



Debates of the Senate

2nd SESSION

•

36th PARLIAMENT

•

VOLUME 138

•

NUMBER 68

OFFICIAL REPORT
(HANSARD)

Monday, June 19, 2000

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THE HONOURABLE GILDAS L. MOLGAT
SPEAKER

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

Debates and Publications: Chambers Building, Room 943, Tel. 996-0193

Published by the Senate

Available from Canada Communication Group — Publishing,
Public Works and Government Services Canada, Ottawa K1A 0S9,

Also available on the Internet: <http://www.parl.gc.ca>

THE SENATE

Monday, June 19, 2000

The Senate met at 8:00 p.m., the Speaker in the Chair.

Prayers.

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, before we begin tributes to the Honourable Senator Perry Poirier and the Honourable Senator Ruck, I should like to advise you that in our gallery is Mrs. Joyce Ruck and her son, Douglas.

Hon. Senators: Hear, hear!

THE HONOURABLE CALVIN WOODROW RUCK, O.C. THE HONOURABLE MELVIN PERRY POIRIER

TRIBUTES ON RETIREMENT

Hon. B. Alasdair Graham: Honourable senators, I think all of us in this chamber tonight have reflected at sometime or another on the beautiful words of Dr. Martin Luther King, which he delivered in Memphis the day before his tragic death. He spoke about a dream, a dream that his children would one day live in a nation where they would not be judged by the colour of their skin but by the content of their character. That dream lived on. It lived on in all those people whose lives were shaped and guided by it and in all those people who believed that the challenges and injustices and inequities in life could always be beaten. Yes, they could always be beaten by the indomitable power of the human heart and the human spirit.

Senator Calvin Woodrow Ruck has spent a long, fulfilling lifetime guided by that dream, guided by the content of his character. In all the years he worked as a labourer and a porter with the CNR, and as a cleaner at CFB Shearwater, he kept his heart and his mind focused squarely on the promised land of freedom. Whether he served in community development or as a social worker or as a human rights officer who played a key role in the desegregation of public accommodation, Cal always looked with the heart. He would give freely of his time and his energy to the Nova Scotia Association for the Advancement of Coloured Peoples, among many others, winning a long list of honours in this country as a result.

• (2010)

Tonight I refer to only a few of these, such as the Certificate of Honour from the Black Hall of Fame, the National Harry Jerome Award, along with an Honorary Doctor of Laws Degree from Dalhousie University. In 1995, he was made a member of the Order of Canada.

Senator Ruck has spent a lifetime fighting for a country in which our children and our grandchildren will have the fair opportunity to do their very best, a country where they will have the right to grow up equal, a country where children would not be judged by the colour of their skin but by the content of their character.

Calvin Ruck rarely missed an opportunity to proudly remind us in this chamber of the enormous contribution made to this country by black veterans in both world wars. Tonight, we bid adieu to a man who has always distinguished himself from those who may have the privilege of sight but who do not have the rare gift of vision. He has distinguished himself from those who fail to understand that the real things in life, such as hope and compassion, tolerance and human rights, are often invisible to the eye.

Calvin, it has been an honour and a privilege to have served with you in this chamber, and I join all honourable senators in wishing you and Joyce and Douglas — who is with his mother up in the gallery tonight — good health and much happiness in the years that lie ahead.

Honourable senators, all of us who know and love Atlantic Canada would agree that one of the loveliest sights that graces the landscape is —

[*Translation*]

...the tricolour flag, with its star, a mark of national pride...

[*English*]

The beautiful Acadian flag has flown proudly over a warm and talented people — a people who faced one of the cruellest events of the colonial period, the tragic deportations of 1755 to 1763.

While the star represents the Assumption, the special feast day of the Acadian people, it was also designed to symbolize the star of the sea, which guided sailors through tempests and around threatening reefs. In fact, the star of gold is a symbol of a people who travelled with courage and strength across some of the most turbulent and troubled waters on the planet. Because of the hard work and dedication of local educators and community leaders, like retiring Senator Melvin Perry Poirier, this colourful, proud, culturally rich and vibrant people continue to follow that star.

An accomplished educator, Senator Perry Poirier has been the leading promoter of the Acadian culture on Prince Edward Island. His distinguished 34-year teaching career culminated with his 15-year tenure as principal of St. Louis School in the gentle province where the Fathers of Confederation negotiated the Terms of Union and conceived the great national dream.

All the while, Senator Perry Poirier earned special recognition and respect for his continuing fight for the linguistic rights of the Acadians on the Island, which included service with the St. Thomas Aquinas Society, La Voix Acadienne Itée, and Entente Canada Communauté.

In the Senate of Canada, Senator Perry Poirier has continued to serve with equal dedication on the Fisheries Committee.

A teacher affects eternity, it was once said. He or she can never tell where their influence will stop. Tonight, as we wish Senator Perry Poirier much happiness in his retirement from this chamber, we think of the proud esprit de l'Acadie that he has helped so much to foster. We think of a nation that has fought all the vicissitudes of history, and, following its star, now basks in the sunshine of proud accomplishment.

We remember, as we say au revoir, that it has been the hard work and vision of Acadian educators like Senator Perry Poirier that has helped to keep the dream alive, no matter where they or their cousins throughout North America may live and flourish, under the proud flag of the star of the sea, and into a shared new chapter in a courageous history.

[*Translation*]

I wish Senator Perry an excellent retirement and many happy times with his entire family.

[*English*]

Hon. J. Michael Forrestall: Honourable senators, it is difficult to imagine summing up the life of anyone, let alone the life of the Honourable Calvin Ruck, who is a Cape Bretoner, a Nova Scotian, a Canadian, and a staunch defender of his culture. Few in this chamber can begin to understand the experiences of a black community activist in the Nova Scotia that I have known so well through the 1960s, 1970s, 1980s, 1990s and through to the year 2000.

The Honourable Calvin Ruck, as honourable senators know, was born in Sydney, on Cape Breton Island, and attended Sydney Academy. He started his life there, as Senator Graham has just indicated, as a labourer with Dominion Steel and Coal, and went to work as a porter with Canadian National Railway. He then worked as a cleaner at CFB Shearwater — a place where I spent a large part of my life playing basketball, and as a member of the sea cadet corps. Senator Ruck spent a number of years there. He was a voter. I am not sure quite how he voted, but I could guess.

In 1968, Senator Ruck went to work as a community development officer, serving in that position until 1981. During that period of time, he attended the Maritime School of Social Work, at Dalhousie University, where in 1979 he earned a

diploma in social work. What must have been for him years and years of built-up desire finally found the moulding and the training that allowed him to pursue his greatest goals, and those, of course, related to his community.

From 1981 to 1986, Senator Ruck was an unpaid adviser to the Human Rights Commission of the Province of Nova Scotia. He tirelessly worked to eradicate the last vestiges of segregation in our province, for which all Nova Scotians are eternally grateful. God bless Senator Ruck for that. I know Nova Scotians join me in that sentiment.

From 1986 to 1990, he was a community school coordinator at the Dartmouth School Board. It was a worthy record of public service that Canada and Canadians were not finished with the Honourable Calvin Ruck, and he was thus called to the Senate.

Honourable senators, Calvin has been honoured, as Senator Graham has said, time and again for his service to black Nova Scotians, Nova Scotia, and indeed Canada. He received the Certificate of Honour in 1981 from the Black Hall of Fame, the Freda Vickery Award for Social Work in 1987, the National Harry Jerome Award in 1992, the 125th Canada Anniversary Medal, an Honorary Doctor of Laws from Dalhousie University in 1994, and was appointed to the Order of Canada in 1995.

• (2020)

As a personal note, some of you will know that I am a great fan of military history, and Senator Ruck's work entitled "The Black Battalion 1916-1920, Canada's Best Kept Military Secret" is a worthy addition to our understanding of the First World War, Canadian society at the time, and the experience of black Canadians.

This hallowed place has been made all the richer due to your valued ideas and experiences, Senator Ruck. It is my hope that you enjoy your years of retirement with your wife, Joyce, and with your family.

Never have I seen you without a smile on your face, a smile I hope and know sprung from a job that you feel so far is half but very well done. We look forward to the next half.

Hon. Senators: Hear, hear!

[*Translation*]

Hon. Joan Fraser: Honourable senators, Senator Perry Poirier was appointed to the Senate only a few months ago. I should like you all to know how much I have appreciated having him here, first, for all that he symbolizes: the perseverance of the Acadian community of his Island, kindness, dignity and a constant willingness to help. He has shown those qualities to me, personally, and I shall never forget him.

[English]

As for Senator Ruck, I was fortunate enough to be given the seat next to his on the day I first arrived in this chamber, and I have been fortunate enough to share a seat with him ever since. We were talking soon after I arrived. He told me something of his history, some of the history that has been recited by my predecessors in this debate. He told me about how, when he was a porter on the trains, he was a porter because in those days that was all a black man could be. Black men were not even allowed to work in the kitchens on trains. They were not allowed to peel potatoes for the white people to eat. He told me about the years he had spent studying and working. He told me about the time when he and his wife were buying land to build a house and the neighbours on the street took up a petition to say he should not be allowed to move in there because he was black and they were not.

Senator Ruck told me a number of things that made me ashamed for my country, but what struck me most forcefully was that he told me these things with an absolute absence of rancour. He told me these stories as lessons that should be known because we must know from where we come, all of us, but he told them with absolutely no rancour, no resentment and no bitterness, only with an equally absolute tenacity for the search for justice. These stories were, and remain to me, a most moving testimony about what one Canadian can do, starting from even the most extraordinary handicaps.

It has been a privilege for me to sit beside Senator Ruck. Sometimes when I speak to audiences outside this chamber I tell them about his story. I see their faces shine at the beginning with shame but at the end with pride.

Senator Ruck, it has been an honour. I wish you and your family much happiness in your retirement.

Hon. Mabel M. DeWare: Honourable senators, I am pleased to add my voice personally, and on behalf of my colleagues on this side of the chamber, to those paying tribute this evening to our colleague, Senator Melvin Perry. At the same time, I am saddened by his imminent retirement from our ranks. We shall certainly miss him.

Although Senator Perry has not served as long as some in this chamber, he has, in his relatively short time with us, distinguished himself as a man of intelligence, integrity and compassion. These are qualities that stood him well in his 34 years as an educator and that enabled him to help prepare so many young people for successful careers and adulthood. The students at St. Louis School were lucky indeed to receive his guidance and counsel, both as a teacher and as a principal. His local community, as well as his fellow Acadians in Prince Edward Island, also knew the benefit of his hard work and dedication to many worthwhile causes in the community.

[Senator Fraser]

The people of Canada, and Prince Edward Island in particular, as well as the province's Acadian community, also have reason to be grateful for the contribution Senator Perry has made to national affairs.

They are not the only lucky ones, honourable senators. We are fortunate he has shared his experiences and ideas with us, too. He has added to the public debate on a variety of issues that have aroused his passion and his sense of justice. He spoke eloquently in the chamber on a number of occasions including, as honourable senators may recall, during the recent debate on Bill C-20.

Senator Perry has also worked hard as a member of the Fisheries Committee under the guidance of Senator Comeau to help ensure that the concerns of Canada's fishing community are properly aired and addressed, and I imagine he paid special attention to his own Prince Edward Island.

It is not surprising that Senator Perry is keenly interested in fishing issues, as he hails from our wonderful island which, incidentally, is one of my favourite spots. While I have not had the opportunity to spend a great deal of time with him personally, I must confess to a certain affection for his island, a place my husband Ralph and I visited on a great many sailing holidays.

Of course, the fact that Senator Perry studied in my home province of New Brunswick also raises him in my estimation.

I should like to wish Senator Perry many long and joyous days as he spends his well-deserved retirement in the sunshine and serenity of the island. Although he was fortunate that his wife, Anita, has been able to travel back and forth with him to Ottawa, I know that he will enjoy spending more time with her and the children and grandchildren. I am certain that they will be thrilled to have him home once again.

With that to look forward to, honourable senators, we in this chamber are sure to miss Senator Perry's contribution and his companionship more than he will miss us.

Hon. Sharon Carstairs: Honourable senators, it is my pleasure to rise this evening to pay tribute to our colleague the Honourable Calvin Ruck. He has been with us just a short time, but he has taught us a great deal about courage. Calvin Ruck has spent his lifetime in a series of acts of courage, and the dignity with which he bears the physical ailments that he now has is simply one more example of his fortitude and dignity as a human being.

Honourable senators, as many of you know, although I represent the province of Manitoba in this chamber, I was born and raised in the province of Nova Scotia. However, I grew up in quite a different atmosphere to that of Senator Ruck. While I was white, economically advantaged, and with opportunities for a quality education, Senator Ruck had to strive to achieve equality in an atmosphere that was far less than equal.

My one regret is that it took me until I was a university student to understand the blatant discrimination in my city and province toward the indigenous black community. I did not learn these lessons from black Nova Scotians. I learned them from foreign students from the Caribbean who taught me of their difficulties in finding accommodation, getting services like haircuts, and being served with dispatch in stores and restaurants. I simply had no contact with black Nova Scotians. Segregation may not have been the law, but it was quite often the fact.

• (2030)

Senator Ruck grew up experiencing every one of these things and much more. What has inspired me since his arrival in the Senate is the courage and the strength of the human spirit that Senator Ruck possesses.

Senator Ruck has every reason to have a chip on his shoulder. He does not. He simply did not have time for such a chip to grow, as he was too busy fighting wrongs so that future children, his own, his grandchildren and all other black children in Nova Scotia would have the advantages that he did not.

