away our

balances there on world trade. We will soon be in trouble in those industries as well. There is no question about that. Then we will not be self-sufficient in our food supply. That is the crucial aspect. If we let these western farmers go, if we let the international market take over, then it will be argued that we should also let the Quebec farmers go and the Ontario farmers go, too. Then we will be importing food in this nation.

I went across this country for years talking about soil conservation, about the destruction of the family farm because of erosion and the loss of top soil. I did that because we, as a nation, must be prepared to feed ourselves. That is what the European community is doing. They insist that they be able to feed themselves. Canada says that we can bring in products from outside, but that is not the answer. We must be able to feed ourselves.

I wish that the Honourable Senator Carstairs were here. She referred to the difficulty of the AIDA forms. She was right. There were 45 or 47 pages of instructions for the 7-page form. Senator Carstairs said we should have hired students to help them fill out the forms. The Department of Agriculture did provide assistance; people went across Western Canada explaining how to fill out AIDA forms. Why did they not just make up a more simple form? No, they would rather spend thousands of dollars explaining how to handle these 47 pages.

These difficult forms were not sent out until March or April and then they were not widely available. The Department of Agriculture told me that I could get the form off the Internet. Have they never been to Saskatchewan, to a struggling farm? How many of our people at that time were on the Internet?

I could not get a form. Finally, the Department of Agriculture in my community received two forms in May. They photocopied them and made copies available to us. We are talking now about something being wrong with the agricultural industry. We are getting the message that we should get rid of those inefficient farmers. The minister says that if someone cannot make a go of it, he should get out. That is one answer, but our farmers are not inefficient. We got rid of the inefficient farmers 20 or 30 years ago. I made this statement before and I will make it again. As Senator Spivak knows, if we keep getting rid of those we consider to be inefficient, we will end up with one farmer. Then we will be saying that he is inefficient and we must get rid of him. Corporate farming will be in place with full integration, and the farmers will have lost everything.

• (1740)

In Saskatchewan, in the next 20 years, unless something happens, we will have two communities, the urban cities of Saskatoon and Regina. There will be nothing left in the rural communities. The small towns have been disappearing and they will disappear completely. What kind of province, what kind of country, would let that happen? Those are the issues we must examine.

There is talk about the Prime Minister coming to Saskatchewan and having a look for himself. He does not have to go there. We have all the people coming here to get the message across. If he flies out and puts on rubber boots for a half day, that will not tell him the story of Saskatchewan. If he comes to my farm, I will give him rubber boots to go into the cattle corrals. That is not enough. Surely the message is coming across from every source.

Today, the Leader of the Government in the Senate kept passing this message on. I am sorry he is no longer in the chamber; he may not understand the situation. There is a problem and the defence being mounted is to defend the action of no action. They keep saying, "We will do this and we will do that." In the interval, we are in a real problem.

We talk about the cooperation of the provinces. The money that the provinces agreed to give is there; we just have to get it out. The Minister of Agriculture keeps saying, "There is lots of money in NISA." That is a program into which both farmers and the government put money. The figures for August, which are the latest figures we have for NISA, show that 22,000 farmers out of our 58,000 farmers have less than \$2,700 in that account. He keeps saying, "There is lots of money there." Yes, there is \$1 billion in the account, but some of the big farmers have averages of between \$197,000 and \$300,000 in it. It does not take many big farmers to use up all that money. For those people who are going broke, the money does not exist. It is not there.

As of October 20 under the AIDA program, we had 6,800 claims paid in Saskatchewan. The average payment, as was mentioned earlier, was \$10,479. The Department of Agriculture said, "There will be some big payments going out soon, and that will increase the average considerably." What good is that to the fellow who is receiving only \$10,000? It does not help one bit, because some of the big farmers are receiving well over \$100,000 out of the program. If there are a few who receive \$100,000 or more, of course that brings the average up. However, they are not the farmers we are worried about. We are worried about the 30,000 we will lose. I have used that figure now for one year. We will either lose these 30,000 farmers completely or we will lose the young farmers who are coming up to farm.

