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Tuesday, October 17, 2000

THE HONOURABLE GILDAS L. MOLGAT
SPEAKER

CONTENTS

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THE SENATE

Tuesday, October 17, 2000

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

Prayers.

VISITOR IN THE GALLERY

The Hon. the Speaker: Honourable senators, before I call for Senators' Statements, I wish to draw your attention to a distinguished visitor in our gallery. It is Lord Russell-Johnston, who is the President of the Assembly of the Council of Europe.

President Russell-Johnston, we are delighted to receive you here in the Senate of Canada and wish you a very good visit in our country. Hopefully, there will be a return visit before too long.

[*Translation*]

SENATORS' STATEMENTS

THE LATE HONOURABLE JACQUES FLYNN, P.C., Q.C., O.C.

TRIBUTES

Hon. Roch Bolduc: Honourable senators, I was out of the country when tributes were paid to the late Honourable Jacques Flynn. I will pay my tribute now, with your permission, for he was the leader of the Conservative senators from Quebec from 1988 to 1990.

After each national caucus, at noon on Wednesdays, it was our wont to meet here in his office on the third floor. Over an aperitif, we would discuss political events, hot issues and the bills before the Senate. He was a wise man, skilled in procedure, full of humour, although this was sometimes hidden under a rather agressive exterior when dealing with the senators on the other side who were not lacking in theatricality, like Senator Frith, or political savvy, like Senator MacEachen.

At the time, this chamber had a goodly number of corporate lawyers — we still have some, but they were more numerous at that time — and of highly experienced politicians like Senators Everett, Roblin and Hicks. As a newcomer, I settled for sitting back and observing, assimilating the various issues, and learning the ropes.

Senator Flynn had a remarkable legal mind, which he put at the service of his party, of the Senate and of his law practice in Quebec City. He was a staunch party loyalist who served his country well. My sincere condolences to his wife, Renée, and to his children.

[*English*]

SEVENTY-FIRST ANNIVERSARY OF PERSONS CASE

COMMEMORATIVE INTER-FAITH CEREMONY

Hon. Lois M. Wilson: Honourable senators, tonight, on the eve of the seventy-first anniversary of the Persons Case recognizing women as persons in Canada, we will celebrate with an interfaith ceremony. The service, to be held at Christ Church Anglican Cathedral, will feature readings from six Canadian faith communities: Muslim, Hindu, Jewish, Christian, Baha'i and Aboriginal. The six different languages to be used appropriately reflect the multi-ethnic and multi-faith nature of our country. Women from these six faith communities celebrate together both a historic event and a splendid future together as they contribute the very best of their faith traditions to our common life.

• (1410)

NATIONAL DEFENCE

COMMENTS BY AIR FORCE OFFICERS WITH REGARD TO COMPETITION TO REPLACE SEA KING HELICOPTERS

Hon. J. Michael Forrestall: Honourable senators, I should like to place on the record a couple of paragraphs of an exchange that occurred between Major Richard Bouchard, Staff Officer, 1st Canadian Air Division, Comox, B.C., and his boss, Major-General L.C. Campbell. Apparently, Major-General Campbell, who had been out West and had a conference with Major Bouchard, invited further questions, which were later e-mailed. Major Bouchard wrote:

> Assuming that there will be a competition to select the new maritime Helicopter (MH), it is quite possible that the Cormorant might win it, mainly because the other prime contenders have serious shortcomings. The Sikorsky S-92 is still in development and has not even flown yet and Eurocopter's Cougar II still has the same ship comparability design problems that resulted in its elimination the last time around. Also, after attending the Eurocopter's Cougar MKIII briefing last September, their proposal is, at this time, still a paper helicopter.

The specific questions were as follows:

> Even though the Cormorant (EH-101) is politically unacceptable ("political suicide" as you said), how do you ensure that it does not win a MH competition?
>
> If the Cormorant were to win a MH competition on its merits, wouldn't we again be in the same position of being accused of tricking the government?
>
> Do you think that the political unacceptability of the Cormorant will mean that a MH competition will have to be ruled out (i.e. Directed Purchased)? Or, do you think that the Cabinet would just opt to select second-place finisher if the Cormorant were to be winner of a competition?
>
> If it would be unthinkable for the Air Force to recommend that our Sea Kings be replaced by Cormorants — even though the latter might come out on top in a competition, what is being done to lower the sights of the MH community with respect to the idea....

THE LATE TOM WELLS

TRIBUTE

Hon. Norman K. Atkins: Honourable senators, I wish to pay tribute to a truly great servant of the people of Ontario, the Honourable Tom Wells.

Last Wednesday, Tom passed away as he lived, surrounded by his family. His life will be celebrated at Timothy Eaton Memorial Church in Toronto this Thursday, October 19, at 11 a.m. The eulogy will be given by the Honourable William G. Davis.

His was no ordinary life. Tom served as MPP for the riding of Scarborough North from 1963 to 1985. He was a member of cabinet in both the Robarts and the Davis governments, and from 1985 to 1992 he was Ontario's agent-general in London, England.

However, it was as a member of the Government of Ontario that I knew him best. During his early years in the legislature he was appointed to the select committee on youth, which demonstrated that the government had a role to play in addressing the needs of young people. This served him well during his time as minister of education from 1972 to 1978, where he was able to bring about great changes in the Ontario school system, making Ontario a leader in education.

It was as Bill Davis' minister of intergovernmental affairs from 1978 to 1985 that he responded to a wider vision of Canada — a vision that allowed parochial sentiments to be transformed into a view of what Canada needed. It also allowed Ontario to take the lead, along with New Brunswick, in supporting patriation of the Constitution and the adoption of the Charter of Rights and Freedoms.

[Senator Forrestall]

His qualities of decency, loyalty and commitment to his leader, no matter how difficult the situation, were the ones that I most admired. Above all, of course, he was a great Canadian patriot. This served him well in London, England, as Ontario's agent-general. This was also demonstrated when, as the minister of education, he allowed Ontario school children to watch the 1972 Canada-Russian Hockey Summit series on television.

Honourable senators, Tom Wells was a really good friend and will be truly missed. I extend my condolences to his wife, Audrey, and all the members of his family.

HEALTH CARE SYSTEM

Hon. Betty Kennedy: Honourable senators, like most Canadians, I welcomed the agreement our Prime Minister was able to accomplish with the provinces concerning the large infusion of federal funds into our national health care system. I congratulate him most sincerely. However, it would be naive to assume that this is a happy ending to all health care problems.

Many Canadians share the concern that our health care system is at risk and, indeed, under attack from those who do not share the philosophy on which the Canada Health Act is based. That act, passed by Parliament in 1984, reaffirmed the federal government's commitment to a universal, accessible, comprehensive, portable, and publicly administered health insurance system. It provided the conditions and criteria that provincial insurance plans must meet to get full transfers.

It came about in the 1980s precisely because of concerns that extra billing by doctors and user fees levied by hospitals were creating a two-tiered system that threatened the accessibility of health care. The act provides for an automatic dollar-for-dollar penalty if any province permits such charges for insured health services.

The Canada Health Act guarantees to all of us the health care that we need, and the federal government is the watchdog — the defender, if you like — of that act. It is the act that some would now have rewritten and some would like removed from federal to provincial jurisdiction. That should set alarm bells ringing for every Canadian.

The calls for a two-tiered system have not gone away. We are told by some that we cannot afford our universal system, and yet Canadian medicare costs just over 9 per cent of our gross domestic product to insure 100 per cent of Canadians. It costs the U.S. anywhere from 13 per cent to 14.2 per cent for their system, which leaves 43 million Americans with no coverage, and many more millions underinsured as witnessed by the 28 per cent of personal bankruptcies directly attributable to personal medical bills. On this basis, our system is a bargain.

While our system is not without problems, the scare stories we read of a system in crisis deserve careful scrutiny. In 1997-98, 3 million Canadians had hospital stays, and 5.3 million Canadians reported having used emergency health services at least once during the previous year. How could a system in crisis cope with those numbers?

Honourable senators, we must be vigilant about our health care. We need to look closely and to examine with great care suggestions that we are in crisis and that private for-profit care and a so-called reform of the Canada Health Act is the answer. Where do these suggestions come from and who would benefit? All the evidence suggests it would not be the patient.

I believe we should make it very clear that our health care system is not for sale. We should resist every attempt to erode what we have, which is a truly remarkable system, even with its flaws.

I am encouraged by the diligent work of the Social Affairs Committee, under its chairman, Senator Michael Kirby, on the future of health care, and I hope that the committee continues in the future.

RECENT VIOLENCE IN THE MIDDLE EAST

Hon. Jerahmiel S. Grafstein: Honourable senators, who in this chamber can fail to regret the recent spiral of violence in the Middle East? What is the lesson? Violence begets violence. The precious gift of life becomes death.

Let us start at the beginning. In the beginning was the word. Words can heal or kill; so can television pictures. Psalm 34, verses 13 and 14, reflects the early principles of civil discourse:

> Who is the man that desires life and loves days that he may see the good? Guard your tongue from evil and your lips from speaking deceit.

So the Psalmist admonishes us.

This biblical enjoinder remains at the heart of perfecting conditions for fostering a good life in a civil society. Regretfully, the meaning of words and pictures spoken, written and broadcast lie near, if not at the core of the current unrest.

Mr. Trudeau once said that television was an electronic cannon. The truth of that insight was displayed by the acts of violence that always seemed to ignite and become enflamed in front of television cameras.

• (1420)

However, honourable senators, we are where we are. Earlier today we learned that a ceasefire has been agreed to in the Middle East. All agree that violence must cease. All agree that a path back to dialogue must be found. All agree that lives must be removed from danger. The return to the pathway of dialogue and discourse, made more rocky by recent events, remains a precondition to any achievable peace accord. Peace can never occur if neighbours cannot talk to each other and all levels of society cannot learn to live beside each other and at least trust each other. Unless and until that occurs, the neighbourhood will remain a deadly and dangerous place.

Honourable senators, I wish to draw your attention to regretful occurrences in Canada, triggered in part by the passions in the Middle East. In the last few weeks, the exterior of several synagogues and one Arab centre in Toronto have been defaced. We learned yesterday that a Jewish cemetery in Montreal was desecrated. These acts are deplorable and simply unacceptable to all Canadians. Just as dialogue is the only way to peace in the Middle East, so dialogue is the Canadian way of resolving divisions of viewpoints from afar.

I hope all honourable senators will join me in disavowing the actions of aberrant residents of Canada or Canadian citizens that are unacceptable and obscene to the Canadian way of life.

In the Middle East, one thing is clear: No one will move out of that ancient neighbourhood. Whether they like it or not, everyone will be living together, side by side, in perpetuity. Neighbours do not have to love each other; neighbours must learn to respect each other. Only when calm returns can neighbours start again to learn to be good neighbours. That fragile hope remains a seemingly elusive, if only realistic, goal for the Middle East and for the civilized world.

CHILD CARE

Hon. Mira Spivak: Honourable senators, the emphasis by the governing party on initiatives for children prompts me to comment on the child care issue.

Recently, a $972,000 study was funded by Human Resources Development Canada. It reported that most licensed child care centres in Canada provide mediocre care. They offer a safe place for working parents to leave their children, but they fail to stimulate healthy growth and learning. Only one-third of the programs encourage children's social, language and thinking skills. This is the largest study ever to investigate the quality of child care in our country. However, many studies have come before it.

Last May, another major report showed that in the past decade Canada has made little progress on child care. Before that, another excellent report by Dr. Fraser Mustard and Margaret McCain, and a study by two University of Toronto economists, estimated that every dollar invested in high-quality early child care yields a $2 dividend for society as a whole. Virtually every major study has come to similar conclusions. Canadian children are not receiving the quality care they require and to achieve it means governments must increase funding.