In the summer of 1963, I was in Washington in front of the Lincoln Memorial when Martin Luther King gave his famous speech, "I Have a Dream." Senator Ruck has made that dream possible for many Nova Scotians of black descent by his courage, by his strength, by his dignity, and in a quiet way, although sometimes he was loud if the occasion called for it.

I thank him for all that he is and all that he has accomplished. Senator Ruck, it has been my privilege to call you a colleague.

[*Translation*]

Hon. Gerald J. Comeau: Honourable senators, I was sorry to learn at the start of this evening's session that the time had come to bid my good friend Senator Perry farewell. I should have liked to have had a bit more time to prepare a suitable tribute, but you will have to accept what I have to offer, Senator Perry.

I had the honour and privilege of sitting on the Fisheries Committee with you. I congratulate you on your commitment to your beloved province, Prince Edward Island, your great interest in promoting the fisheries, your work on the committee, and your general sense of commitment. I should add, former school principal that he was, Senator Perry had perfect attendance as a Fisheries Committee member.

Senator Graham has already mentioned your devotion to the Acadian community of Prince Edward Island. You have shown equal devotion throughout your whole time in Ottawa.

Senator Perry has always shared his sense of humour with his colleagues. He and Senator Mahovlich have become great friends. They were certainly the Mutt and Jeff of the Fisheries Committee, but I do not know which was Mutt and which was Jeff.

I should like to talk about the whales at Tofino on the coast of British Columbia, where Senator Perry tried to persuade Senator Mahovlich that one of the rocks in the ocean looked like a Prince Edward Island whale.

I must point out that the Fisheries Committee was the only committee in Ottawa with both a Perry and a Comeau as members! This was a good attention-grabber in many places.

It only takes a few minutes to get to know Senator Perry. He instantly becomes your friend. Even outside politics, I have never heard Senator Perry express a political idea that I could not support. It sometimes scared me to be that close to a Liberal, but maybe Maritimers or Acadians are like that.

Your fellow citizens in St. Louis are rightly proud of your contribution here in Ottawa, Senator Perry. Your stay with us has been too short, but quality, not quantity, is what counts. And while you were here, you did not sit on the sidelines.

As Fisheries Committee Chair, I greatly appreciated your presence, for you were always there to support me. On behalf of the people of St. Mary Bay in Nova Scotia, I say "au revoir", till we meet again.

In closing, I also wish to take this opportunity to wish Senator Ruck "bon voyage."

[*English*]

I did not get a chance to know Senator Ruck as well as I got to know Senator Perry, but from all of the esteem and the respect held for him by Nova Scotians, I can say as well that I think his stay here in the Senate was very welcome. He has been a marvellous representative of the people of Nova Scotia and of the people he tried to represent in a very effective way. I wish him goodbye as well as "bon voyage."

Hon. Catherine S. Callbeck: Honourable senators, I, too, wish to rise and add my voice to those paying tribute to our departing colleague from Prince Edward Island Senator Melvin Perry. Senator Perry was the first Prince Edward Islander of Acadian descent to be called to this chamber in over 100 years. This fact speaks to the high degree of respect in which he is held in our home province.

Soon after Melvin was named to the Senate, I was invited to a function in his community to honour his appointment. There was a huge crowd at that event. I think everyone in the area was there. There was a lot of excitement and people were extremely happy. In fact, one would have thought that everyone there had been appointed to the Senate. At that gathering, there was a tremendous sense of pride in the fact that one from their area would now represent them in the Senate of Canada.

Senator Perry comes from a proud Acadian heritage. As Senator Graham has already mentioned, throughout his career he has worked tirelessly to promote Acadian culture in the province of Prince Edward Island and he continued to do that in carrying out his senatorial duties here.

I know that all who have had the opportunity to work with Senator Perry in this place can testify to his hard work and his dedication. He was particularly active in the Fisheries Committee, and Senator Comeau, who is chairman of that committee, has just spoken to the great work that Senator Perry did in that committee.

Melvin, although you have only been in the Senate a short time, your presence and your dedication to the people of Prince Edward Island will be sorely missed. I know that back home in the province of Prince Edward Island, you will continue to work for the good of all. I wish both you and Anita many excellent years filled with health and happiness.

Hon. J. Bernard Boudreau (Leader of the Government): Honourable senators, today we are honouring an individual who has left an amazing mark on his colleagues in this place. I am proud to say as I stand here that Senator Ruck is from Sydney, as I am. Once from Sydney, by the way, always from Sydney.

Senator Forrestall: They will not hold that against him.

Senator Boudreau: Senator Ruck went to Sydney Academy, as I did, so I share that background with him.

Senator Forrestall: What happened to you?

Senator Boudreau: While I have only worked with Senator Ruck in this chamber for a relatively short period of time, I am familiar with his distinguished record of social activism in Nova Scotia. Also, I had the pleasure of a close association from time to time with his late brother, Winston, who was president of the United Steel Workers of America and was very kind and patient in educating a young and inexperienced labour lawyer in Sydney. When I came to the Senate and met Senator Ruck, I quickly discovered that patience and kindness were Ruck family traits.

• (2040)

Senator Ruck has been well recognized as a social worker, community activist, volunteer, historian, a man who truly cares about his community.

Through his community development work and his writing, as Senator Forrestall mentioned, he has brought about a greater awareness and appreciation of the contribution that black Nova Scotians have made to his province and to his country. Senator Ruck has added a diversity of knowledge and cultural understanding to the Senate which is so vital to representing effectively all Canadians.

On many occasions, Senator Ruck has risen in his seat to speak about issues close to his heart. These include the contributions of the Black Service Battalion in World War I, the anniversary of legislation introduced in Nova Scotia concerning

human rights, and the appropriate marking of graves of black veterans in World War I.

Senator Ruck, you will be missed in this place. However, I am certain your family, your friends and your neighbours will be very pleased to have you back in Nova Scotia again on a full-time basis. We wish you and your family all the best in your well-deserved retirement.

Hon. John Buchanan: Honourable senators, this will sound almost as though I am repeating Senator Boudreau but I am not.

Like Senator Ruck, I am a native of Sydney. I shall say the same as Senator Boudreau, once a Sydney man, always a Sydney man. I am a Cape Bretoner. Senator Ruck is a Cape Bretoner. I worked in the Sydney steel plant. I was a member of the United Steelworkers of America. I knew the Ruck family of Sydney very well, in particular one very distinguished Ruck by the name of Winston who, over the years, became a close personal friend of mine, as Calvin knows.

I was very honoured, as I am this evening to tell honourable senators, that Calvin Ruck accepted an appointment to serve on the Human Rights Commission of Nova Scotia during my premiership.

I was present with him on many occasions in Dartmouth at the Black Cultural Centre of which I was made an honorary member. It was probably not at the same time as Senator Ruck was made a member of the Black Hall of Fame, but it was around that time in the early 1980s.

Senator Ruck's brother, Winston, was an extraordinary individual. I was very pleased to have appointed him to various boards in Nova Scotia, and Winston was always so pleased to serve on those boards with great distinction, as of course was Calvin over the years.

I like to look upon Senator Ruck as a social worker extraordinaire. I do not think there is anything — and Senator Forrestall would know more about this — that has gone on in social activism in the Dartmouth area with which Calvin Ruck has not been associated in one way or the other.

Calvin, you have been here in the Senate for two years. In that period of time you have made your mark here, the same way as you made your mark in Nova Scotia over the years in the field of social work and community activism.

As Senator Boudreau said, I know that Senator Ruck's family will be very pleased to have him home, but I want to tell honourable senators something about Senator Ruck. If you think for one minute that he will just go home and do nothing, you are very wrong, for Senator Ruck will continue to make his mark. He will continue to do things for others, which has been the mark of his life as a steelworker and as an employee of Canadian National Railways. Calvin Ruck will always be that person who, after graduating with his social work diploma, worked diligently with the black community of Nova Scotia and with many involved in social work and social activism.

[Senator Callback]

Senator Ruck, we shall miss you. I will miss your company on the flights to Halifax and coming back. Just being here with you over the last number of years made one feel very comfortable.

God speed to you and to your family as you leave the Senate of Canada.

Hon. Senators: Hear, hear!

Hon. Calvin Woodrow Ruck: Honourable senators, first, I wish to express my thanks and appreciation to the gentlemen and ladies who spoke on my behalf. Your kind words were very touching. I am pleased to know that people appreciate the efforts I have made to date.

Mine was a very unexpected appointment. I will tell honourable senators briefly how it all came about. I received a phone call from a gentleman claiming to be a staff member in the Prime Minister's Office who wanted to know if I would allow my name to go on the short list. I had no idea at all what the short list was for. It was all brand new to me. As my wife often says, I am not normally a person associated with politics. I think her exact words were, "He is not a political person." There is a lot of truth in that.

However, I have learned some things during my two years here. It has been a good experience. I have had a great deal of help from my fellow colleagues with respect to how the system works. It has been very interesting and very educational for me. After a number of years at home, taking it easy and doing a little gardening, this has been very good. I have met some wonderful people and we have come a long way.

I like the phrase "the winds of change" which people use when speaking about human rights. The remark was coined by the late Sir Harold MacMillan when he was prime minister of Great Britain. He pleaded with the people of South Africa to recognize "the winds of change." His words fell on deaf ears. However, Nelson Mandela then came onto the stage and they literally wiped out of the political scene those people who did not see them as equal persons.

I have had no problems here. No one rebuffed me. I did not run into any racism. We have come a long way, and we still have a long way to go.

To finish my story, when the gentleman from the PMO called I put him on hold for a period. I then told him that I had to think about it and discuss the matter with my wife. It is not an easy matter to just close your house up, put a lock on the door and go off. We thought about it for awhile, and my wife was in favour of it. When he called again, I told him I was still giving it some consideration. Finally, a telephone call came from the Prime Minister himself. It is quite an honour to have the Prime Minister call. I put him on hold for a brief period while I was still thinking about it.

I am glad I decided to come to Ottawa. It has been a wonderful experience for me. I have learned something about Parliament

Hill. I knew nothing whatsoever about politics. As my wife says, I am not a political person. I have met some wonderful people here, some of whom I knew before. They have helped me along the way. We have come a long way in terms of race relations.

• (2050)

I recall my first visit to the city of Toronto. The train arrived late and did not serve any breakfast. A friend of mine, who had just got out of the army, and I decided to go to a restaurant not far from the CNR station, and we were turned away. When we asked why, we were told that blacks had caused quite a stir in the prior couple of weeks. We said that we were not from Toronto but were visitors to the city. That, apparently, did not matter. We have run into stumbling blocks, but the winds of change have blown.

Prime Minister Trudeau brought in the Canadian Human Rights Act. That legislation had a major impact on black communities and on my life. We do not have to be afraid now to go into barbershops. I recall going into a barbershop run by the president of the barber's union in Dartmouth, Nova Scotia. I do not know if other honourable senators have ever sat in the chair of an angry barber. It is a frightening thing. He was angry because he knew I was within my rights to receive service from him. I told that barber that to refuse to serve me was to break the law. The human rights people visited him and straightened him out. We have come a long way, indeed.

Honourable senators, this is a wonderful country in which to live. Conditions have improved considerably in Nova Scotia. One thing I have learned from living in both Nova Scotia cities is that Sydney is light years ahead of Halifax in terms of race relations.

Some Hon. Senators: Hear, hear!

Senator Ruck: I worked alongside Cape Bretoners in the steel plant at Devco and got along quite well. Minority persons, blacks and immigrants from Hungary and other Western countries had the same kind of problems that blacks did. There was discrimination in terms of jobs to which blacks could aspire, but we made a living. Most of our relatives and friends came from the West Indies. They came to a brand new environment and climate. They found living in Sydney a wonderful experience. That city could serve as a model for the rest of Canada.

Hon. Senators: Hear, hear!

[*Translation*]

Hon. Melvin Perry Poirier: Honourable senators, when Senator Ruck spoke about the past, I could not help but think about what the Acadians went through a few centuries ago.

I am also familiar with the deportation of the Acadians. I am not going to talk about history this evening. I wish to thank all those who had such kind things to say about me. I am not sure if it is all true, but I appreciated it just the same.

I should like to take this opportunity to thank the Prime Minister, the Right Honourable Jean Chrétien, for appointing me to the Senate last summer, and also Senator Graham. I should also like to thank all those who helped me during my stay in Ottawa. I cannot name you all individually for fear of forgetting someone. Spending time among you in recent months has been quite an experience for me, a very instructive one.

[English]

Honourable senators, I wish to sincerely thank you all for the concern you have shown me. May you all have a very pleasant summer.

Hon. Senators: Hear, hear!

DISTINGUISHED VISITOR IN THE GALLERY

The Hon. the Speaker: Honourable senators, before I call for Senators' Statements, I should like to draw your attention to a particular visitor in our gallery, one of our past senators, the Honourable Joan Neiman.

Hon. Senators: Hear, hear!

SENATORS' STATEMENTS

THE LATE HONOURABLE JOHN WALTER GRANT MACEWAN, O.C.

TRIBUTES

Hon. Dan Hays (Deputy Leader of the Government): Honourable senators, when I returned home last Friday to Calgary, I noted at the airport that all the flags on public buildings and many flags on other buildings were flying at half mast. I learned that this was out of respect and in mourning for the loss of the Honourable John Walter Grant MacEwan, who is in his ninety-seventh year. I rise to pay tribute to him now.