I plead with the Leader of the Government in the Senate to take this message to the government.

The program which the farm organizations thought was coming out is not the one that is there now. That is why they are not agreeing with it. We are told that some changes will be made to it. It is easy to change that program now. We can say, "Throw it out and start again." That would be all right, too, except if it takes another year. I do not want that at all. Let us make the changes and get the money into the hands of people. There is \$1 billion. Get it into the hands of people. We will then worry about additional funds as they are required. Let us help the farmers who are now in trouble.

[ Senator Sparrow ]

**Hon. Ron Ghitter:** Honourable senators, first, I wish to thank His Honour for allowing this debate to carry on this afternoon. It is an important debate. I congratulate the speakers who have entered into the debate. As one who is not that familiar with farm life, I have learned a lot this afternoon. Senator Sparrow's intervention was excellent. Many of the things I wanted to say have already been said by Senator Sparrow and others.

I speak tonight as an urbanite, but as an Albertan, for whom the issues are somewhat different. As Senator Andreychuk said earlier, it must be understood that what may be good for the province of Ontario is not necessarily good for the provinces of Alberta or Saskatchewan. The economic circumstances and demographics are different. The people are different. The closeness to markets are different, and so on. As a result, you cannot say that what is good for Canada, with the numbers we have heard today, will necessarily strike a chord in Saskatchewan or Manitoba where they do not have the resources, the population or the economy and strength that we have in Alberta to assist the farmers in what they are doing.

One could play with numbers forever in the discussion today. I do not intend to do that. We have all seen them. There are certain fundamental questions that must be answered if we are to come to any positive assistance in this area.

The first question, which is a difficult one, is: Is there really a place for the family farm? Everyone in this chamber may say, "Of course there is!" However, there are areas in Canada, and in Alberta in particular, which may well suggest that the day of the family farm is coming to an end. It is easy to romanticize about the family farm. It is easy to speak in terms of the community feeling. Senators Tkachuk, Spivak and Sparrow talked about the importance of the family farm to our communities. They spoke about the feeling it engenders in people. They talked about the feeling of community and closeness that you do not get in the city. They talked about the basic fabric and culture that is created for our country, which is so significant.

Senator Spivak said that the family farm is to Alberta and the Prairies what language may well be to the province of Quebec. She said that the family farm may be what the forests represent to the province of British Columbia and what the fisheries represent to Atlantic Canadians. She is exactly right in her comparisons. It strikes at the very fibre of the existence and the perpetuation of all that is important to those of us who come from the Prairies.

When someone asks: "Is there a place for the family farm, when there is globalization, larger companies, and rationalization?" I, for one, say, "Yes, there is a very important place for the family farm." The family farm is the fibre of this nation. It is so important that we cannot let it slip away to lose what is so significant and deeply embedded in our society and our nation.

If we accept that it is important to maintain the rural communities of this country, and whatever the family farm might mean to different people, then there is one thing that they must have. Like any business, and it does not matter if it is in the fisheries or in the oil and gas industry, there is one thing that is needed to survive in business. Any business person will tell you that that one thing is stability. If you do not have stability, predictability or a sense of planning so that you can anticipate what will go on next year, then you will always be struggling. You will always be wondering and running to the bank pleading for assistance. You will always seem to have your hand out because you will never have stability.

In the years that I have been around in political life, I do not think that farmers have had any stability. There have been programs in Alberta, as Senator Taylor stated, that have worked. There was an assured base and a safety net to which farmers had access to overcome bad weather and all the things with which farmers must deal. However, they have never enjoyed a sense of stability that has allowed them to plan and to continue to provide us with the products that are so important and dear to us.

Some of the speakers today spoke in terms of getting into the jurisdictional issue again. The Leader of the Government in the Senate said, "The provinces are involved." We have heard that so often. We are told, "It is their fault." I could recite to honourable senators from a list I have, which representatives from the Province of Manitoba read when they made their presentation to the House of Commons Standing Committee on Agriculture and Agri-Food. It goes on for two pages about the federal government programs that have been withdrawn and the amount of money that has been withdrawn from agriculture, and then I hear today that the provinces are withdrawing some money.