More than a dozen years ago, we looked into the matter through the Special Committee on Child Care here in the Senate. We then received the Mulroney government's response. Some 13 years ago, the federal government was prepared to commit in the order of $5.4 billion over a seven-year period. Up to $3 billion was for a new federal-provincial cost-sharing arrangement; $100 million was for special initiatives; and $2.3 billion was to enhance tax assistance. It is interesting not to forget that this was where we were at one point.

In view of the union on social services agreement, I would hope that we would not merely leave it up to the provinces to determine standards and funding for child care but that the federal government would take its traditional role as leader.

QUESTION PERIOD

NATIONAL DEFENCE

REPLACEMENT OF SEA KING HELICOPTERS—
VIABILITY OF EUROCOPTER COUGAR MK 2

Hon. J. Michael Forrestall: Honourable senators, I am pleased to see the minister back in his seat this afternoon. Yesterday, I did not know whether he had quit and returned home or whether he was going to run federally and suddenly realized that he had another week to go and had to be reinstated.

Senator Kinsella: What riding? You must know that.

Senator Forrestall: Yes, I do. He will see me every morning at the Shearwater gate.

Pardon me, Your Honour.

Senator Kinsella: How many years were you a member of Parliament?

Senator Forrestall: Almost 24. That is eight consecutive victories.

I was unable to finish my statement earlier because I noticed the Speaker eyeing me. However, I wanted to say that Major Richard Bouchard, the staff officer from whom I was quoting, said at the end of his questions:

> From my perspective, the MH rank and file is not currently expecting the air force to accept a downgrade that would be the fixed-wing equivalent of going from an F-5E to a brand new, state of the art, armed Cessna 185.

Honourable senators, this is probably the last chance we will have to hear the government indicate that it is prepared to review its call. It is an extremely important issue, as are the principles that are involved — if not for the aircraft, then for the men and women who must fly and man them. As I have said on a number of occasions, it is my belief that the contract is directed. If one listens to questions like those coming from the air side itself, it is not hard to understand how one would come to that conclusion. The aircraft that the government intends on directing the contract to, namely, the Cougar MK 2, has just been eliminated from a four-nation Scandinavian program to purchase maritime helicopters for their navies. Denmark, Finland, Norway and Sweden have said no. Eurocopter's Cougar MK 2-3 cannot make it in the North Sea. That is a locale similar to our North Atlantic.

Can the minister tell us why the government would consider the Cougar as a suitable aircraft for our navy when it is clearly not suitable for four Western navies flying in approximately the same conditions?

Hon. J. Bernard Boudreau (Leader of the Government and Minister of State (Atlantic Canada Opportunities Agency)): First, I wish to tell the honourable senator that not in my wildest ambitions would I ever anticipate serving as long in any constituency as he served the good people of Dartmouth in the past.

Senator Kinsella: Yes, and with great distinction!

Senator Boudreau: I would not for a moment suggest that I would ever attempt to break that record of longevity.

With respect to the specific question, as most honourable senators know, the government has launched a process to acquire the appropriate new helicopter to service the needs as determined by the professionals in the Armed Forces. In fact, that process is ongoing.

There is a suggestion by the honourable senator, either directly or by reference, that somehow a particular helicopter is being eliminated for political reasons.

• (1430)

EH Industries, the manufacturer of Cormorant, has filed an intervention with the Canadian International Trade Tribunal. If they have some objection to the process, if they feel it is not fair, that is precisely the forum where they should air that objection.

From the government's point of view, there is no favoured candidate. There is no political bias against any one of the potential candidates that may come forward. If anyone feels aggrieved, as this company apparently does, the opportunity and the mechanism exist to seek an appropriate redress. I understand that one company is taking that opportunity.

Senator Forrestall: Honourable senators, the leader has not told us anything. He has not said anything. I asked him why. Why would the government do it? Was it because Herb Gray, that distinguished Canadian, chaired the ad hoc committee that made the decision and worked on the process? Does the government think we are idiots? Come on. These are men and women you are talking about who have to get into airplanes and fly them.

Four major northern countries have said no to the Eurocopter because it is not safe. It is like going from an F-5 to a Cessna 185.

Why has the government done this? Was it to get the money for the Daimler plant in Windsor? Is that what it was for, to get that $1.5 billion? Was that part of the pay-off? Was it?

I wonder what Minister of Industry Tobin will do with that. Thank God it was not George Baker or it would be back in Newfoundland right now, although there it might do some good.

If Daimler and the French government and the present government of this country have seen fit to subject Canadian Armed Forces to lesser equipment than they deserve for the sake of an upgraded truck plant in Windsor, Ontario, then I think it is time for a change in the next election.

Some Hon. Senators: Hear, hear!

Senator Boudreau: The honourable senator will have plenty of opportunity to make that speech during the course of a campaign, should an election be called, because it is just that — an election speech. The honourable senator's assumptions are without basis.

We are going through an open process which is designed to access the best military expertise. In fact, no company, for political reasons or otherwise, has been categorically eliminated.

Apparently one company does have some objections. This competition involves a lot of money and all of the losers will have objections. If some company has objections about the process, there is a procedure in place to deal with those objections. The Cormorant has launched an intervention in that process and it will be dealt with precisely as it should be.

Senator Forrestall: Honourable senators, I could quite easily take umbrage at the suggestion that my comments made from my seat in the Senate of Canada are without basis. I am inclined to ask for an apology, if not for myself, at least for the rank and file of the maritime helicopter component.

Obviously the Leader of the Government did not hear me. If it would be unthinkable for the air force to recommend that our Sea Kings be replaced by Cormorants, even though the latter might come out on top in the competition, what is being done to lower the sights of the maritime helicopter community with respect to the idea that they may have to be content with a Sea King replacement that is, at least with regard to the airframe, less capable than the Sea King? That is from my perspective.

He went on to suggest that the Eurocopter is not safe. Now we have four Scandinavian countries rejecting it as a contestant to replace equipment in Denmark, Finland, Norway and Sweden.

Is that claim without basis? Am I to say that the chief of the air force is not a reliable, dependable source? Is that what the honourable senator is suggesting? Is he calling me some kind of liar? If so, I do not particularly cater to that very fondly.

Senator Boudreau: Let me be very clear with the honourable senator. There is a legitimate process underway. A competition is now occurring. If anyone objects to the competition, they have recourse to have it examined and to have remedial action taken.

I thought the honourable senator was suggesting that some kind of a deal was being negotiated with a plant going somewhere and a particular company being awarded preference because of that. If that is the case, I have no evidence of it. We will hold the competition and pick the right helicopter to meet the needs of the Canadian Armed Forces as determined by the experts, not by me. I only know that we will follow that legitimate and transparent process.

Senator Forrestall: I would be slow to defend that nonsense.

[*Translation*]

FOREIGN AFFAIRS

SUMMIT OF THE AMERICAS CONFERENCE 2000-01— INVITATION TO THE PRESIDENT OF CUBA

Hon. Marcel Prud'homme: Honourable senators, I do not know whether to congratulate the minister on his promotion today or to extend my sympathies to him on the return of Mr. Tobin.

That said, I would like to return to a question I have already asked. I have received an answer, which I mentioned to your honourable neighbour, saying that it was totally unacceptable. He promised me that, at the first opportunity, I could question you about it again, and so that is what I am doing today.

In the meantime, the funeral service was held for the Right Honourable Pierre Elliott Trudeau and the people of Canada could see how immensely popular Mr. Castro is — and I do not know about in Canada, but certainly in Quebec.

I asked and I insist — I will continue very quickly — on asking the government to show some initiative by inviting Mr. Castro to observe at this conference, even though Cuba is not a member of the Organization of American States and he cannot therefore be invited to the Summit of the Americas.

I repeat that I will, in the coming months, keep this debate alive in Quebec, because I think it would be unacceptable in our current spirit of rapprochement, for peace worldwide, not to be able to invite Mr. Castro, at least as an observer, since the power issuing the invitation is Canada and it is up to Canada to establish the list of invitees.

Has the minister had time, despite his many activities, to deliver this message to the Prime Minister, the Minister of Foreign Affairs and cabinet? If not, he still has a few days to do so, since it is very important, it is a new symbol of rapprochement between Canada and Cuba.

[*English*]

Remember that Canada is the only country besides Mexico that never broke its relationship with Castro's regime, or with Cuba, if you prefer.

Hon. J. Bernard Boudreau (Leader of the Government and Minister of State (Atlantic Canada Opportunities Agency)): As the honourable senator referenced in his last comment, over the years, Canada has played a leading role in pursuing a policy of contact as a way to encourage the evolution of the Cuban regime to where it permits the type of freedom that we all hope will be forthcoming in that country.

• (1440)

With respect to the specific question regarding the invitation to the Summit of the Americas, my previous information, which I received after having had the matter raised, was that it is an assembly that is driven generally by consensus among the members. The consensus was that Cuba should not be invited to this summit. In fact, the Government of Canada was following and supporting that consensus.

I might add that as of earlier this morning, as the honourable senator knows, we have a new Minister of Foreign Affairs. I will raise the issue with him as a result of the senator's intervention and determine if his view differs from that of the previous minister.

Senator Prud'homme: Honourable senators, very briefly, because I believe Question Period is not a time for speeches, I am quite aware of this consensus, but that was yesterday's debate.

I am asking the Leader of the Government to ask the minister, as I will, to exercise Canada's leadership. There may be a consensus on things that happened in the past, but I would hope that Canada, being the host, will exercise some leadership and try to impress on the other countries the idea that the time has come to invite Cuba to the conference, perhaps not as a full member but at least as an observer.

Senator Boudreau: Honourable senators, I would not wish the senator to conclude from my response that, in fact, efforts on an ongoing basis are not made by Canada to move consensus along in various areas and in various directions. In many ways, Canada has been a leader in building consensus on a number of issues. The consensus I referred to is the current consensus of the members. However, as I have said already, I will raise it with the new minister and convey the remarks of the honourable senator.

Senator Prud'homme: On a personal note, I wish you good luck in the next election.

THE SENATE

VIEWS OF LEADER OF THE GOVERNMENT ON REFORM

Hon. David Tkachuk: Given the impending election and the Leader of the Government's intention to run for the government in the riding of Dartmouth, and given his unique perspective as Leader of the Government in this chamber, what are the views of the Leader of the Government, if any, on reform of the Senate?

Hon. J. Bernard Boudreau (Leader of the Government and Minister of State (Atlantic Canada Opportunities Agency)): That is a very important issue, honourable senators, and one where I believe a leadership position should be taken by those senators who are already sitting in this very important institution. It would be presumptuous of me to do so, not only because, perhaps, I will soon leave the institution but also because I have only been here for a relatively short period of time. I am interested in discussing that issue at great length with colleagues on both sides and benefitting from the long service and wisdom of senators whose opinions would be far more valuable than mine.

Senator Tkachuk: Honourable senators, I suppose the leader is saying that he has no view on reform of the Senate just in case he loses and wishes to be reappointed.

BRITISH COLUMBIA— POSSIBILITY OF INCREASE IN REPRESENTATION

Hon. David Tkachuk: Honourable senators, there was much criticism of the clarity bill because British Columbia was exempted as a region of Canada, and then included by the Government of Canada and supported as a region. Does the Leader of the Government support the notion that British Columbia have a representation of 24 senators and thereby become a full region of Canada?

Hon. J. Bernard Boudreau (Leader of the Government and Minister of State (Atlantic Canada Opportunities Agency)): First, honourable senators, I stand to be corrected, but I do not know that there has ever been anyone who has resigned from the Senate and then been reappointed.

Senator Lynch-Staunton: Yes.

Senator Boudreau: There has been? That will be very interesting. I receive that news with some interest. My impression was otherwise.

Again, I hesitate to launch into an area where I would benefit very much from the advice and wisdom of senators much more experienced and learned than myself. In advance of that kind of discussion, I would be reluctant to stake a position on any issue of reform of the Senate without having the benefit of that wisdom.