Grant MacEwan was born in Brandon, Manitoba, in 1902. Although he was educated in Guelph, Ontario, and Idaho, having spent the beginning of his career teaching agriculture at the University of Saskatchewan and the University of Manitoba, it is as an Albertan that he will be remembered.

Grant MacEwan was a man who enjoyed a rich and surprising variety in life. It was after his days as an academic that he started, as he would say, "poking into politics."

Grant MacEwan was an alderman in the City of Calgary, a member of the Alberta legislature and a leader of the Liberal

[Senator Poirier]

Party of Alberta. Grant MacEwan was also a very popular mayor of the City of Calgary. It is in this capacity that I remember him best, as he succeeded my father in that role.

Shortly after serving as mayor, Grant MacEwan was appointed Lieutenant-Governor by Prime Minister Lester B. Pearson. Grant MacEwan proved to be one of Alberta's most-loved lieutenant-governors. During his time in office, he logged over 400,000 kilometres within the province, participating in countless events and touching fellow Albertans with his humour, honesty, thrift and modesty.

Grant MacEwan was also a prolific writer, storyteller and historian, having published 56 books in his long life. Albertans do not remember Grant MacEwan primarily for his public roles or achievements, but instead for what he represented. In a way, Grant MacEwan represented what Albertans most want to be and what we are at our best.

Grant MacEwan was able to relate to all people, no matter their station in life. His kindness, generosity, modesty and legendary thriftiness left lasting impressions on the province. His devotion to agriculture and history made him a remarkable combination of what great men are: a man of his time, yet deeply rooted in the past.

Grant MacEwan will be honoured by a state funeral on Tuesday. His leadership, vision, character and presence will be missed in Alberta and Canada. His example, however, will live on in the lives of the countless people he touched in his very meaningful life.

Hon. Douglas Roche: Honourable senators, I also rise to pay tribute to the Honourable Grant MacEwan. To reflect on the life of Grant MacEwan almost takes your breath away. He was a giant of a man. He was a professor, a writer, an historian, a conservationist, an agricultural specialist, a former mayor of Calgary, Alberta's lieutenant-governor, a philanthropist and an author of some 55 books.

It is hard to speak of Grant MacEwan without breaking out all of the superlatives.

• (2100)

I associate Grant MacEwan mostly with Grant MacEwan Community College in Edmonton, which carries his name and to which he came every year from Calgary, by bus, staying at the YMCA. So modest and humble was this great Canadian figure. He energized and inspired students with just his presence. To hear him speak was a thrill.

Although tributes to Grant MacEwan are pouring in and will culminate in a state funeral tomorrow, I believe the finest tribute came from his granddaughter, Fiona Foran, who said of her grandfather, "He was a person of the people."

Hon. Nicholas W. Taylor: Honourable senators, I, too, wish to say a word about J.W. Grant MacEwan. He was my predecessor for some years as Liberal leader in the Province of Alberta. In the early 1950s, when I first took an interest in politics, I worked on Grant's campaign. He was a great environmentalist, with an agricultural background. He was not a religious man, but he found a god in the birds, animals and flowers. His oneness with the environment appealed to me very strongly and is one of the reasons I joined the Liberal Party and stayed with it throughout the years. We always had a close friendship.

Grant MacEwan was six feet four inches tall, with a stride to match. When you talked with Grant, you had to have stamina because he was always going somewhere. You had to dogtrot alongside of him or you would lose the conversation.

As Senator Roche mentioned, Grant knew how to look after a nickel, not only his own but those of taxpayers. Whether he was mayor of Calgary or lieutenant-governor, he wanted to ensure that every penny went as far as possible.

Due to an inherited condition, I began using a hearing aid 30 or 40 years ago, at the same time as Grant MacEwan did. I recall discussing with him the use of batteries in our hearing aids. He told me that one battery had already lasted him two months, I believe. I asked how that could be. He said that as long as you keep your hair short, everyone can see your hearing aid and they yell at you. That way, you do not need to turn it on.

There is no use trying to gild the lily about Grant MacEwan, talking only about his achievements. I should like to tell some stories about his more human side.

In the late 1930s or early 1940s, Mr. Aberhart and Mr. Manning, Sr. of the Social Credit Party, the forerunner of our present Canadian Alliance Party, were very upset with the lieutenant-governor of the day who would not approve a bill, so they cut the heat off in government house and forced the lieutenant-governor to move out. They then auctioned off all the furniture for very little. Thereafter, lieutenant-governors, who were usually people of some substance, looked after their own living expenses when they relocated to Edmonton.

Grant was appointed lieutenant-governor in 1965 when Mr. Lougheed first became premier. Having no budget did not bother Grant; he rented a very modest home just north of the legislature, which is not the highest rent district of Edmonton by any means.

As premiers are wont to do from time to time, Mr. Lougheed had to call on the lieutenant-governor to get him to sign something. He called Grant around lunchtime to see whether he could come over, and Grant said, "Sure, come on over." I happened to be visiting at the time as well.

Grant had moved up from Calgary and wanted to save expenses. The premier must have been suspicious of such a modest looking bungalow. He came in to find that the only furniture in the place was one mattress in the corner of the living room and two apples boxes. Grant, a vegetarian, was cooking his soup on a Bunsen burner in the middle of the floor. The new premier of a province that was going to take over the world had to sit on one apple box while Grant sat on the other. I had to stand.

It was not 48 hours before Premier Lougheed had bought a nice home in a high rent district for the lieutenant-governor to live in.

I tell that story only to warn that the Governor General may expect to be thrown out, with furniture auctioned off, if descendants of that group come into power.

Hon. Joyce Fairbairn: Honourable senators, I, too, should like to say a few words of praise and adulation in remembrance of the late Grant MacEwan. Being a young country, Canada may not have as many heroes as other much older nations.

Grant MacEwan was born just before the Province of Alberta was created. He was a child of the Northwest Territories. He has done all the things and more that senators speaking before me have told of. In addition, he was a very special person over many decades to children in Alberta. He was a man full of joy, kindness and wit, and he never stopped learning. He conveyed that to the very end.

Also, regardless of the toll taken by the passing years, Grant MacEwan never wanted to be left out of the action. The last time I saw him was about three years ago at a pancake breakfast on the morning of the Calgary Stampede parade. He was out at the crack of dawn to participate in a great Canadian pastime.

Grant was a tremendous gentleman. His work in terms of writing and his heritage in terms of the college in Edmonton will always be remembered. Most of all, he will be remembered as a pioneer, a man of the people, and a man who very deeply loved his city of Calgary, his province of Alberta and his country of Canada.

Hon. Tommy Banks: Honourable senators, I wish to associate myself with the comments of previous senators in respect of Dr. Grant MacEwan, who was not merely an accessible person in all of his various careers but who actually reached out to the people and became, as Senator Roche has said, a man of the people in every conceivable way.

As we speak, thousands of Albertans are filing past the catafalque in the rotunda of the Alberta legislature, expressing their regret at his passing and celebrating his life. As senators have mentioned, there will be a state funeral tomorrow, which it will be my duty and pleasure to attend. I believe that Senator Taylor will also be there. We will mark the passing of a great Canadian.

• (2110)

Motion agreed to, on division, and bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

ROUTINE PROCEEDINGS

REPORT OF JUDICIAL COMPENSATION AND BENEFITS COMMISSION

BILL TO GIVE EFFECT TO THE REQUIREMENT FOR CLARITY AS SET OUT IN THE OPINION OF THE SUPREME COURT OF CANADA IN THE QUEBEC SUCCESSION REFERENCE

NOTICE OF MOTION TO REFER TO THE LEGAL
AND CONSTITUTIONAL AFFAIRS COMMITTEE

REPORT OF SPECIAL COMMITTEE

Hon. Dan Hays (Deputy Leader of the Government):
Honourable senators, I give notice that tomorrow, Tuesday,
June 20, I shall move:

Hon. Joan Fraser, Chair of the Special Senate Committee on
Bill C-20, presented the following report:

Monday, June 19, 2000

The Special Senate Committee on Bill C-20 has the
honour to present its

That the Report of the Judicial Compensation and
Benefits Commission, dated May 31, 2000, tabled in the
Senate on June 15, 2000, be referred to the Standing Senate
Committee on Legal and Constitutional Affairs, pursuant to
subsection 26(6.1) of the Judges Act.

FIRST REPORT

Your Committee, to which was referred Bill C-20, An Act
to give effect to the requirement for clarity as set out in the
opinion of the Supreme Court of Canada in the Quebec
Secession Reference, has, in obedience to the Order of
Reference of Thursday, May 18, 2000, examined the said
Bill and now reports the same without amendment.

APPROPRIATION BILL NO. 2, 2000-01

FIRST READING

Respectfully submitted,

The Hon. the Speaker informed the Senate that a message
had been received from the House of Commons with Bill C-42,
for granting to Her Majesty certain sums of money for the public
service of Canada for the financial year ending March 31, 2001.

JOAN FRASER
Chair

Bill read first time.

Some Hon. Senators: Hear, hear!

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

Some Hon. Senators: Shame!

On motion of Senator Hays, bill placed on the Orders of the
Day for second reading two days hence.

[*Translation*]

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

CRIMINAL CODE

Some Hon. Senators: Never!

BILL TO AMEND—FIRST READING

The Hon. the Speaker informed the Senate that a message
had been received from the House of Commons with Bill C-18,
to amend the Criminal Code (impaired driving causing death and
other matters).

Hon. J. Bernard Boudreau (Leader of the Government): At
the next sitting of the Senate.

Bill read first time.

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

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

Some Hon. Senators: Agreed.

On motion of Senator Hays, bill placed on the Orders of the
Day for second reading two days hence.

Hon. Marcel Prud'homme: On division!

[English]

SOCIAL AFFAIRS, SCIENCE AND TECHNOLOGY

COMMITTEE AUTHORIZED TO MEET
DURING SITTING OF THE SENATE

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

That the Standing Senate Committee on Social Affairs, Science and Technology have power to sit on Tuesday, June 20, 2000, at 5:00 p.m., 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.

ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES

COMMITTEE AUTHORIZED TO MEET
DURING SITTING OF THE SENATE

Hon. Nicholas W. Taylor: Honourable senators, on behalf of Honourable Senator Spivak, Chair of the Standing Senate Committee on Energy, the Environment and Natural Resources, with leave of the Senate and notwithstanding rule 58(1)(a), I move:

That the Standing Senate Committee on Energy, the Environment and Natural Resources have power to sit at 5:00 p.m. on Tuesday, June 20, 2000, for the purpose of hearing witnesses for its study of Bill C-11, to authorize the divestiture of the assets of, and to dissolve, the Cape Breton Development Corporation, to amend the Cape Breton Development Corporation Act and to make consequential amendments to other Acts, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto.

Hon. J. Michael Forrestall: Honourable senators, I am hard pressed to give leave. It is a dastardly thing being done to my friends.

Senator Taylor: Back to the coal mines!

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

Hon. Senators: Agreed.

Motion agreed to.

QUESTION PERIOD

CANADIAN HERITAGE FISHERIES AND OCEANS

REQUEST FOR MORATORIUM ON HERITAGE LIGHTHOUSES
WHILE FISHERIES COMMITTEE REVIEWS BILL S-21

Hon. J. Michael Forrestall: Honourable senators, I have a brief question for the Leader of the Government in the Senate.

As the leader knows, Bill S-21, to protect heritage lighthouses, is enjoying some measure of support. As the summer passes, many of Canada's heritage lighthouses might well be removed from the scene, destroyed, altered, sold and otherwise transferred or disposed of to the detriment of Canadian history, I suggest, with the exception of community trusteeships.

Would the minister undertake to go to his colleagues, the Minister of Canadian Heritage and the Minister of Fisheries and Oceans, and ask that they consider a moratorium with regard to the disposition of Canada's lighthouses and their outlying structures until such time as Bill S-21 has had a chance to be reviewed by the Standing Senate Committee on Fisheries?

Hon. J. Bernard Boudreau (Leader of the Government): Honourable senators, I understand that that bill is now before the Fisheries Committee. I will certainly convey that request to both ministers. I will probably have an opportunity to do that as early as tomorrow.

AGRICULTURE AND AGRI-FOOD

NOVA SCOTIA—INFESTATION OF
BROWN SPRUCE LONGHORN BEETLE

Hon. J. Michael Forrestall: Honourable senators, I personally thank the minister for that response. Might I ask, on a slightly different question but also involving the environment, will he be in a position tomorrow to give us a report on the status of the trees in Point Pleasant Park and whether there has been an extended infestation off the peninsula of Halifax and onto the mainland of the province?

Hon. J. Bernard Boudreau (Leader of the Government): Honourable senators, I do expect to be able to give a report on that matter to the honourable senator, and to the Senate generally, tomorrow.

[Translation]

FOREIGN AFFAIRS

DIPLOMATIC RELATIONS WITH NORTH KOREA— GOVERNMENT POLICY

Hon. Marcel Prud'homme: Honourable senators, there are some great developments going on internationally. I am referring to North Korea, where it was strictly forbidden to entertain friendly relations with a view to enhancing openness to the world and toward South Korea.

• (2120)

In order to play the role it is proper for us to play, and not to be one of the last countries to enter into diplomatic relations with North Korea, which seems to be wanting to open up more to the world, does the Government of Canada plan, like certain of the European countries, to establish diplomatic relations with North Korea?