• (1750)

The poor little Province of Saskatchewan is withdrawing money from agricultural aid. The Province of Saskatchewan does not have the money to provide agricultural aid, so today the federal government says, "You were supposed to come up with 40 per cent of the aid program, but you did not do it, so the federal government does not have to do anything." That is a cop-out. That is not acceptable. It is not acceptable for federal or provincial political leaders to say that it is not their responsibility. It is everyone's responsibility.

While we are throwing around a few dollars here and there, farm life in this country is diminishing and the crisis continues. More and more farms are being foreclosed, more and more farms are going out of business, and young people are leaving. All the things we heard about today are real and vital. They speak to what is happening in our country today. People are nibbling at the issue, not dealing with it. Our political leaders are passing the buck, and no one is coming forward with a program to provide the farmers with a sense of stability so that they can do their job, because we will need them in the long run. They will be vital to this country in terms of self-reliance, independence and all of the things we will need.

Honourable senators, we need a government that will stand forward and not send the premiers packing back to Saskatchewan and Manitoba with an empty basket. They do not want figures they have never seen before. They do not want to be told that, instead of minus \$48 million, there are \$20 million. They do not want to get into a war of numbers. That will not solve anything. We need a government that steps forward with a long-term plan to provide stability while working with the provinces.

Honourable senators, this is not new. This is not something that just happened yesterday. I remember the same kind of discussions and the same type of feeling back in the 1970s when I was in government in Alberta. The general feeling was that it was the federal government's fault or it was this person's fault. While all of this is happening, there are fewer and fewer farmers. The problems have been exacerbated, and now we are really in a crisis. I am of the view that we have a serious situation in rural Canada, particularly on the Prairies. It is not good enough for the Prime Minister to send the premiers back home and say, "Do not worry, because we will decide what the numbers will be in another committee." It may be too late for that.

We need something as a stopgap until we get to these longer-term plans. Sadly, I do not see that happening. I see a passing of the buck and a battle of the numbers. I do not see people coming forward and saying, "What do we have to do to make ourselves whole and bring stability to this industry?" If it is important enough to do, then we should do it.

Yesterday, Mr. Martin did not even comment on the farm situation when he was talking in terms of the financial projections and what to do with this so-called surplus. He talked in terms of aid for children, and so on, all of which is laudatory, but within that package there are children in families in rural Alberta and rural Canada. What about them? Why are we not talking about agriculture? Why are we always passing the buck and not doing anything about it?

Honourable senators, it is time for stability. The farmers deserve that. If we believe in the significance and the importance of our rural community, then we must do something about it. It is time that the rhetoric stopped. It is time that the leadership started. It is time to provide a measure of stability to rural Canada.

**Hon. Joyce Fairbairn:** Honourable senators, I, too, wish to thank His Honour for agreeing that this is an appropriate subject for emergency debate and thank my friend Senator Gustafson for bringing it forward.

I agree with much of what has been said. This is not a debate about statistics. This is not a debate about blame. This is a debate about people. It is about the hardships of today in terms of individuals, in terms of families and children, and in terms of the prospects for tomorrow. There are prospects for tomorrow in terms of stability in our agriculture and opportunities in world trade.

I have listened to all of the speakers. Every one of them has, with varying degrees of vigour, stated the issue and the factors that bring us here this afternoon to talk about our farmers. In particular, I listened with understanding to Senator Gustafson. It is not the first time I have listened to Senator Gustafson by any means. I have the privilege of being on the Senate Agriculture Committee which he chairs with great ability and heart.

For those who do not understand the politics of the Senate, it is a place where people with differing political points of view can respect each other and form lasting friendships. They also can and do share deep concerns about issues affecting the lives and the well-being of citizens wherever they live in this country. That, perhaps, is one of the most unknown strengths of the Senate of Canada.