ATLANTIC CANADA OPPORTUNITIES AGENCY

SYDNEY, NOVA SCOTIA—POSSIBILITY OF RENEWAL OF CANADA BUSINESS CENTRE BUILDING LEASE

Hon. Noël A. Kinsella (Deputy Leader of the Opposition): Honourable senators, I wonder whether the new minister responsible for ACOA could advise this house whether or not he supports maintaining the ACOA leased space in the Canada Business Centre in Sydney, Nova Scotia.

Hon. J. Bernard Boudreau (Leader of the Government and Minister of State (Atlantic Canada Opportunities Agency)): Honourable senators, I understand, from a brief discussion with members of the agency, that that lease expires sometime in 2001 and that it is not the intention of the agency to renew that lease, and I support that decision.

Senator Kinsella: Therefore, honourable senators, the minister is supporting that decision notwithstanding today's Auditor General's report that states that that space was leased at an excessive cost and that it was never operated as intended? In the Auditor General's opinion, Public Works Canada and ACOA did not ensure that the acquisition of the space in Sydney represented value for money and did not conduct the process in a transparent manner. Is the minister supporting that decision?

It was also revealed by the Auditor General's report today that the ministerial letterhead was used inappropriately by a senior departmental employee assigned to the minister's office to convey information that was the basis for proceeding with direct negotiation for the building itself. Would the minister change that practice, at least?

Senator Boudreau: I think either I misstated my position or the honourable senator misheard me. I said that the lease expires sometime in 2001, and when it expires it will not be renewed. I support that position. It will not be renewed.

The Auditor General has drawn our attention to a situation. I have not had an opportunity to review the details of that file. I have asked that that be done immediately, and perhaps I will have a chance to do so in the next 24 hours, but I have not had an opportunity to read the Auditor General's report. I am familiar, as the senator might suspect, with the site itself, having spent a lot of time in Sydney over the years. It is a very good facility that serves the public well. However, as to the specific items addressed by the Auditor General, I would need an opportunity to read those in detail and discuss them with members of the agency.

Senator Kinsella: It will be a nice place to practise law.

THE SENATE

BRITISH COLUMBIA— POSSIBILITY OF INCREASE IN REPRESENTATION

Hon. Pat Carney: I was wondering if Senator Tkachuk would clarify his view that each region receive 24 senators.

Hon. David Tkachuk: I want 24 in the Prairies as well.

The Hon. the Speaker: I am sorry, but you cannot address questions to honourable senators.

Senator Carney: Can I ask him as deputy chairman of the Banking Committee?

The Hon. the Speaker: No, it must be the chairperson of the committee.

• (1450)

Senator Carney: Honourable senators, I will ask the Leader of the Government in the Senate a serious question. Before I ask my question, though, I wish to congratulate him on his appointment and wish him luck in any forthcoming election in which he chooses to run for a seat in the Maritimes.

One of the issues that affects us as British Columbians — and there are other B.C. senators in the chamber — is the fact that the representation of British Columbia in the Senate is not equal to the representation of other regions. This is difficult for the people of British Columbia because they do not have access to the same kind of parliamentary support as other regions. Is the Leader of the Government in the Senate aware of this problem and does he have any views on the present situation? Can he do anything at the cabinet level to assist a change in this situation?

Hon. J. Bernard Boudreau (Leader of the Government and Minister of State (Atlantic Canada Opportunities Agency)): Honourable senators, one would presume that any change to Senate representation would require a constitutional amendment. I am familiar with the arguments — at least in a general form over the years — that some areas are not represented as well as others in the Senate. The honourable senator refers to British Columbia. Part of the original idea of representation in the Senate, as opposed to the House of Commons, was that it not be on a per-capita basis or related directly to the population.

Honourable senators, this issue is very interesting and one that obviously must be addressed as we move forward and discuss reform of the Senate. There are competing interests. On the one hand, there is the view that the honourable senator expresses, which is that certain areas with large populations are not as well represented as other areas in the country. On the other hand, there is the traditional role of the Senate of bringing forth the interests of the regions in a way that perhaps the House of Commons cannot because of its proportionate representation link to the size of the population.

HUMAN RESOURCES DEVELOPMENT

AUDITOR GENERAL'S REPORT— MISMANAGEMENT OF JOB CREATION PROGRAMS

Hon. W. David Angus: Honourable senators will no doubt recall that, during February and March of this year, we addressed a number of questions to the Leader of the Government in the Senate on the subject referred to variously in the media as the "scandal at HRDC," the "shovelgate affair," and the "woeful tale of gross mismanagement of public funds." With some direction from His Honour, we agreed to continue to pose these questions in a nice way. Therefore, I thought I would ask a question of the leader as nicely as I can, in light of the Auditor General's report of today and in light of his previous answers that all is well and that the grants under the Transitional Jobs Fund and the Canada Jobs Fund were not mismanaged and were properly given out.

Honourable senators, I refer to Chapter 11 of the Auditor General's report. In all fairness, I think it does justify the questions I asked, and perhaps not so much the answers that were given.

First, Chapter 11.196 states:

In almost all projects (92 percent in TJF and 86 percent in CJF), payments were not handled properly. The deficiencies we found included one or more of the following:

- payments made for ineligible expenses ($450,000 in the 74 TJF projects that we sampled);
- payments made for expenses incurred outside the funding period specified in the agreement ($9.5 million in the 74 TJF projects, and $755,000 in the 36 CJF projects that we sampled);
- payments made without review of adequate supporting information;
- payments made to a party other than the recipient specified in the agreement;
- payments that did not respect the terms and conditions of the agreement (for example, contributions paid for salaries in the expectation that the jobs would be created after the project closed); and
- payments approved without proper authority.

In the spirit of being nice, is the minister now prepared to acknowledge that there was a terrible mismanagement of public funds and prepared to apologize on behalf of the government — I used another word before, but I will not use it at this time — for, let us say, his disingenuous answers of the direct questions that I posed in this chamber?

Hon. J. Bernard Boudreau (Leader of the Government and Minister of State (Atlantic Canada Opportunities Agency)): Honourable senators, I must say to the Honourable Senator Angus that he has obviously received a copy of the report. I have not yet had a chance to read it. I believe it will be tabled here tomorrow.

Honourable senators, I look forward to having the opportunity to read the report and respond in detail. However, I must say that there was clearly a recognition by the minister, the Honourable Jane Stewart, that remedial action needed to be taken. As a matter of fact, she did institute a plan of action to deal with those deficiencies. The minister put that plan in place. I cannot recall specifically its details at the moment, but I am sure I could retrieve those very easily. I am told that in the report that remedial plan was given the Auditor General's blessing. The Auditor General said that, in fact, it effectively addresses the deficiencies. The minister is to be congratulated for putting such a plan in place. She obviously recognized the fact that there were deficiencies to be dealt with.

Senator Angus: Honourable senators, perhaps I should preface this question by reiterating Senator Forrestall's congratulations to the Leader of the Government in the Senate on his new responsibilities as Minister of State, and I wish him well in fulfilling those functions. I understand from some of my colleagues from Atlantic Canada that these responsibilities largely will involve giving public funds to deserving citizens in this important part of our nation.

The Auditor General has stated that there was a terrible situation that required extraordinary efforts to remedy. The minister has stated that the department needs to make today's extraordinary efforts tomorrow's routine and fundamentally change its day-to-day approach to the delivery of grants and contributions. Can the honourable minister assure this house that he will make those extraordinary new practices the routine when fulfilling his new function at ACOA?

Senator Boudreau: I would say to the honourable senator that I am glad he gives me this opportunity. As a minister responsible for a department in other jurisdictions, I faced auditors general reports in the past and I have always taken them very seriously. I will take this one very seriously as well, both with the reference it makes to any file or practice within ACOA and to any general comments it makes with respect to financial management. I intend to review the Auditor General's report very specifically with my officials and ensure that we do implement the recommendations.

Senator Kinsella: Good answer.

ROUTINE PROCEEDINGS

WESTERN CANADA TELEPHONE COMPANY

MESSAGE FROM COMMONS

The Hon. the Speaker informed the Senate that a message had been received from the House of Commons returning Bill S-26, to incorporate the Western Canada Telephone Company, and acquainting the Senate that they have passed the bill without amendment.

ABORIGINAL PEOPLES

COMMITTEE AUTHORIZED TO MEET DURING SITTING OF THE SENATE

Leave having been given to revert to Notices of Motions:

Hon. Thelma J. Chalifoux: Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(*a*), I move:

> That the Standing Senate Committee on Aboriginal Peoples have the power to sit at 4:30 p.m. today, Tuesday, October 17, 2000, 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?

• (1500)

Hon. Noël A. Kinsella (Deputy Leader of the Opposition): Honourable senators, this side will grant that leave, recognizing that there was a technical difficulty in the committee this morning and they were unable to teleconference with witnesses in the North, an extraordinary circumstance beyond the committee's control.

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

Hon. Senators: Agreed.

Motion agreed to.

ORDERS OF THE DAY

BILL TO AMEND THE STATUTE LAW IN RELATION TO VETERANS' BENEFITS

SECOND READING

Hon. Jack Wiebe moved the second reading of Bill C-41, to amend the statute law in relation to veterans' benefits.

He said: Honourable senators, I rise to speak at second reading stage of Bill C-41. I am very proud to support legislation that will benefit the men and women who, more than 55 years ago, stood up to be counted in the defence of values that Canadians still hold very close to their hearts: a free society, a peaceful society, and a democratic society.

Honourable senators will recall that upon introducing Bill C-41 in Parliament the Minister of Veterans Affairs pledged to veterans' organizations his best efforts to ensure that the bill would receive speedy passage. Our colleagues in the other place proceeded expeditiously. It is now incumbent upon us to ensure that this bill is approved and receives Royal Assent without further delay so that the deserving recipients might enjoy the benefits to which they are certainly entitled.

Bill C-41 extends benefits to civilian groups who served overseas in support of the war effort. They include members of the Canadian Red Cross, St. John Ambulance, Canadian Fire Fighters, pilots who ferried aircraft over the Atlantic, and the Newfoundland Overseas Forestry Group.

The improvements sought through the passage of this legislation and related regulatory changes will respond to the needs of the veterans of these various civilian units by providing them with expanded access to disability pensions, income support programs, and additional health care benefits, including services provided under the Veterans Independence Program.

It is only appropriate that we extend Veterans Affairs benefits to these groups that supported the war efforts overseas and who, like their military counterparts, served their nation and the Allied cause with determination and dedication. Passage of Bill C-41 will give them broader and easier access to disability and survivor pension benefits. In some cases, Bill C-41 will fix old inequities and improve current benefits and protection, as well as remove some of the irritants that have been brought to our attention over the years. As a result of these proposed changes, veterans, as well as these civilians who served overseas, will feel more secure that their benefits will continue unimpeded by bureaucratic rules and regulations.

This, honourable senators, is only part of the story. Bill C-41 also addresses the needs of our current serving members of the Canadian Forces. Veterans Affairs is acting in concert with DND to take a more comprehensive approach to dealing with injured or disabled clients. Whenever Veteran Affairs can act to improve access to veterans' benefits without changes to the legislation, it does so. However, there is a need for legislation to provide a level playing field for all members of the Armed Forces, whether they serve here at home or abroad. This bill will fill that gap by giving all Canadian Forces members equal access to disability pensions and related health care benefits, regardless of whether their injury occurred in a special duty area or in Canada.

Veteran Affairs derives a great deal of pride from its client-centred service delivery. This type of service means that the client is number one. It also means both cutting red tape and communicating in plain language. It means ensuring that our veterans and all other clients who require our services never feel that they have knocked on the wrong door when looking for help. Bill C-41 has provisions to ensure that this type of front-line service continues unimpeded. The provisions have been carefully worded in order to balance service for an increasing aging clientele with their privacy rights.

The list of additional measures that flow from Bill C-41 includes permitting veteran disability pensioners who are married to or living common law with each other to both receive the married rate. Bill C-41 extends the remission authority to all types of overpayments of veterans' benefits, while improving the ability to collect without causing hardship. Bill C-41 provides for a one-year continuation of a deceased veteran's pension to the guardian of the veteran's surviving children, and it reformulates the provisions governing the assessment of outside disability benefits, such as dealing with workers' compensation or court-awarded damages for personal injuries.