[English]

Hon. J. Bernard Boudreau (Leader of the Government): Honourable senators, as we speak, I am not aware of any change in the position of the Government of Canada. As the honourable senator correctly points out, quite a remarkable development has occurred with respect to both Koreas, one that might not have been anticipated by much of the world.

I currently do not know the reaction of the government to that recent development, but I will make the inquiries of the minister to determine whether the position of the Government of Canada will change.

Senator Prud'homme: Honourable senators, I must say that some countries in Europe did not wait for the events of last week to establish a diplomatic relationship. Canada, having that kind of reputation, could only be a better player if the government were not to wait for a signal coming from our neighbour but were to exercise leadership.

Would the minister confer with his colleague and give us an answer before the end of this session? Perhaps the Leader of the Government will be able to come back with at least the beginnings of an answer.

Senator Boudreau: Yes, honourable senators, I believe I can give that undertaking, and I expect that I should be able to come back with some sort of answer before we rise for the summer. As well, I will convey the views of the honourable senator.

CHURCH COMMUNITY

INDIAN AFFAIRS—FINANCIAL SUPPORT FOR LAWSUITS BY FORMER STUDENTS OF RESIDENTIAL SCHOOLS— GOVERNMENT POLICY

Hon. Douglas Roche: Honourable senators, can the Leader of the Government in the Senate state that the government will respond favourably to a request for financial help by a number of churches facing hundreds of millions of dollars in legal costs and liability claims? This matter arises from suits launched by former residents of aboriginal residential schools who charge a deprivation of their culture, recognizing that the church schools were, in actuality, implementing government policy of the time. Does the government now recognize that it has a responsibility in this matter, especially since some churches have stated that they are facing bankruptcy over the issue?

Hon. J. Bernard Boudreau (Leader of the Government): Honourable senators, I am a bit uncertain of the precise question. The Honourable Senator Roche makes reference to some representations or requests that have been made of the government by the churches to cover legal expenses and so on. I am not specifically familiar with those requests.

I know that this is a serious issue that is before the government and before the churches. The churches I am most familiar with, from a personal point of view, would be those in my own province. I am not aware of any such request having gone forth from the Nova Scotian churches, or at least those with which I am most familiar. I will, however, make inquiries as to whether the government has received such requests, the details, and whether the government has formed any response.

Senator Roche: Honourable senators, I thank the minister for that response. I can inform him, however, that this is an extremely grave matter involving at least four national churches that conducted residential schools for a lengthy period of time in Canada's history.

Honourable senators, there are an estimated 5,000 to 7,000 suits now before the courts, and there is a great concern that the victims will be drawn into a lengthy legal process. This raises the question of an alternate dispute resolution process at which the government is looking, a process far superior to litigation. Alternate dispute resolution stands the best chance of providing reconciliation and a healing process that includes, but goes far beyond, monetary compensation.

Will the government take the lead in establishing this alternate dispute resolution process to bring about the dignified resolution of a tragic chapter in Canada's history?

Senator Boudreau: Honourable senators, I believe the alternate dispute resolution option is very interesting to the government. While I cannot make any definitive statements at this point in time, it bears further debate and investigation. One should take a balanced view on this issue because, as the honourable senator points out, the parties may be faced with exhausting huge resources, which will not help the process of reconciliation with the affected individuals and, indeed, the churches. On the one hand, one does not want to see resources used in that manner. The alternate dispute resolution method has proven to be quite effective in other areas and might well prove to be effective in this area. However, I know some churches say that the element of verifiable claim must be involved as well and that any alternate dispute resolution system must be balanced with the need for a particular individual to establish a specific claim. It is a challenging area. I would say simply that the government is looking seriously at that option.

ORDERS OF THE DAY

CANADA TRANSPORTATION ACT

BILL TO AMEND—SECOND READING

Hon. Jack Wiebe moved the second reading of Bill C-34, to amend the Canada Transportation Act.

He said: Honourable senators, I must say that even at this late hour it gives me a feeling of excitement to have the opportunity to bring to your attention an important piece of legislation known as Bill C-34 — excitement because of the tremendous potential this bill will have for agriculture and for our rural way of life throughout the West and all of Canada.

Honourable senators, the amendments contained in this bill are crafted to respond directly to key problems that exist in the grain sector.

• (2130)

However, since Saskatchewan and Alberta became provinces in 1905 and completed this nation from sea to sea, transportation has played a vital role in not only the development of our province but of the West and, indeed, in its survival.

Justice Estey, in his report to the minister, stated:

The sale of grain, oil seeds and related products injects into our national finances about \$12 billion a year. As an example of this industry's national importance, it should be noted that the grain industry pays one-quarter —

Recently that has been about \$1.5 billion annually.

— of all the freight revenue of our principal railways....Another \$300 million is spent to transport grain from the farm to domestic customers. Without this cash

infusion, our national railway system as it now stands would not be viable.

Throughout the three years of the consultation process that led to Bill C-34, the government heard from different and often conflicting interests. The bill was examined in detail in the other place, and the Standing Committee on Transport heard from a wide range of interests. In all, about 30 organizations were heard in the other place: the Canadian Wheat Board, railways and shipper organizations, the provinces, unions and others.

There may be some, as I understand it, who are concerned that the government took too much time to table this legislation. The other side of the coin is that the grain industry, even after two years of study and consultation, remained deadlocked on several key issues. Had there been consensus, I am sure that we would have seen a bill much earlier, but when consensus is absent, government must weigh all of the options carefully. Decisions on a complex matter require additional consultation and, I believe, more open dialogue. I agree with this approach. The government did not rush decisions. It worked through the details until the right balance was found, and one that will benefit all stakeholders.

There are many complicated aspects to Bill C-34, largely because of the complex formulae that are contained therein. Instead of going into these in detail, let me summarize what Bill C-34 is all about.

There are four key issues that I should like to centre on: the revenue cap, branch line abandonment, FAO or the final offer of arbitration, and what I believe to be one of the most important aspects of this legislation, the monitoring system that will be set up.

The first improvement is the revenue cap. The bill introduces an annual limitation on railway grain revenues which gives an additional reduction of \$178 million of these revenues starting on August 1, a direct saving to the grain and oil seed producer.

Western grain rates have been regulated for more than 100 years, first under the Crow rates, then under the Western Grain Transportation Act, and currently under the Canada Transportation Act. The current grain provisions provide for a distance-based maximum rates scale that sets limits on what the railroads can charge for moving prairie grain. To get a revenue cap, we start from an effective rate under current law of \$32.92 per tonne. The new revenue cap which is set by Bill C-34 is an average \$27 per tonne, a reduction or a savings of 18 per cent.

Under the revenue cap, railways will have the flexibility to vary individual rates to reflect efficiencies and offer more innovative services. Compliance will be monitored by the Canadian Transportation Agency based on actual grain movements and distances hauled. Railway earnings in excess of the cap will be repaid with a penalty. The revenue cap, I might add, will be adjusted annually to reflect the railway inflation cost starting in 2001-2002.

Additionally, and another key element of this bill, freight rates for single-car movement originating on branch lines will not be allowed to exceed main line freight rates for similar movement by more than 3 per cent.

During the last 10 or 15 years, branch line or rail line abandonment, as it is known out West, has been a tough issue for many people to deal with. In this bill, the notice period required before a railway can take any steps to discontinue a rail line or abandon it has been extended from two months to 12 months. This will give a potential shortline purchaser the opportunity to put together an offer that will include all the factors that are important to its success.

To help streamline the process, the railway's three-year plan will only have to identify lines that they intend to operate and those they plan to discontinue. The railways are no longer required to identify lands they intend to transfer. Commercially negotiated transfers can still take place at any time without restrictions.

This bill is also sensitive to the communities. To help communities retain their grain-dependent lines, Bill C-34 allows a community-based group that feels it is ready to proceed with an offer for a grain-dependent line to trigger an early curtailment of the 12-month notice period. This step, if taken, requires the railway to immediately take steps on its two-month advertising process. Bill C-34 also extends the negotiation period from four to six months and allows any party to request a net salvage value determination by the Canadian Transportation Agency. This can be done at any time during this stage.

These provisions will help to facilitate commercial agreements by giving parties more time to reach an agreement while allowing a key piece of information — net salvage value — to be determined at any time.

Currently, the law requires only that the railway must negotiate in good faith. Bill C-34 will now require that both parties negotiate in good faith. If a party has not negotiated in good faith, the Canadian Transportation Agency may order the railway to enter into a commercially fair and reasonable agreement, or it may allow the railway to end negotiations and continue to abandon the line.

I have been speaking about the government's efforts to facilitate the transfer of branch lines. However, the government's job does not end here. The government also felt the need to protect shippers and shortline operators. This bill will require that when a railway company is transferring only part of a grain-dependent branch line, the remaining portion of that line must be retained for three years unless the minister determines that it is not in the public interest to do so.

Further protection is provided by allowing the Canadian Transportation Agency to grant running rights or to require a railway to add a line to the three-year plan for discontinuance if the railway has not fulfilled its service obligations.

[Senator Wiebe]

Even with these new provisions, not all grain lines in the West will be retained or will be transferred. Some may be abandoned. Therefore, the bill also requires a railway that abandons a line to make three annual payments of \$10,000 per mile to each of the municipal governments located along that line. For example, if an abandonment involved 35 miles of line in a single rural municipality, the railway payment over three years would be about \$1 million. This assistance puts the benefit directly into the municipalities where the impact of the change is being felt the most.

• (2140)

Another key element of this legislation is the final offer arbitration. On freight rates, if a negotiated agreement is not reached with a railway, the shipper can initiate the final offer arbitration process. The mutually agreed-upon arbitrator reviews the final offers of the two parties and chooses one of the two. The Canadian Transport Agency plays a support role in helping to facilitate the arbitration process and selects an arbitrator if the two parties cannot agree upon one.

The bill also addresses some long-standing complaints that the final offer arbitration process is too long and far too expensive. It has been argued that the process is particularly onerous for the smaller shipper. Concerns also were raised during the grain review that the railways have an undue advantage since they can view the shipper's final offer for up to 10 days before submitting their own final offer. Bill C-34 will now provide for a simultaneous exchange of final offers and an option to use a new 30-day simplified arbitration process instead of 60 days. This short process allows the arbitrator the option to make a decision solely on the simultaneous submissions by both parties.

While all four key issues are important, the main area that will determine the future viability of what we are proposing today is the monitoring that will take place. As part of its policy decision on grain handling and transportation, the government will establish a mechanism of continuous monitoring, measuring and reporting, the purpose of which is to permit the government to gather information to monitor the impact that these changes have in the grain transportation and handling system. This will include necessary information from confidential contracts made for the movement of grain.

Bill C-34 will permit the sharing of confidential information about the grain transportation and handling system with a professional private-sector third party who will be responsible for the continuous monitoring of the grain system. The existing confidentiality provisions will apply to the third party, to protect any of the information provided that is confidential. The independent private-sector third party will be required to assess the benefits that derive to the farmers, to assess whether the Canadian Wheat Board marketing mandate is adversely affected, to assess the effect on the grain-handling efficiency, the effect on railway efficiency, the effect on port efficiency for grain, and, above all, to assess the overall performance of the grain handling and transportation system.

This independent private-sector third party will report back to the Minister of Transport, the Minister of Agriculture, and the minister responsible for the Canadian Wheat Board on the impact of these reforms and the overall performance of the reformed grain handling and transportation system. In addition, this bill calls on the Minister of Transport to table in Parliament each year a report on the monitoring of the grain transportation and handling system. This report is to be submitted no later than January 31, which is six months after the end of each crop year.

Let me say in conclusion that we have before us a good bill, a bill that does the right things to bring about a better future in grain transportation and handling. The bill certainly does a number of right things for individual grain farmers. It provides an opportunity for this industry to move forward, by working together to establish new commercial relations and to demonstrate that all parties are ready to work both at creating new savings in the system and at sharing them fairly with all producers involved. This bill presents a opportunity for farmers, the Canadian Wheat Board, the grain companies, and the railroads to work together to regain the cooperation and the trust that has been lost amongst all stakeholders during the last number of years.

Honourable senators, I ask you to allow this opportunity to come about, and I urge you to support Bill C-34.

Hon. Leonard J. Gustafson: Honourable senators, my observations on this bill are not quite as glowing as Senator Wiebe's.

Senator Taylor: Oh, come on!

Senator Gustafson: I suppose that does not come as a surprise. However, on the other hand, farmers would not be too pleased with me if we decided that we should turn down \$178 million.

Senator Robichaud: You are between a rock and a hard place!

Senator Gustafson: That brings me to the whole question of why this is dumped in our laps at the last minute. If the Senate is to have opportunity to do the job that we should do in this Senate, it is time that the House of Commons gave some consideration to an important part of the Parliament of Canada. That is the first point I want to make, but I shall not enlarge on it because I have a number of things to say.

Senator Kinsella: Say it again. They did not get it over there.

Senator Prud'homme: Hear, hear!

Senator Gustafson: I wish to speak about the process and about what is happening in agriculture. Why did we need this bill?

I go back to the time of the Crow debate, when I, as a Conservative, was opposed to removing the Crow. We sat the longest sitting in the House of Commons on the Crow debate, outside of the sailor debate that was held in 1918. We sat there

until three o'clock in the morning. When the Crow was gone, freight rates increased to the point where it costs about one third of the value of your grain to get it to port. That was a back-breaker for the farmers in Western Canada, because we are land-locked. We have to ship 1,300 or 1,500 miles to Vancouver or go out through Thunder Bay — and there are problems associated with Thunder Bay because the big boats cannot come into there. The issue of grain transportation is very important to farmers vis-à-vis their ability to sustain themselves and be profitable. The Crow rate was one part of that.