No one, honourable senators, who comes from Western Canada, in particular the major agricultural areas of that region, can fail to hear, to see and to understand the pain and the insecurity of farm communities and farm families, of small rural towns and those who do business in them in the hard times, be they extremes of weather, of floods, of droughts, of disease, or the pressures of international trade which cause Canadian farmers to see the price for the best products in the world drop continuously in the face of massive subsidization in other nations.

We have heard the evidence and the stories from every area of this industry in our Agriculture Committee as we prepared a report for the government on messages Canada should carry forward to the upcoming world trade talks in Seattle. Our report, "The Way Ahead: Canadian Agriculture's Priorities in the Millennium Round," contains strong recommendations for the upcoming talks that begin later this month.

Even more important, though, is that each of us has heard about the hardships and the opportunities on the ground in the West — not in committee rooms here in Ottawa, but in our home areas and in our provinces. We have listened to the voices. We have looked into the eyes and the faces of those who are in serious trouble through forces well beyond their control. These past few months, I have visited all the Western provinces. I have heard and talked with a wide variety of farmers — sometimes with colleagues, often on my own in my area of southwestern Alberta. There is no question that in Saskatchewan we heard a great deal about the ravages of rain on farms in southeastern parts of that province and in southwestern parts of Manitoba. I have spoken with farmers who twice tried to seed their land, only to have it all washed away. They are in very hard times in terms of income. There will be no crop, and they cannot find jobs. Some of us here in this comfortable chamber do not realize that, because they own their land, whether or not it is producing a single blade of grass, they do not qualify for welfare, and they are worried about their ability to feed their families.

We heard from some of them last week, as colleagues from both sides of this chamber met with members of the delegation

that came to Ottawa from Saskatchewan and Manitoba seeking transitional funding for farmers during the next few years, the period where perhaps sanity will come, at least in small measure, through the trade talks and through a spirit, hopefully, of understanding and goodwill.

• (1800)

We heard about the Agricultural Income Disaster Assistance program and how it was not working in the manner intended by the federal government and its partners in the provincial governments.

I should like to put some names and some faces to the people who came here last week. This was only a part of the delegation. We heard from Leon Lueke, of the Saskatchewan Pork Producers; Alfred Wagner, of the Pro-West Rally Group; Noreen Johns, a passionate woman, deeply troubled, from the Saskatchewan Women's Agricultural Network; Don Dewar, from Keystone Agricultural Producers; George Groeneveld, from Agricore; Wayne Motherall, from the Association of Manitoba Municipalities, which usually stays out of these kinds of issues, but since the small towns are hurting, the big ones are coming to help. We talked to Clay Serby, Minister of Municipal Affairs, Culture and Housing from Saskatchewan; to Dwain Lingenfelter, the Deputy Premier and Minister of Agriculture; and to Ms Donna Harpauer, MLA, of the Saskatchewan Party. From Manitoba, we talked to the leader of the Liberal Party, Dr. Jon Gerrard, who is an old friend from his period of time when he served as a member of Parliament in the House of Commons.

Clearly, we who must speak on behalf of that region in this house should not focus entirely on the statistical warfare that erupted from the discussions that took place last week. We should not let ourselves be distracted from what truly is the main event, which is to make the maximum effort possible to help the farmers in difficult circumstances. I believe, honourable senators, that we will have a response, and we will have it very soon, to amend existing programs, to get money out, to listen to the farmers who said that \$900 million was great except it did not come fast enough and it did not go out in a way that did the most good. We must respond to that, honourable senators, and I have every confidence that we will. I believe that there will be adjustments and changes and commitments to make the programs work.

Much has been said today about the question of whether anyone cares. We must ask ourselves: Has this country become so insensitive to its history and its present that we can ignore what is happening, not in the mainstream, not on television every night, not in our big urban centres, but across some of the most incredible reaches of our country that we would trade for nothing in the world? It is for that reason that we can never give up on our farm community. We do care. In today's world, we know that agriculture is one of the most volatile of all industries and that there is an urgency.