These are only a few of the many changes brought about by Bill C-41. These changes are important to those who will benefit from them. It is the very least that we can do for them. It is our turn to do something for those who, without hesitation, responded to the call of their country in its hour of greatest need.

Honourable senators, this is good legislation. It goes some way toward righting past unfairness. It broadens access to benefits for some and simplifies their application for others. For the sake of these worthy and aging recipients, I urge all of my colleagues in this chamber to ensure the quick passage of this bill.

Hon. Michael A. Meighen: Honourable senators, I am pleased to rise today to speak at second reading on Bill C-41. Before I get to my specific remarks, I would like to say a few words about this morning's pre-election cabinet shuffle. Everyone is well aware that it is not my habit to heap praise upon Liberal ministers of the Crown, but it is with some regret that I saw that George Baker was demoted from his position of Minister of Veterans Affairs.

The problem, of course, is that Mr. Baker was an effective minister and an ardent supporter of veterans' rights. I am not alone in that opinion. As chair of the Subcommittee on Veterans Affairs, I can tell you that many veterans groups across this country enjoyed working with Mr. Baker and found him to be a man who gets things done.

I also understand that there are other groups, particularly in Newfoundland, who have come to realize that George Baker is a man who keeps his head down, his eye on the ball, and always follows through. Those who are not golfers will not get the analogy.

I look forward to working with Mr. Baker's successor, Mr. Duhamel, but however you slice it — not to pursue the analogy too far — the Department of Veterans Affairs has been effectively downgraded by this government. The department is now in the charge of a minister who has not one, not two, but three distinctly different portfolios. As capable a man as Mr. Duhamel may be, I wonder just how much time he will have for our veterans, sandwiched in between his responsibilities for Western Economic Diversification and Francophonie. In any case, I know that I and my fellow members of the Subcommittee on Veterans Affairs will do everything we can to assist him.

[*Translation*]

Let us get back to the bill. As pointed out by Senator Wiebe, passing this bill will pave the way for long-sought-after amendments to a number of bills and in particular the improvement of benefits for many veterans, as well as those who have supported their efforts.

[*English*]

• (1510)

I must say we on this side are a bit surprised that the government has found the time to deal with this bill, given their unseemly haste to get to the polls for the third time in just seven years. I suppose Canadian veterans should feel fortunate that this bill may well pass before the election is called. Unfortunately, honourable senators, many other bills, bills which should be considered and debated by Parliament, will die on the Order Paper as soon as the writ is dropped.

I can say, however, that we are pleased to see the passage of this particular bill, resulting as it does in improved benefits for those who served in support of our forces overseas — groups such as those mentioned by my honourable friend, the overseas aircrew of the Ferry Command, the Newfoundland Overseas Forestry Unit, and many members of the Red Cross and St. John's Ambulance. I am also pleased to see that members of our forces who suffer a disability will, as a result of the amendments included in Bill C-41, be able to collect the appropriate pension while continuing to serve their country.

The amendments will also allow the government to be more compassionate when collecting overpayments. While we are pleased to see some evidence of the government's compassion, we do not believe that the changes in this bill go far enough. Every year the Department of Veterans Affairs deals with thousands of benefit claims, and sometimes a dispute will arise regarding a veteran's entitlement to benefits. For example, there are many instances when a veteran's injury does not become apparent until many years after the fact, or when the veteran can testify as to the cause of injury. We on the Veterans Affairs Subcommittee heard evidence on that very point this morning.

Unfortunately, even if the basis of the veteran's claim is plausible and can be supported by some medical evidence, the Government of Canada cannot, or will not, give the veteran the benefit of the doubt and grant the claim. We believe that in all cases where there is a dispute as to the facts or the equities of a particular situation, all matters of doubt should be resolved in favour of the veteran. Surely, honourable senators, that is not too much to ask for those who have served their country both in world wars and in peacekeeping missions.

The Canadian government should not hide behind the restrictive interpretations of the law to deny benefits to those who have served us. Nonetheless, we support the passage of this bill. We can only hope that those deserving of its benefits will actually be able to receive them before yet another election is called.

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE

Hon. Shirley Maheu (The Hon. the Acting Speaker): Honourable senators, when shall this bill be read the third time?

On motion of Senator Wiebe, bill referred to the Standing Senate Committee on Social Affairs, Science and Technology.

SALES TAX AND EXCISE TAX AMENDMENTS BILL, 1999

THIRD READING

On the Order:

> Resuming debate on the motion of the Honourable Senator Hays, seconded by the Honourable Senator Grafstein, for the third reading of Bill C-24, to amend the Excise Tax Act, a related Act, the Bankruptcy and Insolvency Act, the Budget Implementation Act, 1997, the Budget Implementation Act, 1998, the Budget Implementation Act, 1999, the Canada Pension Plan, the Companies' Creditors Arrangement Act, the Cultural Property Export and Import Act, the Customs Act, the Customs Tariff, the Employment Insurance Act, the Excise Act, the Income Tax Act, the Tax Court of Canada Act and the Unemployment Insurance Act.

Hon. Noël A. Kinsella (Deputy Leader of the Opposition): Honourable senators, we on this side of the house have completed our work in debate at third reading of Bill C-24. At this time, I have several comments which I would like to make.

The bill makes several changes which are mainly of a technical nature to the laws governing the GST and other excise taxes. It also repeals the tax regime for split-run periodicals as announced in July 1998. It reduces the level of tobacco production that is exempt from the special tax on tobacco exports, as well as raises tobacco taxes. Some of the technical amendments here were first announced by the government in 1997 and are only now, apparently on the eve of another election, being finalized. Why it has taken almost another full electoral mandate to accomplish these changes might be a reflection on the competence of the current administration in managing its legislative agenda.

Strong objections to the special tax on split-run magazines were simply ignored by the government at the time it was introduced in 1995. This legislation now repeals those provisions following a ruling by the WTO that the tax was illegal. It would have saved a considerable amount of time and trouble had the government done its job properly the first time.

This government's method of combating tobacco smuggling was to reduce the profitability of these illegal operations through the odd mechanism of reducing taxes, thereby making tobacco cheaper, rather than by enforcing the law, particularly on the borders. One might almost think this was done in collusion with tobacco companies to promote sales, but I am confident that that was not the case.

In any event, American prices have finally risen and our timid government is moving in lockstep, although we seem to have developed a new problem, that of interprovincial smuggling, with cigarettes cheaper in one province than another. For example, they are cheaper in Ontario than they are in Saskatchewan. The modest technical changes contained in this bill may be of some assistance, but they certainly do not constitute anything like the kind of significant tax relief that ought to have been undertaken.

Nonetheless, honourable senators, we think that the bill as examined by committee and currently under debate at third reading can stand. That is our position.

Motion agreed to and bill read third time and passed.

CANADA NATIONAL PARKS BILL

THIRD READING—DEBATE CONTINUED

On the Order:

> Resuming debate on the motion of the Honourable Senator Banks, seconded by the Honourable Senator Chalifoux, for the third reading of Bill C-27, respecting the national parks of Canada.

Hon. Tommy Banks: Honourable senators, it has been my pleasure to sponsor Bill C-27. It really has been a pleasure, especially since this is the most significant review of the Parks Act since its promulgation in 1930.

Honourable senators will recall that at the time I introduced the bill, I emphasized that the governments of Canada, by which I mean all governments of Canada, of all political stripes, have a proud history of leadership in the protection, conservation and preservation of our natural and cultural heritage. The national parks are a source of pride and a symbol of national identity to Canadians everywhere. We hold them in trust for our children and for the world.

The Government of Canada, and all successive governments of Canada, as stewards of the national parks have been, and are, responsible for maintaining their ecological integrity, and for finding new ways to communicate their significance to Canadians.

To do these things, Parks Canada needs updated tools to continue to manage these special places effectively. Bill C-27 gives them the tools to do that.

• (1520)

If I can equate the present state of this bill to the negotiations — because there are many parties to this bill — it is the result of a perfect negotiation in which all the stakeholders who came to the table gave up a little more than they wanted to give up and gained a little less than they wanted to gain but they left the table with a deal with which they can live. That is the description of a perfect negotiation and what we believe to be a perfect bill.

This bill makes it absolutely clear, as its predecessor did not, that the maintenance and restoration of ecological integrity will be a first priority in the management of our parks. That is a significant strengthening of the government's commitment to protect our national treasures. It provides for caps on commercial development in parks communities and establishes the principles for the development of community plans for those communities.

With this bill, we will see seven new parks introduced and established and a new national park preserve. The animals in our parks will be better protected, with increased and stiffer fines and with the introduction of a new offence of trafficking. The relationships with the aboriginal people with respect to the management of parks will be improved. It makes provision, among other things, for the use of parklands for traditional spiritual and ceremonial purposes and obliges the minister to consult with aboriginal people on parks policy.

Earlier this year, the panel on ecological integrity reported, in "Unimpaired for Future Generations: Setting a New Direction for Canada's Parks," that: "Our national parks are under threat from stresses originating both inside and outside the parks and, unless action is taken now, deterioration across the whole system will continue." The report further stated that if we continue on our current path, we risk losing, for all time, access to the experience of protected nature and the wilderness that we so cherish.

Honourable senators, as someone who has spent an enormous amount of time in our national parks and, in particular, the mountain parks, which are world heritage park sites, I have taken that warning very seriously, as have all members of this house. With this legislation, I believe the government has as well. Bill C-27 will provide a strong and urgently necessary legislative base for Canada to continue its leadership in protected parks management. I strongly urge the support of all honourable senators in the passage of this bill during the life of this Parliament.

Hon. David Tkachuk: I have a question for Senator Banks. Will the honourable senator entertain it?

Senator Banks: Yes.

Senator Tkachuk: The honourable senator said that the bill will restrict commercial development in the parks. Was there any discussion in committee — that is, amongst yourselves and with the minister — about the problems that we have where, by restricting commercial development, we are creating a problem of supply and demand? The prices of the rooms in the hotels in these parks are increasing and soon only very wealthy people will be able to afford to stay at half of them. Was there any discussion on exactly how the department will limit commercial development? It is a business issue. They are granting monopolies to businesses and then saying, "You not only receive the right to do that business there but also we will restrict future competition." Consequently, they will have little monopolies within the park, which is, again, a problem. In other words, they will be creating sort of communist states within the park, with the park warden running the economy. Was there any general discussion on that issue? How do we give people open access to the parks without creating ecological disasters, while still allowing people to be able to afford to go to the national parks and enjoy them?

Senator Banks: I thank the honourable senator for his question. The short answer is, yes, a great deal of discussion about that issue and similar matters took place in the House of Commons committee and certainly in the committee of the Senate. We heard representations from stakeholders such as the ones the honourable senator named and from all kinds of different interest groups, including campers. I hope that the honourable senator has, on occasion, availed himself of the opportunity of camping in the national parks. The price is right for camping.

The question of the rise in prices of accommodation, particularly if it is to be restricted in national parks, is not a new one. The restriction on commercial development in national parks has always existed, but in some communities, for example, in Banff, things have now gone out of hand. Anyone who has ever been to Banff, for example, in the 1940s or 1950s — and I do not want to date myself nor suggest that the honourable senator was there in the 1940s, but I was — can see a great difference between then and now. The division between the 1960s and now is a huge and, in a way, a sad difference. It is all very well that we have facilities that can attract large conventions and so on, to Banff National Park and to all national parks, but a balance needs to be achieved between the pressures that derive from what would be reasonable business practices in terms of economies of scale. These questions were discussed in the committee. For example, if a business were being operated outside of a national park, there would be no restrictions. What nature should those restrictions be in a national park? One of those things has to suffer in the balance; that is, either the unrestricted right to aggrandize businesses, whatever they are, or the protection and the unimpaired maintenance of these parks for the enjoyment of future generations will suffer. When it comes to those questions, it has always been the case that commercial development has been restricted in parks. Every leaseholder of every piece of land in every national park who established a business knew of the restrictions when they went there and first obtained that lease.