Another point of contention is the change in the railroad system. I will give you some idea of what is happening out in the Prairies. We are building terminals. I phoned the Saskatchewan Wheat Pool today, and they told me that, at one point in time, they had 1,200 elevators — and this is just the Saskatchewan Wheat Pool. Now, however, they are down to about 300 elevators. It is amazing. The same is true of Pioneer, of the United Grain Growers and other companies.

Here is what is happening. Louis Dreyfus Canada Limited is building terminals. It is an international grain company. ConAgra is building terminals in Saskatchewan, Alberta and Manitoba. United Grain Growers is 48 per cent owned by ADM, Archer Daniels Midland. These are big companies. Pioneer Grain, Cargill, AgPro. They are all building terminals. There is a major change taking place in the Prairies. These rail lines are going to go; in fact, I say they are already gone.

During the 14 years that I was a member of Parliament, I saved a rail line that I probably should not have, and Otto Lang bawled me out severely on the airplane for going to work and saving that railroad. I think that era is over. Quite frankly, I think the Saskatchewan Wheat Pool took the right approach by saying that the shortline operations might be a tool to the change that is coming in transportation. Many of those rail lines will go, and they are gone. Quite frankly, if the railroad companies cannot keep the railroads going, and have not been able to, I do not know how a few farmers will do it. It is a great challenge.

The other issue on grain transportation is trucking. There are municipalities and there are towns and people right now in Saskatchewan out there trying to fill the holes in the roads themselves.

• (2150)

Trucking has become a major problem. What are the truckers saying? They are saying, "Look, with fuel costs and energy costs going up the way they are, we have no recourse but to raise our rates." Trucking rates will go through the ceiling if energy costs stay where they are. I talk to farmers who have trucks and who haul generally, and they pull into my yard and say that they cannot haul for the price they have been charging, with fuel costs going up the way they are. I would say that this \$178 million will be eaten up in additional fuel costs that will be forced upon the farmers and the railroads, because they have to buy fuel, too. That money is gone. I am not saying that we should turn that \$178 million down, not at all. However, I say to the Government of Canada: We are facing a serious issue in grain transportation and in agriculture.

Honourable senators, let me say a few words about the roads. There will be \$175 million going to roads over five years. I understand the minister said the other day that they intend to designate the roads. That is a good move. Something must be done with roads. The province of Saskatchewan has, I believe, more roads than the rest of Canada put together. We probably have too many roads. The time has come when we will have to designate some roads and build some better roads to the marketplace. The roads are a serious problem, especially in Saskatchewan and Manitoba. Alberta has had oil money to build roads, and when you drive into Alberta, you notice their roads. I certainly support the initiative of the government to move ahead on the problem of the roads. It is a good move.

My colleague raised four or five important points, but where does this leave the farmers? The problem the farmers are facing is that they are not getting a proper economic share out of the food chain. I want to give honourable senators some startling figures in that regard.

Out of the equity they have invested in agriculture, farmers receive a 0.7 per cent return on a five-year investment. General Mills has been getting 61.8 per cent return. Kellogg's five-year return out of the food chain has been 41.6 per cent. Safeway has had a 33.8 per cent return out of the food chain. Maple Leaf Foods has had a 4.8 per cent return. The CPR has had a 7 per cent return, which is quite reasonable. If farmers were getting something like a 7 per cent return on equity, we could operate.

Honourable senators, I get a little emotional when I talk about this subject. I saw young farmers this spring working harder than ever to get together enough capital to put in a crop, and they got it in. They are out there now spraying from four o'clock in the morning until late at night to try to raise a crop. Many of them say the same thing: "We will be very fortunate if we get our input costs back." If these numbers are right, that is the truth — they will not get their input costs back. Something must be done.

I do not hear people saying that there should be more return out of the food chain for farmers. I have come to the conclusion that the Americans are right in what they are doing. They have just put an additional \$15 billion into agriculture. I have come to the conclusion that the Europeans are right in what they are doing.

Honourable senators might say: Can Canada do that? I say Canada cannot afford not to help their farmers. In the last seven years, about \$4 billion has been taken out of the agriculture budget. I read today that Paul Martin is talking about an \$8-billion surplus of real cash. What the grain industry needs today is something like \$2 billion of real money. I do not think Canada can afford not to do it.

[Senator Gustafson]

I do not think we can afford not to do what the United States has done. I live near the border, and I have a good idea of what is going on in the U.S. from talking to the farmers there. In fact, a farmer from North Dakota picked up a load of canola at my farm at eleven o'clock today, and he fills me in from time to time about what is happening in the United States. I think the Americans are doing the right thing, and I think Canada will pay a big price if we do not hear the message that farmers must have some return from the marketplace and from the food chain.

How do we bring this about? I say that all Canadians from all parts of the country have to work together. It is very important.

In his presentation, Senator Wiebe mentioned \$12 billion. The return on trade with the United States has given Canada a surplus of \$36 billion, and quite a bit of that surplus was from agriculture products. We cannot afford not to make the changes.

I want to address a few remarks specifically to the bill. We have dealt with the roads and with the \$178 million. The other issue is producer car costs. I have some concerns about that. A clause in the bill indicates that producer car costs will not rise beyond 3 per cent. Here is the problem. If the railroads do not want to stop at Macoun, Saskatchewan, to pick up 15 cars at what was the pool elevator because they want to pick up 100 cars at the Weyburn grain terminal, what makes anyone think they will stop to pick up one producer car from my neighbour or from myself? It just will not work.

There needs to be some clarification of that issue. If we are to generate savings by having the railroads haul 100 cars and pick them all up in one spot, we must be realistic about the other areas as well.

The same thing is true in terms of rail-line abandonment and starting shortline operations. There is probably a different view in northern Saskatchewan and northern Manitoba than there is right along the border. I recognize that. Within 100 miles of the border, people are saying, "Well, we can truck canola into the U.S. and we can truck other oilseeds and grains that are not under the Canadian Wheat Board into the U.S." That may be true, but, as I said earlier, I think the shortline operation will only be a transition tool.

• (2200)

Honourable senators, if we do not move to a long-term program as a government and as farmers, we will lose a lot in rural Canada. That applies generally, not just to grain transportation; it moves into many other areas. In our committee — and we have an excellent Agriculture Committee — we heard from many witnesses on the crisis. I know personally some of the people who made presentations to the committee and who have gone bankrupt since their appearance before the committee. I know of young farmers who have taken jobs off their farms. I do not like to get personal, but my own son, who is 34 years old, took a job with an oil company and is farming at night, something which is common with our young farmers. They are progressive and hard working people. We need to give consideration to them.

Another matter upon which I want to touch is safety nets. I shall be a little critical of the government here. The government has had seven years to put safety nets in place. At one time, some were removed. Why were they removed? They were removed to balance the budget. The country was in some financial trouble. It was important that the agriculture community carry its load, and it did. However, we now need to give some serious consideration to safety nets. That will not happen unless the government is willing to support crop insurance programs and other such measures, until we get through this difficult period of low commodity prices.

The whole problem with agriculture is low commodity prices. I do not buy the argument that if we could only get the Americans off subsidies all would be well. That will not happen. Mark that down and remember that I said it in this place, honourable senators. It will not happen. We have been waiting for it to happen for 20 years, and it has not happened. It would be great if it did, but I do not believe it will.

We must support this bill because the farmers need the help that it offers. I do not think it goes far enough. I think it is just a step, a beginning, in the right direction. I hope that all senators here will lend their voice to persuade the Government of Canada, and say, "Do not let agriculture down." It is very important to Canada and to every citizen of this country.

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

Hon. Senators: Agreed.

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE.

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

On motion of Senator Wiebe, bill referred to the Standing Senate Committee on Agriculture and Forestry.

AGRICULTURE AND FORESTRY

MOTION TO AUTHORIZE COMMITTEE
TO MEET DURING SITTING OF THE SENATE

Leave having been given to revert to Motions:

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

That the Standing Senate Committee on Agriculture and Forestry have power to sit at 3:30 p.m. tomorrow, Tuesday, June 20, 2000, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto.

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

Hon. Noël A. Kinsella (Deputy Leader of the Opposition): Honourable senators, it is my understanding this motion is being proposed in order that the committee hear the minister. Might I ask the honourable senator if that is correct?

Senator Fairbairn: Yes, honourable senators, we want to get right into our hearings. We will be hearing first from the Minister of Transport, Mr. David Collenette, followed by the Minister of Natural Resources and Minister responsible for the Canadian Wheat Board, Mr. Ralph Goodale.

The Hon. the Speaker pro tempore: It is your pleasure, honourable senators, to adopt the motion?

Hon. Senators: Agreed.

Motion agreed to.

PROCEEDS OF CRIME (MONEY LAUNDERING) BILL

THIRD READING—DEBATE ADJOURNED

Hon. Richard H. Kroft moved the third reading of Bill C-22, to facilitate combatting the laundering of proceeds of crime, to establish the Financial Transactions and Reports Analysis Centre of Canada and to amend and repeal certain Acts in consequence.

He said: Honourable senators, I spoke at some length on second reading of this bill and will, therefore, keep my remarks this evening as brief as possible.

This bill strengthens the existing Proceeds of Crime (money laundering) Act by adding new measures to improve the detection and deterrence of money laundering in Canada. Passage of this bill will not only assist Canadian law enforcement in its fight against organized crime and money laundering, but will allow Canada to be an equal participant in international efforts to combat these serious problems.

While Canada has had the building blocks of its anti-money laundering program in place for some time, the measures contained in Bill C-22 will bring Canada into line with international anti-money laundering standards around the world.

In summary, Bill C-22 provides for mandatory reporting of suspicious and prescribed transactions, reporting of large cross-border movements of currency, and the establishment of an independent anti-money laundering agency that will receive these reports and other information.

In implementing mandatory reporting of suspicious transactions, which I point out is a cornerstone of anti-money laundering systems around the world, Canada will, with the passage of this bill, join the other 26 members of the Financial Action Task Force that have put this measure into place. When international comparisons are made, however, the legislation being debated today is distinguished by the strength and extent of the privacy protections it contains.

I have referred briefly to the fact that this legislation will address the needs of law enforcement while at the same time providing considerable privacy protections. I am pleased to add that the committee devoted considerable time and energy during the course of its study of Bill C-22 to ensuring that a proper balance was struck in the legislation between these two important objectives. Honourable senators, I believe that such a balance has, indeed, been achieved.

I should like to take a moment to outline some of the privacy protections contained in Bill C-22. In the first place, reports mandated by the bill will be sent to the new centre for analysis and not directly to the police. The centre will be an independent body operating at arm's length from law enforcement and other agencies entitled to receive information under the bill. I wish to make it clear that the centre cannot disclose just any information to authorities. The centre can disclose only limited key identifying information, such as the name of the client, the account number, the amount involved and other details of the transaction. Information as to why a particular transaction is suspected of being linked to money laundering cannot be released. Only if the centre, on the basis of its own analysis, has reasonable grounds to suspect that certain information would be relevant to both a money laundering investigation or prosecution and a tax evasion offence can it disclose the information to revenue authorities.

If the police want additional information, they will have to obtain a court order specifying what information or documents they want. I should point out that the centre will not be subject to subpoenas except for money laundering investigations and prosecutions.

Honourable senators, it is important to understand that these safeguards are backed up by criminal penalties for any unauthorized use or disclosure of personal information under the centre's control. In addition, the centre will be subject to the federal Privacy Act and its protections, which means that its operations will come under the watchful eye of the Privacy Commissioner. It also means that individuals have rights under the Privacy Act with respect to the information the centre has about them.

• (2210)

Honourable senators, I have said that the committee devoted much attention and effort to assuring that a balance was struck in the bill between the necessary and legitimate law enforcement requirements of the bill and the need to protect the personal rights of Canadians. This was a preoccupation of every member of our committee, and I wish to thank all honourable senators for their cooperation.

As a result of our efforts, we gained the agreement of the Secretary of State for International Financial Institutions, the Honourable Jim Peterson, that certain changes should be made to enhance individual protection in some areas. We received from the minister a detailed letter dealing with four specific areas that

[Senator Kroft]

set out the actual language for amendments the government agreed should be made. This letter, which contains an undertaking to introduce those amendments as soon as possible in the fall, forms part of our report.

In addition, the report contains three other amendments that the committee unanimously recommends the government consider while making the agreed-to changes.

With today's globalized financial markets and open borders, criminals have the opportunity to launder billions of dollars in illegal profits. The bill before us targets the financial rewards of this criminal activity by creating a balanced and effective reporting regime. It also protects the integrity of our financial system and enables Canada to meet its international obligations while at the same time protecting individual privacy.

With the passage of Bill C-22, we will now have an effective anti-money laundering scheme in place to help ensure that Canada is an equal participant in the international fight against money laundering.

Honourable senators, I strongly believe that the Senate, drawing on the commitment of all sides, has done excellent work on this bill and has served Canadians well. I urge you to join me in supporting it.

Hon. John Lynch-Staunton (Leader of the Opposition): Honourable senators, I should like to ask the honourable senator a question. I am intrigued by the report of the committee, as it recommends three specific amendments, which, I gather, were supported unanimously by the committee. The minister, in his letter, seems to concur. Why did the committee not attach the amendments to the bill in order that we might pass them here and have them ready for the House when it returns in September?