As I said, the government and the Minister of Agriculture will be responding with changes very quickly because, honourable senators, we do not want to lose that way of life as it has been described today. We want to secure it. We want to expand the opportunities for our farmers, not for multinational companies. We want to strengthen the connecting links between our rural communities because they are indeed the heart and soul of our regions and of our country.

I come from a wonderful little city called Lethbridge. I love it dearly, but I also love those little towns around it in the agricultural area that bring prosperity and strength to this small city in my province — towns like Coaldale, Coalhurst, Picture Butte, Stirling, Taber, Warner, Raymond, Magrath, Cardston, Stand Off on the Blood Reserve, and our historic Fort Macleod, which contains so much of the history of the RCMP, and up into the mountain passes, through Pincher Creek, and Bocket on the Peigan Reserve. Those are the places of agricultural strength in the land from which I come and where my grandfather and grandmother were pioneers.

It is useful to reflect sometimes on what Canada was like out there at the beginning of this century. There were no big buildings and factories. There were farms and there were people who came from every part of the world in tiny, brave groups. My own maternal family came up from the dust bowl of Iowa to find something better, and they settled, Senator Gustafson, around North Battleford, Saskatchewan, which is where my mother was born. That is what gave our country its foundation. Today, a century later, we are communicating through technology, through computers, but when it comes right down to it, across those distances, what the folks in those small towns really want is to see and talk to and listen to another human being. That is one thing that anyone who serves in a legislative chamber in any part of this country forgets at his or her peril. We forget it at the peril of the unity of our nation. People want to have the human connection. With all the glory that technology brings, it does not replace the human connection.

Therefore, as I said at the beginning, honourable senators, this debate this evening has indeed been about people. Despite the skepticism of some of my friends opposite and some of my colleagues on this side, I do believe that people remain the prime consideration and the priority of this government and this Prime Minister. It will respond and he will respond.

**The Hon. the Speaker:** Honourable senators, before we hear the Honourable Senator Gustafson, the rules are silent on the matter of six o'clock during an emergency debate. Nevertheless, I felt that it would be the wish of the Senate that I not see the clock, so I did not interrupt the Honourable Senator Fairbairn. I presume it is your pleasure that I not see the clock.

**Hon. Senators:** Agreed.

**Senator Gustafson:** Honourable senators, I will not be long. I first wish to thank His Honour for permitting this debate. I think it was an admirable decision. I also wish to thank senators on the both sides of the house. This is a day when I am proud of

the Senate because I think we are beginning to do the work that should be done in this place.

We have a very serious problem in our agricultural community, and it has been recognized by speakers on both sides of the house. There have been misunderstandings, but those who sat on our Agriculture Committee will know — and I will go so far as to say — that the government was not completely to blame in bringing in the AIDA program. I stand to be corrected, but it was really fashioned by the Federation of Agriculture. It was done on the spur of the moment to deal with the hog situation. Hogs were selling at Torquay, Saskatchewan, for \$10 apiece. Mr. Marcotte placed an ad in the paper stating that, if you could, come and buy a hog for \$10. The result was that the hog producer who had high prices and then met the 70 per cent average over three years received a payment. However, it did not work for the rest of Canada and it did not work for the farmers producing grain. That program did not work at all; therefore, it must be changed.

• (1810)

Honourable senators, Saskatchewan does not have the tax base to meet a 40-60 split. I will be very frank. Alberta has the money to meet that commitment. They could even pay more. Alberta farmers will get more, but what happens in Saskatchewan?

Additionally, there was talk about the provincial governments being negligent. They were. They balanced their books on the backs of the farmers. They took our GRIP payment. Alberta received \$58,000 per farmer in the last year in which the GRIP was paid, Manitoba received \$43,000, and I received a bill for \$320 on my farm. Anyone who says that would not have some impact is wrong.

We are now talking about the mistakes of the past, and we cannot let that happen again. Agriculture is an important industry to Canada. My grandfather came to Saskatchewan in 1905. He mentioned to us many times that he was proud that he could pay his taxes in the 1930s. There is a tax revolt out there today but, as the reeve of the Municipality of Wellington said, it is not because the farmers do not want to pay their taxes. They simply do not have the money to pay them.