The present circumstance in which there has been, as the honourable senator has suggested, a certain amount of arbitrariness in applying and changing those restrictions from time to time will be set in order in this act. The plans for the community, including the size of the communities themselves and the restrictions on the amount of commercial development in terms of square footage within those communities, will be set out after negotiations with the communities in Schedule 4 of the act. They cannot then be changed willy-nilly by either the minister or by the superintendent of the park without reference to Parliament, which is one of the strengths of this bill.

On the basis of that provision and given the fact that this bill will place order and reason in the regulation of commercial business, I think that the concerns that have been raised by the honourable senator have been fully answered in the deliberations of the committee. I am happy to say that and to urge his support of the bill.

Senator Tkachuk: The honourable senator said that seven new parks would be created. A lot of research has been done to show that a number of species within the parks suffer. The parks and the borders around them are restrictive and the development that takes place around parks affects wildlife. It cuts off the movement of, say, wolverines, which travel over long areas and large territories to breed. Was there any discussion of corridors between parks or between different areas — that is, safe corridors — so that these animals can move over large distances and so that we do not cause the degeneration of the species by interbreeding within the national parks? That is a problem that is not only here, but it is one that will only get worse.

• (1530)

Senator Banks: I thank the honourable senator for the question. The short answer is, yes, discussion has taken place in that regard, specifically in respect of access corridors between the national parks to allow for the safe and normal movement of wildlife. However, that does not entirely solve the matter raised by the senator. For example, negotiations for, and the maintenance of, corridors in the provincial forest reserves can become particularly difficult. Another example is in the mountain regions. The honourable senator is no doubt aware of and may be referring to the large strip mine that might soon get underway on the eastern slope of the Rocky Mountains. I, among others, hope that it never happens, but that is, of course, not within our jurisdiction.

The discussion with respect to those corridors has taken place, but we must all be reminded that we cannot direct the actions of wildlife. We cannot say, "Please go in that direction." In fact, we cannot even make it more attractive for them to go in that direction. Thus, when they leave the parameters of national parks, they fall into another jurisdiction — one that does not always have, at its heart, the same kind of unimpaired maintenance and restoration of national parks as this government has at heart. However, the discussion about maintaining corridors between the national parks and through the surrounding areas is continuing.

Hon. Eileen Rossiter: Honourable senators, I rise to speak to the third reading of Bill C-27, respecting the national parks of Canada. I agree that Bill C-27 provides much promise. There are measures to encourage greater ecological protection of our parks, historic sites and marine areas; these measures are important and overdue. They highlight the fact that we still have much work to do when building a coherent national parks policy.

When I spoke to this bill before, I raised one or two issues that I thought would be addressed in committee. The representatives of the Town of Jasper presented reasonable arguments for more civic control in the affairs of the town. The residents agree wholeheartedly with the environmental and ecological concerns and actions of Parks Canada. I am sure they would have preferred to see legislation amended, so as to clearly recognize the role of local government, communities and residents as key stakeholders and valued contributors to the national park experience.

When Bill C-27 was first tabled in the other place, there were two instances of time imposition. Clause 7(3), at that time, would have imposed a time limit of three hours in both Houses of Parliament. Clause 34(3) had an identical legislated time imposition of three hours in each chamber.

When the bill was in committee in the other place, they agreed to amend Bill C-27 by deleting subclause (3) of clause 7. Members agreed that there should be no legislated time limit on debate, and this amendment was accepted at third reading.

I firmly believe that it was an oversight that subclause (3) of clause 34 was not included in that amendment. Legislation is not the place for time allocation in legislation for the simple reason that once it is there, it takes a legislative amendment to take it out. Furthermore, it is the responsibility of each chamber to allocate the time necessary for any piece of legislation before it.

MOTION IN AMENDMENT

Hon. Eileen Rossiter: Therefore, honourable senators, I move:

> That Bill C-27, in Clause 34, be amended by deleting lines 7 to 10, sub-section 3 inclusive, on page 24 and that the further sub-sections of Clause 34 be re-numbered accordingly.

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

Hon. Tommy Banks: I move that the debate be adjourned.

Hon. Noël A. Kinsella (Deputy Leader of the Opposition): Honourable senators, I wish to speak in support of the amendment before the motion to adjourn is made. We have another example of the House of Commons making a mistake. I read the published reports of the proceedings of the House committee. It is quite clear that committee members were upset when they discovered that the bill proposed, in clauses 7 and 34, that it become law that the amount of time available for debate of a modification to issues relating to the schedules would be the time in question — three hours. The report indicates that committee members said that this is not acceptable. We cannot have bureaucrats slipping in legislative measures that would limit our freedom as parliamentarians. Therefore, they struck that provision. They said, "We must get rid of that," but they only eliminated it from clause 7.

It is clear in the record that they intended to delete it also from clause 34. We know how well they read from page 1 to the end of a bill, and, quite frankly, that is what we are dealing with here. If we were in a different time line, I am sure that this amendment would be embraced by all and the amended bill would be returned to the other place.

In terms of principle, that is what we are dealing with, honourable senators. I wish to place that on the record in support of Senator Rossiter's amendment.

Hon. Dan Hays (Deputy Leader of the Government): Honourable senators, I wish to say a few words about the bill as well. I have listened carefully to the sponsor of the bill, to Senator Rossiter and to Senator Kinsella on this issue of clause 7 and clause 34. We have a precedent in this place of alternatives to amendment. We will pursue this matter and hopefully return with a satisfactory proposal. In any event, we will try to accomplish this before the next sitting.

On motion of Senator Banks, debate adjourned.

PROCEEDS OF CRIME (MONEY LAUNDERING) ACT

BILL TO AMEND—SECOND READING—DEBATE ADJOURNED

Hon. Richard H. Kroft moved the second reading of Bill S-30, to amend the Proceeds of Crime (Money Laundering) Act.

He said: Honourable senators, I am pleased to have the opportunity to speak at second reading of Bill S-30, to amend the Proceeds of Crime (Money Laundering) Act.

I might add that it was not long ago that this chamber discussed the predecessor to this legislation, Bill C-22. Bill S-30 is a direct result of the earlier commitment made on behalf of the government by the Secretary of State for International Financial Institutions to the Standing Senate Committee on Banking, Trade and Commerce to bring forward four amendments to the Proceeds of Crime (Money Laundering) Act. Before discussing those proposed amendments, I should like to take a moment to put them in context.

• (1540)

As honourable senators know, Bill C-22, the Proceeds of Crime (Money Laundering) Act, received Royal Assent in June of this year. The new bill strengthens the previous statute by adding measures to combat organized crime that are needed to improve the detection, prevention and deterrence of money laundering in Canada. Specifically, the new act provides for the following key elements: the mandatory reporting of suspicious financial transactions and certain other types of transactions to be described in regulations; the reporting of large, cross-border movements of currency; and the establishment of the new Financial Transactions and Reports Analysis Centre of Canada. The new centre indeed came into being on July 5, 2000.

As we all know, organized crime is becoming highly sophisticated and investigations increasingly complex, often taking place across jurisdictions and international borders. Money laundering and the cross-border movement of the proceeds of crime are also becoming increasingly difficult to deter and detect. With billions of dollars in criminal proceeds laundered through Canada each year, money laundering is now a worldwide problem that affects all Canadians.

The passage of Bill C-22 responded to the domestic law enforcement community's need for additional means of fighting organized crime by more effectively targeting the proceeds of crime. The legislation also ensures that Canada can meet its responsibilities both as a founding member of the Financial Action Task Force on Money Laundering — an organization dedicated to developing and promoting policies to combat money laundering throughout the world — and as a member of the G8, to cooperate in the international fight against money laundering.

The reporting requirements set out in the legislation are consistent with those already in place in most industrialized countries in the world, including the other G8 countries, most European nations, and many of our Commonwealth partners, such as Australia and New Zealand. The new reporting requirements will help deter and detect money laundering activity by providing for more timely, reliable and consistent information on specific types of financial transactions.

The government is currently consulting with stakeholders to develop regulations that will implement the reporting requirements set out in the Proceeds of Crime (Money Laundering) Act. Once these regulations are implemented, regulated financial institutions, casinos, currency exchange businesses and certain other financial intermediaries, including lawyers and accountants who act in this capacity, will be required to report any financial transaction suspected on reasonable grounds of being linked to money laundering. In addition, specific types of transactions — for example, the receipt of cash above a prescribed amount, such as $10,000, and large electronic transfers — will also have to be reported. Further, the movement of large amounts of cash or monetary instruments like travellers' cheques across the Canadian border will need to be declared to Canada Customs.

[Senator Kroft]

Reporting to the new Financial Transactions and Reports Analysis Centre will support much-needed and much more sophisticated analysis. Successful prosecutions that benefit from analysis by the centre can lead ultimately to court-ordered forfeiture of the proceeds of criminal activity.

Above all, honourable senators, these benefits will be achieved in a way that respects the privacy of individuals by ensuring that reported information is treated with the utmost care and is safeguarded by both the Privacy Commissioner and the courts.

Honourable senators, I have provided you with some background to the bill that is before us today, a bill that implements technical measures to clarify the current act. I shall now focus my remarks on four specific amendments.

As I indicated at the beginning of my remarks, Bill S-30 fulfils a commitment made by the Secretary of State for International Financial Institutions on behalf of the government to the Standing Senate Committee on Banking, Trade and Commerce to introduce amendments to the Proceeds of Crime (Money Laundering) Act when Parliament returned in the fall. While senators on the committee supported Bill C-22, they indicated that the legislation would benefit from amendments to certain provisions. The government has agreed and has responded with the bill before us today.

The amendments relate to four specific issues, and the first one deals with the process for claiming solicitor-client privilege during an audit conducted by the Financial Transaction and Reports Analysis Centre. The centre is authorized to conduct audits to ensure compliance with the act. The legislation currently contains provisions that apply when the centre or person authorized by the centre conducts a compliance audit of a law office. The legislation requires that the centre provide reasonable opportunity to legal counsel to make a claim of solicitor-client privilege in respect of any document in the legal counsel's possession at the time of the audit. The amendment contained in Bill S-30 deals with situations where documents are in the possession of a person who is not a legal counsel. It requires that the person be given a reasonable opportunity to contact legal counsel in order that a claim of solicitor-client privilege may be made. This amendment responds to a concern raised at committee during its consideration of Bill C-22.

Another change ensures that nothing in the act prevents the Federal Court from exercising its authority under the Access to Information Act or the Privacy Act to order the director of the centre to disclose certain information as required by either of those acts. This amendment makes it clear that the recourse of individuals to the Federal Court is fully respected. This was always the intent of the original bill, and the amendment will ensure that this will be the result.

The third amendment more precisely defines the kinds of information that may be disclosed to the police and other authorities specified in the legislation. It clarifies that the regulations setting out this information may only cover similar identifying information regarding the client, the institution and the transactions involved.

Finally, the act is being amended to ensure that all reports and information in the possession of the anti-money-laundering agency will be destroyed after specific periods. The amendment specifies that information that has not been disclosed by the agency to police or other authorities must be destroyed by the centre after five years. Information that has been disclosed must be destroyed after eight years.

I am sure that all honourable senators will agree that these four provisions only serve to strengthen the existing act.

Before closing, I wish to address another matter that arose during the committee review of Bill C-22. In their committee report, senators also asked that the government consider three additional recommendations. Honourable senators, the government has considered these three amendments and has made a decision not to proceed with them. I want to take a moment to explain the rationale behind this decision.

First, the Senate committee report recommended that the new agency be required to obtain either consent or a warrant before entering a law office to verify compliance with the act, as is required before entering a private home. The government believes it would be inappropriate to require a warrant for the purpose of conducting a compliance audit of any place of business, including a law office. The provisions of the current act parallel those in the Income Tax Act, which also do not require that a warrant be obtained except where access to a dwelling house is sought.