It is all very well for the minister to say, "I will do my best in the fall," but he is at the mercy of the House leader and this matter may not be the priority of his House leader when the House returns.

Senator Kroft: The unanimous acceptance and judgment of the committee was that the international urgency for the completion of this legislation was such that the procedure we followed was acceptable. That was the unanimous concurrence of the committee.

Senator Lynch-Staunton: My question is not whether the procedure was acceptable. Why were these amendments not included in your report to this chamber so that we could improve the bill ourselves and then send it to the House for them to ratify in the fall?

These improvements, from my reading, will take much longer to achieve, since the House will have to entertain them in the fall when they return, alongside other legislation, and I fear this may not be one of their priorities. The amendments will take much longer to become law than if you had included the amendments with the bill when you reported to this chamber.

Senator Kroft: As I pointed out, Canada was the last country to have joined into this legislation. The judgment of the government, with which the committee members concurred, was that any further delay would be unreasonable. Thus, the passage of the bill now, in view of completing our obligations and having them fall into place over the coming months was seen as, on balance, the appropriate way to deal with this. That was especially so when coupled with the commitment not to review the bill but to have the specifically worded commitments that have been included in the report.

Senator Lynch-Staunton: I will not prolong this, except to say that honourable senators are being asked to pass legislation that committee members know is incomplete.

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

BUDGET IMPLEMENTATION BILL, 2000

THIRD READING

Hon. Dan Hays (Deputy Leader of the Government) moved the third reading of Bill C-32, to implement certain provisions of the budget tabled in Parliament on February 28, 2000.

Motion agreed to and bill read third time and passed.

CITIZENSHIP OF CANADA BILL

SECOND READING—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Finestone, P.C., seconded by the Honourable Senator Gauthier, for the second reading of Bill C-16, respecting Canadian citizenship.

Hon. Consiglio Di Nino: Honourable senators, I know I share with all of you a great pride in being a citizen of what we all agree is the greatest country in the world. As we begin a new century together, indeed a new millennium, it is, perhaps, timely that we profit from the occasion offered by this legislation to examine in greater detail what it means to be a Canadian.

Unfortunately, both the scope of this legislation and the government's haste to push it through this place precludes any meaningful discussion of this important issue that we too often take for granted.

What we see before us in this chamber today is not the all-encompassing overhaul of the Citizenship Act that we were promised. On the contrary, what we have here is a hodgepodge of

housekeeping measures. Together they may — and I say “may” — serve to tighten up certain enforcement provisions that may have led to abuse in the past; however, I dare say, the bill does precious little more. Neither the government, the minister, nor the spin-doctors can say that they have followed through on their promises of extensive review for Canadian citizenship.

It takes more than patriotic beer commercials and free flags to define Canadians as a people. It takes strong national leadership. It demands a commitment to work together with divergent forces and communities to forge a common identity, based on a desire to be and remain here. It takes a mature worldview, a passion for the future and a solid, heartfelt belief in what we can achieve together as a nation. It is their vision, maturity and passion for Canada that seems to be lacking in this bill.

The member from Wentworth—Burlington in the other place, Mr. Bryden, laments that this bill is what he calls “a lost opportunity.” I share his view. The government could have done so much more.

Honourable senators, it has been almost 50 years since my parents and I came to Canada. We had little we could call our own. We were not alone in this respect. Like many newcomers to Canada and elsewhere, we had a desire to build a new and better life, a Canadian life, and we did so. We have never regretted our decision.

In my conversations with people I meet from other countries, one of the most common things they say to me is this: “Canada is so darned big. It's huge. What holds it together?” I tell them that, from my point of view, at least, it is largely a question of shared values. Canadians believe in the rule of law. We believe in equality of all people. We embrace the notions of freedom of speech and respect for human rights. Above all, we recognize that citizenship brings with it certain rights and responsibilities.

• (2220)

I realize that this might sound a little overstated. After all, if my information is correct, our schools no longer teach civics or citizenship. It is considered too boring and too passé, to which I say, that is too bad.

Nonetheless, I truly believe that in our individual and collective hearts Canadians do share these common values which, in turn, help cement our love for our country. This is why I also believe that the true separation and independence of Quebec will never take place.

Honourable senators, when this legislation was discussed previously as Bill C-63 by our colleagues in the other place, committee members put forth some creative proposals. They were creative in the sense that they sought to engage average Canadians and not just the usual menagerie of witnesses that we often see here. They engaged these Canadians in the process of drawing up the final legislation. Unfortunately, most of those proposals, I am told, fell by the wayside and were not adopted. That, too, is too bad. Some fresh air and fresh ideas might not have been a bad idea. Certainly they could have done no worse than the bureaucrats and backroomers in the PMO.

The government defends what it did by saying that contentious issues needed to be ironed out. According to its own backbench, what happened was little more than “basic cowardice” and a fear of making waves that might have drawn attention to some of the frailties and weaknesses of the bill, which I will get to in a moment.

It is to be hoped that we, and particularly our Liberal colleagues in this place, will be a little more courageous than government backbenchers on the other side. The limited examination afforded this bill, both in committee and in the House, is all the more reason for us to take our time and conduct a thoughtful and reasoned review of this legislation.

Honourable senators, I should like to look briefly at some of the objectives of this bill and the questions left unaddressed by it.

First, I do not disagree with certain of the measures aimed at tightening up specific clauses in order to prevent some individuals from obtaining Canadian citizenship. This is particularly true of those who flaunt our criminal laws or who may pose a threat to Canada’s national security. I am surprised, however, with the ambiguity of the language used to achieve this end. It seems to me that this ambiguity is meant to allow a latitude of action by the government that is a shade too broad for comfort. This language could do with a little tightening up, and I trust that it will be examined during committee hearings.

The issue of appeal also requires study. Honourable senators will recall the howls of indignation that emanated from the Liberal Party in the 1980s at any suggestion of removing any layers of appeal with respect to criminality within the immigration or refugee system. Now, in the year 2000, we see a Liberal government blithely removing such appeal provisions and, while they are at it, enhancing revocation procedures and giving significant and special powers to the minister and Governor in Council for granting and removing citizenship.

Honourable senators, I find this last power particularly troubling. It does not seem appropriate, by any stretch of the imagination, that a minister of the Crown should have the arbitrary right to strip someone who has become a Canadian of their citizenship. This is just an invitation to abuse. It is an open door to attack and deport individuals who might fall afoul of the government or overstep the boundaries of the so-called political correctness of the day.

I will give you a personal example, honourable senators. After arriving in this country in 1951, I was honoured to receive my citizenship in 1957. I sat across from an insensitive, racist person who, as I answered questions, told me that I did not have black hair because she did not like the word “black.” My citizenship card today says that I have brown hair. Of course, that was when I was a young man and really had black hair. Now I have a little grey intermingled.

Honourable senators, need I fear a knock at my door decades later with an accusation that I lied on my application and the

[Senator Di Nino]

threat of revocation of my citizenship? It sounds far-fetched, but perhaps.

We have all heard of newcomers, particularly refugees, who arrive with little or no I.D. whose names, during the interview process, are spelled wrong or inadvertently changed. Are they also candidates for removal?

Honourable senators, on another front, by this bill the government is proposing to change the title of citizenship judges to “citizenship commissioner” and, at the same time, to change the role of these people. A citizenship commissioner will be a figurehead who will fulfil the ceremonial role of presiding over swearing-in ceremonies. It seems to me that they will have little or no clear function. Surely this is not right. The committee should ensure that clear lines of responsibility and authority are drawn between the commissioners and the bureaucracy now being charged with performing some of the functions in granting citizenship.

Committee members should also ask how this process will remedy the backlog in the application process. The government neglected to address these important matters in this legislation.

Honourable senators, I welcome the opportunity this legislation affords us to examine the oath of citizenship. We all recognize the importance of introducing an oath that all Canadians believe in and see as a reflection of their commitment to citizenship and commonly held principles and values. At the end of the day, the oath should not be contentious or bureaucratic. It should be a source of pride and achievement in being Canadian with all the rights and responsibilities that accompany such an honour. Surely we can all agree on that.

I do not want to go any further at this time, honourable senators. I will perhaps have further comments to make after the committee has completed its study of this legislation. This is a most important bill, even if the government does not seem to think so. It is to be hoped that here in this chamber and in committee it will be given a full and proper examination without haste, which will allow us to adopt a clear and more meaningful definition of who we are and will make us all, whether born in Canada or not, prouder of our Canadian citizenship.

Hon. Anne C. Cools: Honourable senators, I had not paid much attention to this bill until I began to read it as Senator Di Nino was speaking to it. Many questions sprung to my mind. Therefore, I shall speak to the bill tomorrow, if I may.

On motion of Senator Cools, debate adjourned.

• (2230)

CANADA NATIONAL PARKS BILL

SECOND READING—DEBATE ADJOURNED

Hon. Tommy Banks moved the second reading of Bill C-27, respecting the national parks of Canada.

He said: Honourable senators, the Government of Canada has a proud history of leadership in the protection, conservation and preservation of our natural and cultural heritage. Our national parks are a source of pride and a symbol of national identity to Canadians everywhere.

The Government of Canada, as stewards of our national parks, is responsible for maintaining their ecological integrity and for finding new ways to communicate the significance of our parks to all Canadians.

To do these things, Parks Canada needs updated tools to continue to manage these special places effectively. To give them these tools, Bill C-27 revises existing legislation, which will be consolidated for simplicity and clarity. Substantive changes are proposed in several major areas.

Bill C-27 has five main elements: first, the strengthening of ecological integrity; second, the establishment of new national parks of Canada; third, the limiting of commercial development in park communities; fourth, protecting wildlife as a means of securing ecological integrity; and fifth, a commitment to work with the First Nations.

Ecological integrity has always been an implicit objective of the national parks program. I should like to quote, if I may, from the first National Parks Act, which was adopted in 1930:

The national parks of Canada are hereby dedicated to the people of Canada for their benefit, education and enjoyment, subject to this Act and the regulations, and the parks shall be maintained and made use of so as to leave them unimpaired for the enjoyment of future generations.

While this dedication clause has remained unchanged in 70 years and is retained in clause 4(1) of this bill, it needs reinforcement. The Minister's Panel on the Ecological Integrity of Canada's National Parks has made it clear that we must "firmly and unequivocally establish ecological integrity as the core of Parks Canada's mandate." The Chair of that panel reiterated that before the Standing Committee on Canadian Heritage in the other place, as did other witnesses such as the Canadian Parks and Wilderness Society and the Canadian Nature Federation.

Bill C-27 achieves these ends by three main means: First, it makes ecological integrity the first priority when considering all aspects of park management — not just park zoning and visitor use but all aspects of park management; second, by including a definition of "ecological integrity" based on that panel's report; and, third, by requiring that park management plans include a long-term ecological vision, a set of ecological integrity objectives and indicators, and provisions for resource protection and restoration, zoning, visitor use, public awareness, and, most important, for performance evaluation.

The new Canada National Parks Act will formally establish seven new parks and add some lands to existing parks.

The bill delegates to the government the authority to establish new parks or to enlarge existing ones. This delegated authority is subject to the disapproval of either House of Parliament. The principle that no new park can be established without the consent of both Houses is preserved. If either house rejects a park proposal, that delegated authority will be inoperative.

Senator Taylor: That is better than Bill C-20.

Senator Banks: A distinct act of Parliament will still be required to remove any lands from any park.

There are seven communities contained in national parks, all in Western Canada — Banff, Lake Louise, Field, Jasper, Waterton Lakes, Waskesiu and Wasagamung. These communities have been the focus of extensive commercial, residential and visitor pressure.

The Banff-Bow Valley study of 1996 made many recommendations to protect the ecological integrity of Banff National Park and to strengthen controls over commercial development and human use in the park.

The proposed legislation takes three main steps to manage commercial development in park communities: First, community plans will be tabled in Parliament; second, the legislation makes provision to set the boundaries of those communities, the boundaries of commercial zones within those communities, and to cap the maximum square footage of commercial development within those communities; and third, once agreements have been reached, those elements of the community plans will be placed in a schedule of the act, by regulation. Once the community plans are established, they can only be changed by an act of Parliament.

The government has responded with considerable flexibility to the concerns raised by community representatives in the parks.

Bill C-27 states that the minister may terminate a lease or licence of occupation. This clause is required to enable the minister to manage leases and licences of occupation; however, concerns were raised that adequate recourse for lessees or licensees was not clear. A clause of Bill C-27 makes it clear that the protections and due process afforded to landowners under the Expropriation Act will be extended to leaseholders in the parks whenever the minister takes or acquires an interest in land in the park, where the holder of the interest does not consent, and where there is no cause for termination.

A new definition of "community plan" serves two purposes: First, it ensures that there will be no confusion between the use of the term "community plan" in this legislation and how that term is used and referred to in Alberta legislation; second, it signals to park-community residents that there is no impediment to them undertaking their own planning for social, educational, health and related needs of the community. The section on public consultation now makes explicit reference to representatives of park communities and requires that the minister consult those communities on land-use planning and development in park communities.

Stronger measures to protect wildlife and other park resources are introduced in Bill C-27, particularly the substantial strengthening of penalties for activities such as poaching and trafficking in protected resources.

The Government of Canada is committed to working with First Nations as set out in the "Gathering Strength" document. Amendments to Bill C-27 accepted by the government responded to a variety of concerns of representatives of the Assembly of First Nations, the Assembly of Manitoba Chiefs, and the Keeseekoowenin Band.