We must make some decisions and, as Senator Sparrow said, those decisions must be made quickly because seeding comes early. When we talk to farmers and the farm groups, what do they say? They ask what they should do next. The question is how many farmers will be able to seed a crop? That is a very disheartening thing.

I saw my neighbour, a young farmer, harvest a beautiful crop of rye. He told me that the best price he could get was 78 cents a bushel. That barely paid for the fuel to take the crop off.

That scenario can be repeated again and again. There are farmers who have crops that are frozen. They are getting 88 cents for frozen wheat. Farmers are getting \$2.05 a bushel for durum wheat, while their American counterparts are guaranteed \$5.50 a bushel. How will they survive?

Will the Americans and Europeans eliminate their subsidies? No, they will not. I am not even sure they should. One of the major problems in the world today is that the countries that need the food have no money.

At one time, Canada had boats filled with wheat leaving from Vancouver heading for Russia, and the wheat was never even ordered. Those boats were just sent off, and the wheat was automatically purchased by the Russians. However, Russia is broke today. The Russian government has no money to buy wheat. The agriculture minister from Russia appeared before the Senate committee and told us exactly that.

I could name other countries. The problem is global. At the meetings in Seattle, which begin on November 29 and continue until December 4, I hope that a measure of common sense will be applied to this global problem.

More important, the Government of Canada and we in the Parliament of Canada must deal with this major global problem. We all know of countries that cannot afford to buy the food but would gladly eat it if they had that food. This is a major problem. It is a sad day when we have the ability and the machinery to produce like we have never been able to produce, but we do not have enough common political sense to feed a world that is hungry. No one has been able to figure that out.

A number of senators presented cost figures. Take rye, for example. I profess to be a teetotaler, but look at the money in taxation that is made out of rye whiskey — 79 cents a bushel. Barley and wheat are other examples. Is this important to Canada? I say it is important.

I commend the senators here today. Each of us has a job to do. I am not here to discourage the government. I am here to encourage them to do the right thing for an industry that is important to Canada. We must and we will build a better Canada.

In closing, honourable senators, I give notice that tomorrow, Thursday, November 4, 1999, I will move:

That the Senate recommend to the Government of Canada that it pay \$1.3 billion immediately to western farmers, as

requested by the western premiers. This payment should be made through the Canadian Wheat Board in the form of an acreage payment.

**The Hon. the Speaker:** Honourable Senator Gustafson, I regret to inform you that I am unable to accept the notice of motion at this point, unless there is unanimous consent.

**Hon. Eymard G. Corbin:** Have we not suspended the sitting? This is a special debate, which does not entail any motion.

**The Hon. the Speaker:** I cannot accept a notice of motion unless Senator Gustafson requests unanimous consent.

**Hon. Noël A. Kinsella (Deputy Leader of the Opposition):** We have asked for leave.

**Hon. Dan Hays (Deputy Leader of the Government):** Honourable senators, I believe that we should reflect upon some considerations. First, the motion for which Senator Gustafson wishes to give notice involves the expenditure of money, and I am wondering if that is appropriate.

**Senator Gustafson:** It is a recommendation.

**Senator Hays:** In addition, my understanding is that with the emergency debate, there is a motion of adjournment, and that when the Honourable Senator Gustafson takes his place, the matter is adjourned. Therefore, I would question the order of giving a notice of motion in the course of an emergency debate.

**Senator Kinsella:** Are you denying leave?

**Senator Hays:** Yes.

**The Hon. the Speaker:** The notice of motion is not accepted.

Honourable senators, it was moved by the Honourable Senator Gustafson, seconded by the Honourable Senator Cohen, that the Senate do now adjourn. Under rule 61(3)(a), the motion is deemed adopted. Therefore, I leave the Chair to return at two o'clock tomorrow.

The Senate adjourned until tomorrow at 2 p.m.





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