Second, senators also requested that the act be amended to require that a parliamentary committee review the administration and operation of the act within three years and every five years after that. At present, the act requires review after five years. The government feels that a five-year review is better, for a number of reasons. Most important, there will not be enough experience or data available with the three years to provide an accurate assessment of the effectiveness of the legislation or the operations of the Financial Transactions and Reports Analysis Centre. In any event, honourable senators, parliamentary committees are able to undertake a review of legislation at any time and could opt to do so in this case.

Finally, senators recommended that the act require regulations to be tabled before a committee in each house of Parliament. The act currently stipulates a 90-day public consultation period following pre-publication of the regulations in the Canada *Gazette* and an additional 30-day notice period if significant changes are made as a result of those consultations. The government believes that this will provide ample opportunity for parliamentary committees to study the regulations, call witnesses to testify, if the committee wishes, and provide comment to the government.

Honourable senators, I am confident that these amendments improve this important statute, and I thank the members of the Standing Senate Committee on Banking, Trade and Commerce for their contribution to making the act even stronger. Given the need to have legislation in place that is effective in the fight against organized crime by deterring and detecting money laundering, while at the same time providing important protection for individual privacy, I encourage all honourable senators to support this bill.

• (1550)

Hon. David Tkachuk: Would the honourable senator take a question?

Senator Kroft: Certainly.

Senator Tkachuk: Has the analysis centre been established and have they named the director?

Senator Kroft: I indicated in my remarks that the centre was established on July 5. I have no information and it has not been brought to my attention that a director has been appointed. To the best of my knowledge, that appointment has not happened, but I stand to be corrected.

Senator Tkachuk: Does the honourable senator know if they have hired the people at the centre, and if so, are they diligently working away to fulfil the requirements of this bill?

Senator Kroft: With my knowledge of this government, I can assure you that they are diligently working away. Whether the hiring has been completed, I cannot be sure.

Senator Tkachuk: The honourable senator might remember that we wished to make amendments to this bill in June. We were told how important it was to pass this bill at the end of June so that they could go ahead and begin their investigations. Honourable senators on both sides felt that amendments were necessary. There was the usual ministerial "We need the bill right away and here is a letter." I am grateful that a letter has finally been sent and that a bill has been introduced; but this matter could have been resolved in June with amendments made, sent to the House of Commons, and by September we would have had the amended legislation. That is why I am asking. I believe honourable senators on both sides want to know what has transpired between June and now. I use the Canada Pension Plan as an example, where nothing happened for years. What has transpired now that could not have been done if we had made those amendments in June?

Senator Kroft: Most significant, and I repeat as I did when I spoke on the debate of the original bill, it was important for Canada to take its place, and we were not early in that process, among those nations that have established the appropriate mechanism. The centre was established, again I repeat, on July 5. Had the procedure the honourable senator is suggesting been followed, that would not have been possible. As we were told by officials and by the minister, there was work being done internationally over the summer that required Canada to be able to be at the table and confirm that it in fact had the legislation and the centre in place, and that was indeed done.

Senator Tkachuk: Would it be possible to table some legislation or get some information on what has happened and why it was necessary to have that bill? I know what the minister said, "We have to do this and we have to do that," but we would have had the bill amended here and it would have gone over to the House of Commons before we left and have been dealt with in September. Here we are moving amendments to the same bill we just dealt with in June, with a new bill being brought in. I never did buy the minister's argument that it was so important for us to have this legislation and establish the centre. We have money-laundering legislation. Many of these nations did not have any money-laundering legislation. We already had such legislation and the RCMP were already doing the work. All we have done is set up a central agency to do the work rather than having the RCMP do the work. I wonder if the honourable senator could provide us with the number of employees and some of the issues they have dealt with, even before I speak.

Senator Kroft: Honourable senators, I will do my best to see that the honourable senator is provided with the information.

On motion of Senator Tkachuk, debate adjourned.

PRIVACY COMMISSIONER

MOTION TO APPROVE APPOINTMENT OF GEORGE RADWANSKI ADOPTED

On the Order:

> Resuming debate on the motion of the Honourable Senator Hays, seconded by the Honourable Senator Graham, P.C.:
>
> That, in accordance with Section 53 of the Privacy Act, Chapter P-21 of the Revised Statutes of Canada 1985, the Senate approve the appointment of George Radwanski as Privacy Commissioner.

Hon. Marcel Prud'homme: Honourable senators, I thought Senator Kinsella had stood the motion in his name.

Hon. Dan Hays (Deputy Leader of the Government): Honourable senators, that is correct. I am making a comment with leave. Perhaps the leader for the other side has something to say about allowing the debate to continue in the absence of Senator Kinsella.

Senator Prud'homme: He is here now.

Hon. John Lynch-Staunton (Leader of the Opposition): Senator Kinsella is out for a few minutes and I was not aware that he wanted to speak to this motion.

I understand he does not want to speak to it.

Honourable senators, we were impressed with the presentation and the exchange last evening. We are quite ready to support the nomination. There is no more to debate on this side, yesterday's exchange proving very valuable in our assessment of the candidate.

Senator Prud'homme: Honourable senators, today we are asked to ratify the government's nomination of Mr. Radwanski to the position of Privacy Commissioner, perhaps one of the most important, if not sensitive, institutions of our parliamentary democracy.

Mr. Radwanski told us earlier that his great record makes him the most qualified person for the position. On this, I beg to differ. In 1983, Mr. Radwanski, then editor-in-chief of *The Toronto Star*, wrote a very reckless and scandalous editorial entitled "Shaking hands with a terrorist." In it he censured me for daring to shake hands with Mr. Yasser Arafat and daring to do what the whole world, minus Israel, had done in all the pertinent United Nations resolutions, 194, 242, 338, and that is to recognize that Palestinians are human beings like you and me who have a right to exist.

I need not bore you with the details of the obtuse editorial or remind you of the immense damage and inconvenience it has caused me, but let me briefly read it to you. It is very short.

The Toronto Star, February 18, 1983: "Shaking hands with a terrorist."

> When back bench members of Parliament start to develop their own foreign policy, the results are embarrassing to the government, the party and the country. Marcel Prud'homme is a Liberal MP who has been a long time supporter of the Palestine Liberation Organization. Now he has turned up in Algiers, as an "observer" of a PLO meeting, smiling and having his photograph taken holding hands with Yasser Arafat, the chieftain of the PLO.
>
> It's time some senior member of the government pointed out to him that the PLO is not recognized as a legitimate political organization by the government of Canada.

• (1600)

> The PLO is a federation of terrorist gangs which has scorned international law in its violent campaign against Israel. If Prud'homme really wants to observe the PLO in action, he should watch some of their thugs shoot up a crowded bus on a highway near Tel Aviv, set off a bomb in a Jerusalem street, or lob a grenade into an Israeli farming settlement.
>
> For several years, the PLO has been striving to get western governments to ignore its bloody past and treat it as an equal: a sort of government-in-exile and the only legitimate representative of the Palestinian people. When western politicians such as Prud'homme show up at PLO meetings and speak out publicly on behalf of the PLO, they are helping it to claim a respectability to which this collection of killers is not entitled.

Honourable senators, for me this was a classic piece of cultural terrorism that caused immense damage to my personal life and to my security for quite a long time thereafter. The questions that beg answers are many. Should we allow a person who holds such violently biased and clearly shabby views — and I will add racist — to hold such a sensitive position?

I should like to remind honourable senators that in 1970 I was sent to Egypt for a conference of parliamentarians for peace. In 1974 I was sent to the United Nations by Mr. Trudeau for a full meeting, even though certain events took place with Mr. Arafat there that the then ambassador, Mr. Rae, did not approve of. The Prime Minister did not see fit to recall me. The Prime Minister of Canada — and Mr. Radwanski wrote much about him — then sent me as his personal representative to the reopening of the Suez Canal in 1974. He took me to meet President Carter, and he took me to Japan. The Prime Minister allowed me to be chairman of the foreign affairs and national defence committees for over 10 years, and consulted me on the question of the American draft dodgers, et cetera.

Honourable senators, I always had the support of Mr. Trudeau in all my actions. Everyone claimed to be his friend. Everyone claimed to have known him very well. I do not claim to have been a personal friend of Mr. Trudeau, but I always claimed to do what I saw fit and I never thought that he would discourage me. Far from it, his encouragement was very well known.

May I say to those who may not understand, especially the 40 new senators, that that is one of the reasons for my sitting here alone in this corner — I, a Liberal at heart and a Liberal in a question of support. I regret that it was not seen fit to put names before us, in order to have a better choice. I have no quarrel with Mr. Radwanski's support for the Liberal Party, as I said yesterday. I strongly supported Mr. Bruce Phillips, a Liberal, time and time again.

I have no quarrel with Mr. Radwanski's intelligence. What I have a quarrel with are some of his strongly held views. These views that he so strongly expressed had only one effect on the national Liberal caucus, and that was to discourage every single young member who wanted to play a role in international affairs. In my view, this is where the crime lies. It is not the fact that I was attacked; it is the fact that he discouraged people from taking sides in major international issues.

Honourable senators, we must remember that we are not provincial representatives, we are federal representatives, and that everyone who runs for federal office should have one thing at heart: They should remember that in addition to duties in their own areas of the country they should also have concern for international issues. Federal representatives who say that they have no international preoccupation should not sit in a federal house.

As difficult as the outcome may be, one must never be afraid to stand up for what one believes is peace and justice for all. As my father always told me, when you talk about justice and peace it is on behalf of everyone. He told me that one cannot pick and choose, and I have always refused to pick and choose. That explains why I got into so much trouble.

Honourable senators, when I hear this gentleman asking for our support, I do not think his views have changed and I do not think that I will give my support.

Honourable senators, I conclude with this question: Will this privacy commissioner be fair to all Canadians? This includes, whether we like it or not, Arab Canadians, Muslim Canadians, and people like me, who are searching for real peace in the Middle East. Perhaps what is most important, in light of all this new talk about "merit," "equity," "inclusivity," is whether Mr. Radwanski is the most qualified Canadian for the job. I sincerely hope that the Senate will ponder these questions seriously and not feed the public perception of us as a mere rubber stamp for the lower House.

• (1610)

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

It was moved by the Honourable Senator Hays, seconded by the Honourable Senator Graham, P.C.:

> That, in accordance with Section 53 of the Privacy Act, Chapter P-21 of the Revised Statutes of Canada 1985, the Senate approve the appointment of George Radwanski as Privacy Commissioner

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

Some Hon. Senators: Yes.

Senator Prud'homme: No. I want a standing vote.

The Hon. the Speaker: Will those honourable senators in favour of the motion please say "yea"?

Some Hon. Senators: Yea.

The Hon. the Speaker: Will those honourable senators opposed to the motion please say "nay"?

Some Hon. Senators: Nay.

The Hon. the Speaker: In my opinion, the "yeas" have it.

And two honourable senators having risen.

The Hon. the Speaker: Is there agreement on how long the bells will ring? If there is no agreement, they will ring for one hour.

Senator Hays: Honourable senators, I suggest that the bells ring for 15 minutes.

The Hon. the Speaker: Is there agreement, honourable senators, for a 15-minute bell?

Hon. Senators: Agreed.

The Hon. the Speaker: The vote will take place at 4:25. Call in the senators.

• (1625)

Motion agreed to on the following division:

YEAS

THE HONOURALBE SENATORS

Adams	Hervieux-Payette
Andreychuk	Joyal
Austin	Kennedy
Bacon	Kenny
Banks	Kinsella
Beaudoin	Kroft
Bolduc	Lawson
Bryden	Lynch-Staunton
Buchanan	Maheu
Callbeck	Mahovlich
Carstairs	Mercier
Christensen	Milne
Cook	Moore
Corbin	Pépin
De Bané	Poy
DeWare	Robichaud
Fairbairn	(*L'Acadie-Acadia*)
Ferretti Barth	Setlakwe
Finnerty	Sibbeston
Fitzpatrick	Sparrow
Furey	Spivak
Gill	Squires
Grafstein	Taylor
Gustafson	Watt
Hays	Wiebe—49

NAYS

THE HONOURABLE SENATORS

Atkins	Nolin
Comeau	Prud'homme
Di Nino	St. Germain—7
LeBreton	

ABSTENTIONS

THE HONOURABLE SENATORS

Forrestall	Meighen
Gauthier	Simard—4

[*Translation*]

• (1630)

BROADCASTING ACT

BILL TO AMEND—SECOND READING

On the Order:

> Resuming the debate on the motion of the Honourable Senator Finestone, P.C., seconded by the Honourable Senator Rompkey, P.C., for the second reading of the Bill S-24, to amend the Broadcasting Act.