Bill C-27 reflects these responses in a number of ways. First, five national parks are being established through agreements with First Nations — Aulavik, Wapusk, Auyuittuq, Sirmilik and Quttinirpaq. Provision is made for the use of park lands and the use or removal of plant life or other natural objects by aboriginal peoples for spiritual and traditional ceremonial purposes. Provisions are made in the bill to remove lands from Wood Buffalo, Wapusk, and Riding Mountain National Park to accommodate treaty land entitlement. In all cases, those initiatives result from agreements between the government and the affected aboriginal communities.

The bill incorporates a non-derogation clause with regard to aboriginal and treaty rights. The bill strengthens the commitment to consult with aboriginal organizations and bodies established under land claims agreements on policy, park establishment, management planning, and regulations.

The 1997 Throne Speech committed this government to the expansion of our network of national parks. The Government of Canada established an expert panel to review the state of ecological integrity in Canada's national parks. That panel has now reported. The Minister of Heritage has taken action. The key element of that action is to make ecological integrity central in legislation and in policy.

Bill C-27 delivers on those commitments and helps to secure a legacy to future generations of Canadians.

I commend the attention of all senators and ask the support of all senators for the passage of this bill.

Hon. Noël A. Kinsella (Deputy Leader of the Opposition): Honourable senators, I have a question or two for Senator Banks.

• (2240)

Could the honourable senator explain the principle underlining clause 7 of the bill, which, as I read it, provides that the Governor in Council may make certain orders or amendments to Schedule 1 and Schedule 2? We then find what I would describe

[Senator Banks]

as another example of an infringement on the jurisdiction of the Senate occurring in clause 7(1), where it says:

...the proposed amendment shall be tabled in each House of Parliament, together with a report on the proposed park or park reserve that includes information on consultations undertaken and any agreements reached with respect to its establishment...

Once that happens, an amendment so tabled stands referred to the given standing committee. What is the principle operating here that will cause the bill to supplant the *Rules of the Senate*? Is that being implied by that clause?

Furthermore, clause 7(2) says that the "committee of each House may, within 30 sitting days after the amendment is tabled, report to the House that it disapproves the amendment..." However, clause 7(3) provides that a proposed amendment to Schedule 1 or Schedule 2 may be made if 31 sitting days have elapsed. In other words, if the Senate does not act within the 30 days, an amendment may be made.

Does this not rule out, for example, the technique of a hoist, which is available under our rules? The principle in the bill seems to be providing an override of the *Rules of the Senate*.

Senator Banks: I thank the honourable senator for the question. I am sure it is not the intent of the bill to override the prerogatives of the Senate. That is a matter that I hope shall be discussed thoroughly in committee, which is where I hope this bill will go shortly.

On motion of Senator Rossiter, debate adjourned.

WESTERN CANADA TELEPHONE COMPANY

SECOND READING—DEBATE ADJOURNED

Hon. Ross Fitzpatrick moved the second reading of Bill S-26, to repeal An Act to incorporate the Western Canada Telephone Company.

He said: Honourable senators, I am pleased to rise today to begin second reading of Bill S-26. The purpose of this bill is to repeal the act to incorporate the Western Canada Telephone Company, commonly known as the BC Tel Act.

The BC Tel Act was passed by Parliament in 1916 to incorporate the British Columbia Telephone Company when constitutional jurisdiction over telephone companies was uncertain. Local monopoly telephone companies were common. Some of these were owned by provinces, some by municipalities. The BC Tel Act ensured federal jurisdiction over telecommunications and, at the same time, limited the company's ability to compete with provincially owned or municipally owned telephone companies. The government is repealing this legislation because it wants to remove the restriction on BC Tel's ability to compete — restrictions that only BC Tel faces.

Honourable senators, this chamber should also regard this bill as part of the government's broader objective of creating a competitive marketplace framework. Significant changes have occurred in the corporate structure of BC Tel in the past decade. In 1993, it reorganized under a holding company, BC Telecom Inc. Last year, the holding company merged with Telus Corporation, formerly the Alberta Government Telephones, to form BCT. Telus Communication Limited. Last May, the holding company formally changed its name to TELUS Corporation. Even the telephone operating company, known for years as BC Tel, changed its name in October 1999 to TELUS Communications B.C. Inc.

Honourable senators, the BC Tel Act is now an outdated piece of legislation. It imposes restrictions on BC Tel that are not imposed on any other carrier. One such restriction is contained in section 17 of the BC Tel Act. The company must first obtain the consent of the Lieutenant Governor in Council of the respective province if it wishes to build or maintain facilities in Alberta, Saskatchewan or Manitoba. The restriction was put in place in an era of provincial monopolies. It was meant to confine BC Tel to British Columbia. However, this is now contrary to the legislative policy of promoting competition because it inhibits BC Tel's ability to compete on the Prairies while no other company is subject to this restriction.

This restriction also applies to the City of Prince Rupert, B.C. In order for BC Tel to build or maintain facilities in Prince Rupert, it must first obtain the consent of the municipality of Prince Rupert, which, since 1910, has been served by a municipally owned telephone company, CityTel.

I should point out that the CRTC has not yet permitted local competition in Prince Rupert. If local competition is permitted there in the future, subsection 43(2) of the Telecommunications Act would require all carriers, including BC Tel, to obtain municipal consent before constructing transmission lines in public places. Therefore, the restriction in the BC Tel Act is redundant.

Honourable senators, all four western provincial governments have been consulted and none has any difficulty with repealing this act.

Another type of restriction is contained in sections 8, 9 and 9(a) of the BC Tel Act. It requires BC Tel to obtain the consent of the CRTC prior to disposal or sale of the business, or the acquisition of shares or property of another telecommunications company. No other telephone company faces this restriction.

The CRTC has been consulted and has advised that the repeal of the BC Tel Act would not give rise to any regulatory concerns, and BC Tel will continue to be regulated by the CRTC.

The Telecommunications Act will continue to apply to BC Tel, as well as to other carriers. Section 6 of the Telecommunications Act provides that the Telecommunications Act prevails over any

special act where there is a conflict. Thus, a special act is not required to regulate BC Tel's business.

The Competition Act would apply to the company with respect to mergers and acquisitions, to the same extent that it currently applies to other telecommunications common carriers regulated under the Telecommunications Act.

Honourable senators, the remaining provisions of the BC Tel Act are either spent or relate to corporate governance of BC Tel. The BC Tel Act incorporated BC Tel, but the company was continued under the Canada Business Corporations Act in 1993. Therefore, it would continue to be incorporated should the BC Tel Act be repealed.

Subsection 7(4) of the BC Tel Act creates a statutory priority for bonds, debentures, debenture stock, and other securities issued by the company as against the company's properties and assets. Section 11 provides a similar statutory priority to certain trustees. To protect shareholders and third parties from potential loss of value, the bill to repeal the act contains a transition provision to preserve the statutory priority until the instruments are terminated in accordance with their terms.

The repeal of the BC Tel Act is a simple matter of legislative housekeeping but it will also promote competition. In that regard, I would remind honourable senators that when Parliament passed the Telecommunications Act in 1993 the objective was clear — foster competition in telecommunications. The CRTC permitted competition in the long-distance market in 1992 and in local services in 1998.

Competition is now an important characteristic of the telecommunications environment in Canada. The policy has been remarkably successful. Where once both long-distance and local calling were the preserve of monopolies, there is now aggressive competition.

• (2250)

Long distance prices have dropped by 50 per cent or more. New competing technologies, such as wireless, continue to drive prices down. The OECD has determined that Canadian prices of its standard basket of residential and business services are the lowest in the G7.

The telecom services industries will invest an estimated \$6.8 billion for the year 2000. Much of this investment is being driven by new entrants such as AT&T, Call Net, 360 Networks, Microcell and Clearnet. In the meantime, both Telus and Bell Canada Enterprises are moving fast to build networks across Canada.

The telephone industry in Canada has been a national success story. In fact, with some 98.4 per cent of Canadian households subscribing to basic telephone service, we have one of the world's highest penetration rates. In the knowledge-based global economy, where the information and the communications technologies are the infrastructure of the new age, this is a tremendous advantage for us as a nation.

Honourable senators, this is the environment in which BC Tel needs the freedom and flexibility to respond to market opportunities and compete vigorously.

The bill before us is a simple piece of housekeeping, but that housekeeping will also provide for growth and competition that will lead to the opportunity for Canadians to receive better communication services. I urge my colleagues to support this bill.

On motion of Senator Kinsella, for Senator St. Germain, debate adjourned.

**PARLIAMENT OF CANADA ACT
MEMBERS OF PARLIAMENT RETIRING
ALLOWANCES ACT**

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon. Dan Hays (Deputy Leader of the Government) moved the second reading of Bill C-37, to amend the Parliament of Canada Act and the Members of Parliament Retiring Allowances Act.

He said: Honourable senators, I rise to speak to Bill C-37, which I introduced last week. Before talking about the details of the bill, I will make a few general comments.

First, I wish to emphasize that this bill does not change any of our parliamentary compensation policies. What it does is to make a technical correction to the severance allowance that already exists for members of the other place and to provide that all members in the other place join the members of Parliament pension plan.

Senator Forrestall: Let the weasels back in!

Senator Hays: This bill was developed by all parties in the other place and received broad support there. As I understand it, the motivation for introducing this bill was not by the government but, rather, reflects an agreement among all parties in the other place. As well, Bill C-37 does not make any changes to the basic policies of our parliamentary compensation system.

Let me comment, honourable senators, on the matter of severance. Bill C-37 corrects an unintended and unfair provision of the legislation that was passed in 1995 which ended double-dipping by members of the other place but which had the unfortunate effect of making severance unavailable for many of the members there.

The 1995 legislation, unfortunately, created two groups of MPs. One group of MPs under 55, elected before July 1995, are not allowed to collect a severance because they receive a small, immediate MP's pension for service rendered before July 1995. Over 100 members are disadvantaged because of this anomaly.

A second group of MPs under 55, elected after July 1995, would receive severance equal to six months' salary. Some examples may help honourable senators understand the situation.

An MP under 55 who was elected in 1993 would receive an annual pension of about \$5,600 and no severance. This pension would increase to about \$21,000 when the MP reaches 55.

An MP under 55 who was elected in the 1997 election and retires after six years would receive a severance allowance equal to six months' salary, or about \$34,000, and at age 55 would receive a full pension of approximately \$17,000.

The bill we are addressing today would correct this anomaly by providing a reasonable severance allowance for all members of Parliament. MPs under age 55 who are elected before July 1995 and are in the MPs' pension plan would receive a six-month severance allowance when they cease to hold office minus any immediate annual pension the MP would receive. The allowance and the pension are not combined. One is subtracted from the other. The existing provision for MPs under age 55, elected after July 1995, would continue to be that they receive the six-month severance allowance. In all cases, the severance allowance would not exceed a maximum of six months' salary, which represents approximately \$34,000.

Providing all members with a severance allowance is also a question of fairness. Like anyone suddenly or unexpectedly out of work, it has long been accepted that members of the other place need a transition period.

According to the Blais commission report on MPs' compensation, most people in the MPs' salary range take about six months to find work. However, members of the other place, contrary to private citizens, do not have access to employment insurance benefits to ensure a period of transition. This is one of the reasons it is appropriate to provide every member of the other place with a severance of six months' salary minus any immediately payable pension to enable them to take a new direction and provide for their families should they lose an election.

As the Blais commission put it, although members of Parliament should not expect special financial advantages as a result of service in Parliament, it is reasonable that service to the country should not leave them appreciably worse off than they were before being elected. The severance allowance for the other place is reasonable and comparable to severance allowances provided to provincial parliamentarians and to allowances in the private sector and in the public service.

For example, the Provinces of Ontario, Alberta and Saskatchewan provide members of their legislatures with a transition allowance equal to one-month's indemnity for each year of service. Similarly, in the private sector, the general rule in case of involuntary departure is a severance equivalent to one month for each year of service. In the Canadian public service, the rule is one-week's salary per year of service up to a maximum of 28 weeks, or roughly six months.

People with families who earn regular salaries in all walks of life should not be discouraged from participating in the political process for fear of risking their families' financial security when they cease to hold office. Bill C-37 responds to this concern by providing all members of the other place under 55, and not only those elected after 1995, with a six-month severance allowance when they cease to hold office.

I referred in my introductory comments to the fact that this bill provides for all members to become members of the pension plan. The 1995 changes to the parliamentary pension plan allowed members to opt out of the pension plan. Bill C-37 provides that all members will be in the plan as of the date of coming into force of the bill.

The bill also gives to members an opportunity to buy back their past years of service on the same terms as other members who wish to buy back their previous service.

In conclusion, honourable senators, this bill does not create new or additional benefits for members of Parliament. It simply remedies an anomaly in the 1995 pension legislation with respect to severance. The bill also creates parity among members by providing that all members are in the pension plan. These changes received broad support in the other place.

For all these reasons, I would ask all honourable senators to support the bill.

• (2300)

Hon. Nicholas W. Taylor: Honourable senators, I wish to ask a question. Many of the politicians from out west were elected on the idea that members of Parliament, both in the Senate and in the House of Commons, were at the trough, so to speak, and doing very well. Cross their heart and hope to die, they would not be contaminated by pockets that ever touched a pension. We are being asked to reverse this order to allow some people back into the pension plan.