Hon. Jean-Robert Gauthier: Honourable senators, it was Senator Kinsella who aroused my interest during his speech on Tuesday, September 19, on Bill S-24, to amend the Broadcasting Act.

In his excellent remarks, Senator Kinsella touched on major changes in this important sector. He emphasized the importance of more equitable representation and participation in regulatory and policy matters relating to the broadcasting and cable television industry in Canada. He also spoke of the importance of Bill S-24, pointing out that these amendments to the act would help improve the quality of evidence.

It is true that Bill S-24 is supportive of an important principle of public policy, namely that citizens participate in and are represented in policy, regulatory and other decision-making activities of government and government agencies, and are able to do so in an effective way.

My experience with the TFO-CRTC case has taken much time and energy. In addition, I had to rely on the assistance of researchers and the good offices of the secretariat in order to prepare my material.

In the debate on Bill S-24, Senator Hays asked Senator Kinsella if he knew how other regulatory bodies treated applications such as those that might be made to the CRTC for the awarding of costs if Bill S-24 were passed.

As to whether the model proposed was working in other spheres, Senator Kinsella replied that he did not know. I asked my colleague Senator Finestone, who sponsored Bill S-24, whether she knew the answer to this question and she too was not certain.

I therefore asked the Library of Parliament researchers to research the awarding of costs by federal decision-making bodies.

Bill S-24 amends the Broadcasting Act in order to enable the Canadian Radio-television and Telecommunications Commission to make regulations establishing criteria for the awarding of costs and to give the commission the power to award and tax costs between the parties that appear before it. Costs are generally the expenses a party incurs by initiating a proceeding, but they may also be incurred by a third party authorized to make representations to the commission. These costs may indeed be considerable, but they can also serve to provide the commission with a broader perspective on matters under study if only the parties involved were authorized to define the parameters of the debate.

The CRTC's role is a rather unique one. Although its primary function may be to determine what in fact are individual ownership rights — for instance the rights of an applicant to a broadcast licence — its decisions can have heavy public impact reaching far beyond the applicant's rights and obligations. The right to intervene is not an automatic one, and only the management committee may decide if it is appropriate to award intervener status. Section 44 of the CRTC Telecommunications Rules of Procedure sets out the criteria used to determine whether costs are to be awarded.

According to the commission's interpretation, rule 44 applies solely to not-for-profit organizations. Costs have therefore not been awarded to intervening municipalities.

The amendment proposed by Bill S-24 allows the commission to award costs "incidental to proceedings before it." Consequently, it will be authorized to award or set costs not only for parties directly involved in the dispute, as any judiciary or quasi-judiciary tribunal could, but also for the interveners.

It should be pointed out that the CRTC is in fact already empowered, under section 56 of the Telecommunications Act, to do precisely what Bill S-24 is proposing in the context of the Broadcasting Act. It is surprising to note that the Broadcasting Act does not give the CRTC the same authority. The bill may therefore be considered to be harmonizing the powers of the commission in the disputes created because of the two acts.

Many federal laws allow the courts to set and award costs, but it is less common for them to enable interveners to recover costs. Section 89 of the Competition Tribunal Act allows a tribunal to grant a motion to intervene. However, no provision either in the law or in its regulations, provides for the determination of costs. It is perhaps because the Competition Tribunal, like other quasi-legal tribunals, is empowered to engage technical experts as necessary. The Canadian Transportation Agency, the Canadian Cultural Property Export Review Board, the Employment Equity Review Board and the National Energy Board have this power.

Some of these bodies have legal authority to set costs in matters before them. Thus, the National Energy Board can — and I quote section 39 of the National Energy Board Act:

> ...fix such amount as it deems reasonable in respect of the actual costs reasonably incurred by any person who made representations to the Board at a public hearing; the amount so fixed shall be payable forthwith to that person by the company whose pipeline route is affected by the public hearing.

The Canadian Transportation Agency, at section 25.1 of the Canada Transportation Act, and I quote:

> ...has all the powers that the Federal Court has to award costs in any proceeding before it and may make rules specifying a scale under which costs are to be taxed.

Section 50 of the Canadian Human Rights Act allows the member or panel conducting the inquiry to give "any other interested party" the opportunity to appear and make representations. Here again, however, the law does not appear to contemplate an order respecting the costs of this interested party.

However, under section 32, the Canadian Human Rights Commission:

> ...may, for specific projects, enter into contracts for the services of persons having technical or specialized knowledge of any matter relating to the work of the commission to advise and assist the commission in the exercise of its powers or the performance of its duties and functions under this Act, and those persons may be paid such remuneration and expenses as may be prescribed by by-law of the commission.

Under section 17 of the Canadian International Trade Tribunal Act, the Canadian International Trade Tribunal has all such powers, rights and privileges as are vested in a superior court of record. It would appear that this includes the power to set and award costs, but this power would not extend to interveners.

In one case, that of the Civil Aviation Tribunal, the legislation states that no costs are to be awarded. Subsection 37(7) of the Aeronautics Act reads as follows:

> No costs may be awarded by the Tribunal or a member thereof on the disposition of any matter under this Act.

Finally, provincial public service regulatory bodies have the regulatory power to award costs to interveners. These bodies include the Ontario Energy Board, the Alberta Utilities Board, the Régie de l'énergie du Québec, and the British Columbia Utilities Commission.

• (1640)

Contrary to many other boards, commissions and tribunals, the enabling statute does not appear to give the CRTC the power to enter into contracts for the services of persons having technical or specialized knowledge. As a result, the commission must rely much more on information provided by well-informed interveners.

Supporters of the bill argue that, in a sphere as technical as broadcasting, with such an impact on all Canadians, the commission should have the most complete and accurate information possible at its disposal.

The solution proposed in Bill S-24 would give the commission the resources to gather information, despite the absence of legal power to enter into contracts with technical advisors in a particular case.

In conclusion, I wish to thank the staff of the Library of Parliament, who provided the notes for this speech. It was they who provided me with information on this matter and who answered the question put by Senator Hays, satisfactorily I might add.

[*English*]

• (1640)

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE

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

On motion of Senator Hays, bill referred to The Standing Senate Committee on Transport and Communications.

PRIVILEGES, STANDING RULES AND ORDERS

TENTH REPORT OF COMMITTEE—DEBATE ADJOURNED

The Senate proceeded to consideration of the tenth report of the Standing Committee on Privileges, Standing Rules and Orders (amendment to Rule 94) presented in the Senate on October 16, 2000.—(*Honourable Senator Austin, P.C.*).

Hon. Jack Austin moved the adoption of the report.

He said: Honourable senators, this report originated in a letter addressed to me as Chairman of the Standing Committee on Privileges, Standing Rules and Orders from Senator Kirby as Chairman of the Standing Senate Committee on Social Affairs, Science and Technology. Senator Kirby in his letter proposed the adoption of a formal process for senators to declare outside interests that are relevant to orders of reference from a committee's studies.

Senator Kirby's interest in this topic arose in two specific fashions. At an earlier time he was the chair of the Standing Senate Committee on Banking, Trade and Commerce. That committee had an order of reference to review the task force report on financial institutions called the MacKay task force. In so doing, media questions were raised with respect to conflicts of interest of senators who are members of the Banking Committee. Senator Kirby advised the members of the Banking Committee that it would be in the interest of the Senate if there were total transparency with respect to committee member's financial interests while the committee was dealing with the MacKay task force report, the upshot of which was that all senators put on record with the Law Clerk of the Senate a declaration of their financial interests.

The media showed great interest in the question of conflict of interest and the media pursued the information which had been put on record. Stories were written with respect to the role of senators. One senator was a member of the board of a Canadian chartered bank; two senators were members of the boards of directors of the Canadian subsidiaries of foreign incorporated banks; and there were some interests disclosed with respect to other financial institutions. The upshot of that voluntary step was that the media were able to satisfy themselves that the interests of the members of the Banking Committee were transparent and that the public would be able to judge the views of members of the Banking Committee accordingly.

In late February or early March of this year, Senator Kirby, then being the Chair of the Standing Senate Committee on Social Affairs, Science and Technology, which had undertaken a study on health care, was reported by the media as being in a possible conflict of interest situation because he was a director of a company which provided long-term care on a commercial basis. Senator Kirby made it clear in this chamber and to the media in general that there was no government funding with respect to the company in question and that the work which it did with respect to long-term health care of senior citizens was not the subject of the study which was before the Standing Senate Committee on Social Affairs, Science and Technology.

Senator Lynch-Staunton raised the question of the media report in this chamber in March of this year, not suggesting at that point, or, indeed, at any point, that there was a conflict of interest, but again saying that the question of transparency had been raised and what, in fact, was the Senate prepared to do with respect to this question.

On March 29, Senator Kirby made a statement in this chamber in which he argued for the principle of transparency. In particular, he argued for the principle that standing committees, when holding an order of reference from the Senate on a policy study, be empowered, when they considered it desirable, to require members involved in that particular study to make a declaration of any financial interest that they might have, not the quantum but that such a financial interest might or would exist.

Accordingly, Senator Kirby said in the chamber that he would write a letter to me requesting that the Standing Committee on Privileges, Standing Rules and Orders undertake to review the question. I come back to the beginning of my story. I have received such a letter, and the committee, of which I am Chair, undertook such a study. The result is the committee's tenth report. If I may refer to it briefly, it would amend rule 94 of the *Rules of the Senate* by empowering a select committee, where it considers it would be in the public interest in respect of its consideration of an order of reference, to order its members to disclose the existence of any private financial interests, whether held directly or indirectly, in respect of the matter.

I want to emphasize that the rule does not apply to an amendment to the Constitution of Canada or to the question of a public bill before the Senate. Indeed, if there are direct conflicts of interest with regard to a bill, the best procedure for honourable senators would be not to participate in the vote.

• (1650)

Then there is the procedure following, as to how compliance with respect to the order of the committee would take place and a declaration would be made or, under subsections 7 and 8, a member who does not file a declaration is deemed to have complied with the order and is deemed not to have a financial interest. The filing would be with the clerk of the committee in question.

Honourable senators, the committee reviewed the practice in other jurisdictions and, in particular, reviewed an interesting report, entitled "Reinforcing Standards," which was presented to the Parliament of the United Kingdom in January 2000, in which the same question was addressed. In that report, the question of transparency was held as a paramount principle and duty of legislators.

Honourable senators, I am not aware that there is any controversy with respect to this matter. I believe, however, that it is necessary to have such a rule in order to ensure that the dignity of the Senate and the fairness of its proceedings are clear on the record.

Hon. Gerry St. Germain: I would ask that the honourable senator allow a question.

Senator Austin: Certainly.

Senator St. Germain: Honourable senators, it seems that the level of transparency is being driven by the media. I would hope that our rules and regulations in this place are not being set by media stories or media intervention. As far as I am concerned, the rules and regulations governing the practices in this particular place on what is ethically and morally correct should be determined by senators. I am surprised that the Honourable Senator Austin made so much mention of the media as being the litmus test of whether or not we should be doing something. If an honourable senator who is a member of the Banking Committee also sits on the board of the Bank of Nova Scotia, say, he or she could very well be in conflict. I think what Senator Austin has explained will work, but I do not believe we should be driven by the media as to whether we do something or do not do something. However, the honourable senator's dissertation has left me with that impression.