It bothers me that people can campaign to serve in the House of Commons and blacken the reputation of politicians in general, and then they turn around a few years later and get what they said was so wrong with Parliament in the first place — a pension. It is about time we politicians started to take action to show that those who are elected on the idea of running down the political process and those who serve in the political process cannot turn around suddenly and cry *mea culpa*. I know that we are supposed to forgive and forget, but these people made a deliberate attempt to run down the credibility of parliamentarians, and now they turn around and want their pensions.

Senator Di Nino: They were elected because of it.

Senator Taylor: Is there any guarantee that in the future we will not continue to turn the other cheek for everyone who wants to run for Parliament and is elected saying they will not take this or that, they will not move into this house or do that, and then turns around and does the exact opposite? We then tell them that all is forgiven. We say that there is more joy in heaven for one

sinner who repents, so there is more joy in heaven for one MP who repents, and we give them their pensions. I am bothered by that and wonder if there is anything in this bill to stop a repetition of that behaviour.

Senator Hays: I thank Senator Taylor for that speech, or was it a question? I will make two comments on his comment.

The other place is subject to accountability at election time, and I am sure that all members of the other place know and appreciate that this matter may be relevant at election time. I would estimate that elections occur roughly every four years in a majority government, and we are getting close to that time. I think that is the best assurance of the integrity of people in terms of the questions that the honourable senator raises.

I would make another comment. The honourable senator described the conduct of certain members of the other place in this respect. It is important to remember that virtually all of them have families, and those who have not had a provision for pensions or for the severance adjustment allowances provided for in this legislation have really put their families at some disadvantage. For that reason, it may well be that, on reflection, there is a different attitude now and there will be a different attitude in the future about pensions and severances than there was at that time of possible political opportunism.

I repeat again, honourable senators, that the time of accountability will be the next election. I think that is the best way of assuring that people are held to a standard to which they should be held, and the people of Canada will look after that.

Hon. Peter A. Stollery: I, too, have a question, honourable senators. I am sympathetic to the members of Parliament and their pension problems, but they seem to have been the authors of their own misfortune. At the time they opted out, I thought they were being unwise. I can understand that they would like to correct the situation, having had a few years to find out the difficulties that they have caused themselves.

The other problem that crosses my mind is the fact that there have been schemes over the years. The one that I recall the best was in 1982 or 1981 or 1980, when we came up with a system of indexing parliamentary pay. That system was done away with. My point is that many errors have been made over the years. Is any consideration being given to giving the tax-free expense allowance of senators parity with that of members of the House of Commons?

Senator Hays: Senator Stollery, I regret to observe that there is no such provision in this bill. As to whether thought had been given to it or is being given to it, I do not know. Time will tell.

Hon. J. Michael Forrestall: Can the Deputy Leader of the Government shed some light on the process of buying back in for those who had opted out and now will opt back into the pension plan? I guess they are back in unless they opt out again. How will they buy back? Is there a formula? Is there interest on the money? Are we prepared to lend them the money? How will that work?

Senator DeWare: You almost choked on that one.

Senator Hays: I have been briefed on the bill, honourable senators. However, I should start my response to the honourable senator's question by observing that the best way to get a correct answer to that question is to ask the minister or officials in committee.

Having qualified what I have to say with that remark, I understand that the members will buy back in accordance with a formula designed by an actuary and which, I believe, will use the rate of interest that the Government of Canada pays on certain types of its debt instruments. Which instruments, I am not sure, but it would be an interest rate determined in that way.

Senator Taylor: Might I be allowed another question along the lines of Senator Stollery's inquiry? Would this be the act we would amend if the Senate wanted the expense allowance for senators to be equal to the expense allowance for members of the House of Commons?

Senator Hays: Honourable senators, this is an act to amend the Parliament of Canada Act and the Members of Parliament Retiring Allowances Act.

I will give the same qualification to the Honourable Senator Taylor as I gave to the Honourable Senator Forrestall in obtaining an answer to the question. It is my assumption that the Parliament of Canada Act would perhaps be one of the relevant pieces of legislation. As for other acts of Parliament, I am not sure. I am sorry that I cannot give the honourable senator a more precise answer. I am sure that in committee the honourable senator will have an opportunity to obtain the correct answer.

On motion of Senator Kinsella, for Senator Lynch-Staunton, debate adjourned.

• (2310)

PRIVILEGES, STANDING RULES AND ORDERS

FIFTH REPORT OF COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the fifth report of the Standing Committee on Privileges, Standing Rules and Orders (question of privilege of Honourable Senator Kinsella) presented in the Senate on April 13, 2000.—(*Honourable Senator Austin, P.C.*).

Hon. Jack Austin moved the adoption of the report.

He said: Honourable senators, I have moved concurrence in the fifth report of the Standing Committee on Privileges, Standing Rules and Orders, which was tabled on Thursday,

April 13, 2000. The report deals with the question of privilege that was raised by the Honourable Senator Kinsella regarding a witness who had appeared before the Standing Senate Committee on Agriculture and Forestry.

Allegations that a witness before a Senate committee has been harassed or interfered with are extremely serious and must be investigated carefully. The protections of parliamentary privilege that apply to the Senate and all senators also extend to those persons, including witnesses, who participate in our proceedings. In 1993, the House of Commons Standing Committee on House Management reaffirmed the principles of parliamentary privilege and the extension of privilege to witnesses. Its report stated:

The protection of witnesses is a fundamental aspect of the privilege that extends to parliamentary proceedings and those persons who participate in them. It is well established in the Parliament of Canada, as in the British Parliament, that witnesses before committees share the same privileges of freedom of speech as do Members....The protection of witnesses extends to threats made against them or intimidation with respect to their presentations before any parliamentary committees.

As honourable senators will recall, in 1998 and in 1999, the Standing Senate Committee on Agriculture and Forestry was engaged in a special study of recombinant bovine growth hormone and its effect on the human and animal health safety aspects. This study received considerable media attention and was closely monitored by various interest groups and interested individuals as well as the government. It is this sort of study that Senate committees undertake so well.

In the course of its hearings, the Agriculture Committee requested that certain scientists from Health Canada appear. It appears that there were extensive discussions with the scientists, their union representatives and the department regarding their appearance, as they were concerned about the possible repercussions on their careers. The minister and the department gave assurances, and the scientists appeared on October 22, 1998. Following the tabling of the committee's interim report in March 1999, several of the scientists appeared again before the committee.

One of the scientists who appeared was Dr. Shiv Chopra, who is a drug evaluator with the Human Safety Division, Bureau of Veterinary Drugs, Health Protection Branch of Health Canada. He had been involved with the application for approval of rBST and the gaps analysis report that was subsequently prepared. He appeared before the Agriculture Committee on three separate occasions: October 22, 1998; April 26, 1999; and May 3, 1999.

On August 15, 1999, Senator Kinsella co-chaired a senators' round table on citizens' participation in civic affairs, at which time he was approached by Dr. Chopra. Dr. Chopra said he believed that a five-day suspension without pay that he had received was a direct consequence of his testimony before the Senate Agriculture Committee.

Senator Kinsella immediately wrote to the deputy minister of the department and advised Senator Carstairs of the case. When the Senate resumed sitting in September 1999, Senator Kinsella raised a question of privilege. He was supported by several other senators, and on September 9, 1999, the Speaker found that a *prima facie* case existed and the issue was referred to the Standing Committee on Privileges, Standing Rules and Orders for review.

Before the matter could be taken up, however, the first session of the 36th Parliament was prorogued on September 18, 1999. On October 13, 1999, however, Senator Kinsella again raised the question of privilege and the matter was again referred to the Standing Committee on Privileges, Standing Rules and Orders.

As many senators will know, the Rules Committee has been extremely busy since the beginning of this session. The question of privilege raised by Senator Kinsella, however, was a major concern. We held a series of meetings and heard Senator Kinsella, Dr. Chopra, six other Health Canada scientists, and the deputy minister, Dr. David Dodge. Dr. Chopra and the other scientists provided extensive briefs and documentation to the committee, all of which has been carefully reviewed.

This was not an easy case. There was no direct evidence that the five-day suspension of Dr. Chopra was related in any way to his appearances before the Senate Agriculture Committee. During the appearances of each of the six scientists, I specifically asked if he or she had any direct evidence of any disciplinary action against Dr. Chopra as a result of his appearances before the Senate Agriculture Committee on rBST. Each of the witnesses, and Dr. Chopra, replied that they had not seen or heard anything directly linking the five-day suspension to the Senate appearances.

The stated reason for Dr. Chopra's suspension was his participation in a conference on employment equity sponsored by the Department of Canadian Heritage on March 26, 1999. In particular, Dr. Chopra is alleged to have made certain comments about another employee in a public forum, and this was the ground for imposing discipline on him. The issue before the committee, however, was not whether the discipline was warranted or whether it was excessive. Rather, the issue was whether the suspension was given wholly or in part as a result of Dr. Chopra's Senate committee appearances, as a means to intimidate or harass him. In other words, was he being punished because he appeared before the Senate Agriculture Committee or because of his testimony there? Unless we could draw that link, the question of the suspension was not one that the committee was involved with. This is, and will be, the subject of a grievance and a hearing before the Public Service Staff Relations Board.

Dr. Chopra and the other Health Canada scientists had no doubts in their own minds that the suspension and the Senate Agriculture Committee appearances were related. They asked us to draw certain inferences or conclusions from the surrounding circumstances and events, and from other things that had

happened within the Bureau of Veterinary Drugs.

Members of the committee were disturbed and even shocked at the testimony that was presented regarding the working environment in the Bureau of Veterinary Drugs. On the basis of what the committee heard, the situation appeared to be unacceptable. I caution, however, that the committee did not undertake a full or complete investigation of the employment practices at Health Canada, and we had no mandate to do so. We did not hear from all of the stakeholders and there is undoubtedly other evidence that was not presented to us. Nonetheless, what we did hear concerned us. That is why, in our report, we included the following passage 17:

The evidence clearly establishes that the working environment in the Bureau of Veterinary Drugs at Health Canada is highly unsatisfactory. There is a great deal of suspicion and lack of trust, and, therefore, allegations of this nature cannot be entirely discounted. Your Committee finds this situation deplorable, and urges the Minister of Health and the Deputy Minister to take steps to remedy it, as a priority and a matter of urgency.

In cases of this type, where there is a long and complex background and history with many interrelated issues, where there is unpleasantness and matters have become very personal, it is difficult to separate out particular aspects. As we said in our report:

Your Committee's task is complicated by the poisoned environment that exists in the Bureau of Veterinary Drugs.

On one level, all of these things are connected together. The difficulty that our committee encountered was that we needed more. In order to make a finding that parliamentary privilege had been breached or that a contempt of Parliament had been committed, we needed clear evidence that the suspension of Dr. Chopra was related to his appearances before the Senate Agriculture Committee. Yet no one was able to provide direct or hard evidence to establish the necessary link. In the result, the committee was very careful not to say allegations of intimidating or tampering with the witness were groundless. We were not prepared to exonerate completely the individuals who are complained of. However, by the same token, we were not able to find that breach of privilege or contempt of Parliament had occurred.

• (2320)

While determined to do everything necessary to uphold the privileges of the Senate and of senators, it was incumbent upon us to proceed with caution. In the report, we concluded as follows:

After a careful review of all the evidence, your Committee is unable to conclude that a contempt of Parliament has occurred. Your Committee is not satisfied to the degree that it must be in order to make such a finding. The standard of proof required in order to determine that a contempt of Parliament has occurred has not been met, but this is not to say that there is no evidence. Members of your Committee consider that the allegations have not been adequately proven.

We were also mindful of the fact that there are other legal proceedings, including grievances and a case in the Federal Court of Canada, that involve related or, in some cases, identical facts. The committee's mandate was restricted to the issue of parliamentary privilege; the other issues must be dealt with elsewhere.

On behalf of the committee, I should like to thank Senator Kinsella for raising this matter in the Senate, and all of the witnesses who appeared before us. I would also like to express my appreciation to all senators who sat on the committee during our consideration of this important and complicated question.

Hon. Noël A. Kinsella (Deputy Leader of the Opposition): Honourable senators, I should like to move the adjournment of the debate. In so doing, I wish to state that I appreciate the assiduous, careful and cautious work accomplished by the committee under the chairmanship of Senator Austin, and I shall be commenting further on the substance of the report.

On motion of Senator Kinsella, debate adjourned.

PRIVILEGES, STANDING RULES AND ORDERS

COMMITTEE AUTHORIZED TO MEET
DURING SITTING OF THE SENATE

Leave having been given to proceed to Motion No. 75:

Hon. Jack Austin, pursuant to notice of June 15, 2000, moved:

That the Standing Committee on Privileges, Standing Rules and Orders have power to sit from 6:00 p.m. on Tuesday, June 20, 2000, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto.

Motion agreed to.

BUSINESS OF THE SENATE

Hon. Dan Hays (Deputy Leader of the Government): Honourable senators, I ask for consent of the Senate to pass over all remaining items on the Orders of the Day and Notice Paper and proceed now to the adjournment motion, leaving all matters standing in their place.

The Hon. the Speaker: Honourable Senator Hays has proposed that all —

Hon. Marcel Prud'homme: Honourable senators, I wish to ask a question of the Honourable Senator Hays. Does that mean that Order No. 19 on page 11 will remain as it is on the Order Paper?

Senator Hays: That is what I asked for.

The Hon. the Speaker: Is it agreed, honourable senators, that all other items stand as they are on the Order Paper?

Hon. Senators: Agreed.

The Senate adjourned until tomorrow at 2 p.m.

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