Senator Austin: I thank the honourable senator for that. I do not want to leave the impression that this is driven by the media. In my view, this is driven by the evolving standards of the public with respect to the conduct of officials in public life. I did refer to the media in the context of a story in the press that gave rise to a question by Senator Lynch-Staunton to Senator Kirby, as Chair of the Standing Senate Committee on Social Affairs, Science and Technology, and his response.

It is clear to me that the honourable senator's general principle is the right principle. We are in charge of the conduct of our own affairs and, in so doing, we stand to justify that conduct to the public of Canada. I believe that the tenth report aptly describes a necessary level of transparency for senators. My reference to the Banking Committee and to the Social Affairs Committee, and their members, were only examples that I meant to put before the house.

In order to avoid misunderstanding, my information is that Senator Kirby, when he was chair of the Banking Committee, was not a director of any bank but did become a director of a national bank some months after retiring as chairman of the Banking Committee.

Hon. John Lynch-Staunton (Leader of the Opposition): I should like to ask a question as well. I certainly do not quarrel with the intent of the proposed amendment to our rules, but I wonder whether this is the best way to go about it, since, as I read it, there is nothing compulsory. First, a select committee may at its own discretion decide to ask its members to disclose certain information. It is very discretionary. Second, a member may comply with the order. On the one hand, the committee may ask for the information; and, if it does, there is nothing that obliges the member to comply with the order. It says "may" comply. If it said "shall" or "will," or something a little stronger, then I would be more sympathetic. The way I read it, however, the committee may wish to have disclosure but the member may or may not abide by that request.

Senator Austin: I appreciate the question and I think the answer is properly made this way: In the first instance, it is for the committee to decide whether the order of reference and the study undertaken by the committee raise any questions of conflict of interest. For example, Senator Nolin is undertaking a study on the drug culture. He and his committee should consider whether any members have a conflict of interest. I imagine not, in which case no action need be taken. One question every committee henceforth will need to consider on an order of reference is whether there might be a public interest in the question of conflict. There might be a question of conflict and it should be dealt with before the question arises.

On the second point that the Honourable Senator Lynch-Staunton makes, it is a question for the member, himself or herself, to deal with. A member may make a disclosure. Subsection 5 says that a member "may comply with an order made...." That indicates the process by which a member may comply. However, subsection 7 says that the member "who does not file a declaration... is deemed to declare that the member has no private financial interest and is bound by the deemed declaration...." That is the language of substance. The member, if required by the committee, may file in a certain way. Unless the member wants to hide something, the member either is required to file the declaration or, if not filing, is deemed to have no financial interest. Therefore, I believe that the question is well raised by the proposed rule.

Hon. Nicholas W. Taylor: Honourable senators, I also have a question for Senator Austin. Some years ago, I was involved in something similar to this in the Alberta legislature. We ended up with a different system than the one here. I wonder if the honourable senator looked at that. Although what is being discussed is conflict of directorships, conflicts can occur with large share ownership or a spouse having a large share ownership in a corporation or a unit that has legislation coming before the Senate. That is the background.

My question is the following: Did the committee consider a system whereby everyone would file, including spouses, details of ownership with the Privacy Commissioner? The Privacy Commissioner would then be in a position to advise the senator involved, if the senator is unaware of the legislation coming forward, that by voting he or she would be in a position of conflict. This would all be done in private. If the senator, nevertheless, chooses to vote, then the Privacy Commissioner has the option of revealing to the public that the senator in question had been warned not to vote. Under that system, there would be a method of considering more than just interlocking directors and influence; yet, at the same time, it would preserve the privacy of individuals who file their ownership or their possible conflict with the Privacy Commissioner. Did the committee look at that system?

• (1700)

The Hon. the Speaker: I regret to advise the Senate that the time allotted for the speech and questions thereon has expired. Is leave granted to allow the Honourable Senator Austin to reply?

Hon. Dan Hays (Deputy Leader of the Government): I propose that we extend the time period for a further 10 minutes.

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

Hon. Senators: Agreed.

Senator Austin: Honourable senators, this chamber and the other place have debated, over many years and from time to time, the issue of a code of conduct for members of the two Houses and we have, as yet, not reached a conclusion on a comprehensive code of conduct.

The Prime Minister has introduced legislation that has not proceeded. We had a report by Senator Oliver and Peter Milliken of the other place that we have not canvassed. All of that relates to a very comprehensive code, and perhaps at some time in the future a consensus will develop to deal with it.

With respect to voting on bills, the honourable senator has described one possible option. However, I made clear that we, in the tenth report, have not dealt with voting on bills. We are only dealing with orders of reference — that is, studies and disclosures of interest when a committee has received an order of reference to take up a study.

I admit that it is a very tentative step, but it is a step.

Senator Lynch-Staunton: Honourable senators, I would be much happier with a general code of conduct covering all senators and all members of Parliament, in whichever way you want to execute it. I am very unhappy with the piecemeal approach we have where, in certain specific cases, the committee may or may not require members to divulge certain information. I believe that this immediately casts a suspicion that certain committees studying certain subjects may have a conflict.

We all have certain holdings, all different from others. If we were to be extremely exacting and demanding, we would probably always be in a conflict of interest of some sort when debating public bills or terms of reference. I find it a challenge to my integrity and honesty to be told that I must divulge all my assets, that I must divulge what I am worth, or that when studying certain subjects I tell someone that I do not have a conflict of interest. That is an insult to parliamentarians. I know it is being done, but if we are to do it, let us do it for everyone the same way rather than identify a particular circumstance at the discretion of a committee under certain conditions.

I do not know why we have to be so exacting in one particular area of our work. If we are to create a code of conduct, let us cover everyone and everything rather than do it this way, which I find unnecessary.

Senator Austin: Honourable senators, before I reply to Senator Lynch-Staunton, let me clear up another point to which I did not refer but which was raised, and that is the question of spouses. There is no obligation here to disclose the interests of spouses. These are interests held by a senator directly or indirectly, but "indirect" means it is their beneficial ownership of interest. Nor is the quantum, as I have said, to be disclosed. The disclosure is simply that there is an interest.

On Senator Lynch-Staunton's point, there is simply a philosophical difference in how to handle an issue. If I may use baseball as a metaphor, my strategy is to use base hits and bunts to get people on base and eventually bring them home. One can wait for a home run, but a home run does not happen nearly often enough. I am persuaded that incremental change gets us somewhere over time. I am trained as a common-law lawyer, which may affect my view of how to deal with issues. However, the committee supported this resolution, and I hope that honourable senators will find it possible to support it today.

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

ENVIRONMENTAL ASSESSMENT OF PROPOSED LANDFILL AT ADAMS MINE, TIMISKAMING DISTRICT, ONTARIO

REPORT OF ENERGY, THE ENVIRONMENT AND NATURAL RESOURCES COMMITTEE ON STUDY PURSUANT TO MANDATE ADOPTED

On the Order:

> Resuming debate on the motion of the Honourable Senator Spivak, seconded by the Honourable Senator LeBreton, for the adoption of the fifth report of the Standing Senate Committee on Energy, the Environment and Natural Resources (study on issues relating to energy, the environment and natural resources generally in Canada), presented in the Senate on September 21, 2000.—(*Honourable Senator Hays*).

Hon. Dan Hays (Deputy Leader of the Government): Honourable senators, this order stands in my name. I adjourned the debate because I wanted to spend more time on the report and in discussion with colleagues. I have done that and I am satisfied that this question should be put at this time. Accordingly, I will take my seat and encourage the Senate to deal with this question now.

The Hon. the Speaker: If no other honourable senator wishes to speak, I will proceed with the question.

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

Hon. Senators: Agreed.

Motion agreed to and report adopted.

PRIVILEGES, STANDING RULES AND ORDERS

EIGHTH REPORT OF COMMITTEE—ORDER STANDS

On the Order:

> Resuming debate on the motion of the Honourable Senator Austin, P.C., seconded by the Honourable Senator Banks, for the adoption of the eighth report of the Standing Committee on Privileges, Standing Rules and Orders (changes to Rule 86), presented in the Senate on June 22, 2000.—(*Honourable Senator Kinsella*).

Hon. Jack Austin: Honourable senators, as chairman of the committee, might I inquire as to when this matter will be addressed by Senator Kinsella?

Hon. John Lynch-Staunton (Leader of the Opposition): The order stands in Senator Kinsella's name. He is in a meeting at the moment.

Senator Austin: Is Senator Lynch-Staunton not able to speak to when Senator Kinsella will address this matter?

Senator Lynch-Staunton: Not today, no.

Senator Austin: Would Senator Lynch-Staunton advise Senator Kinsella that I would like him to address this report tomorrow or Thursday?

Senator Lynch-Staunton: He will read Hansard. I am not a messenger.

Order stands.

• (1710)

PARLIAMENTARY REFORM

INQUIRY—DEBATE ADJOURNED

Hon. Gerry St. Germain rose pursuant to notice of October 5, 2000:

> That he will call the attention of the Senate to concerns expressed by Canadians in the western and territorial region that I represent, with regard to the need for fundamental and far reaching reform of Canada's Parliamentary Institutions: the Senate of Canada and the House of Commons, namely that:
>
> a diverse, federal country needs an effective, useful and viable Upper House to represent provincial and regional interests and as such, reform of the Senate needs to:
>
> (*a*) focus attention on defining the purpose of the Senate, consequently giving the Senate the legitimacy which it deserves to be an active participant in the legislative process;
>
> (*b*) define the role which a revised Senate might take at a national level and the powers which would be appropriate for it to exercise in harmony with the House of Commons;
>
> (*c*) give standing committees a more effective position of governing in the Senate, more particularly, in relation to the task of reviewing the nomination of federally appointed judges;
>
> (*d*) determine the length of term of office;
>
> (*e*) determine an alternate means by which to select members of the Senate;
>
> (*f*) determine the nature of its regional representation, particularly a desire to see each province finally receive the numerical representation it deserves in the Senate of Canada; and that

there needs to be reform of the House of Commons to:

(*a*) make it more democratic and accountable;

(*b*) give all Members the freedom to be part of the policy making process. MPs need the ability to voice and promote the concerns of their constituents — to truly represent their people;

(*c*) determine recommendations addressing democratic accountability which could be through such measures as (1) having free votes; (2) giving standing committees legitimate authority to exercise thorough examination of government policies; legislative proposals; fiscal measures and, providing parliamentarians with a forum and mechanism to introduce legitimate concerns and ideas of Canadians.

He said: Honourable senators, it gives me pleasure to rise today to speak to the inquiry I launched on October 5. The thrust of this inquiry is to allow senators to explore the whole subject of parliamentary reform, the House of Commons, the Senate, and the system of seat distribution both here and in the House of Commons. This is not a subject about which I have spoken before in this place. However, in my travels across this country, especially in Western Canada, I am struck by the large number of people of all ages from all walks of life who view their federal Parliament as irrelevant; or, in some cases, just a great big hole into which tax money is sent for what seems to be continually decreasing services.

The Institute of Research on Public Policy, a great think-tank headed by my good friend Hugh Segal, has identified this growing irrelevance as a tremendous problem because it results in voter apathy. It is so concerned that it is in the process of conducting meetings across Canada under the banner, "Strengthening Canadian Democracy."

While it is popular to look at the Senate as the main target for parliamentary reform, I believe fundamental reform must begin with the House of Commons. The House of Commons is the confidence chamber. It is where most of the cabinet is found. It is the place where money bills originate, where the budget is presented and where, from a historical perspective, the government is to be held to account.

No one, as far as I have determined, has ever advanced the idea that the role of the House of Commons as the chamber in which the government is to be held to account should be diminished. The problem is how to balance the concepts of accountability and confidence with the increasing need for members to have some meaningful role in the policy-making process.

We have all read recently of the frustration of backbench government members, members who feel that because of the whip system and the increasing control exercised over the Commons by the Prime Minister's Office, they have no meaningful role to play in the legislative process. They are really resigned to the role of ombudsperson for their constituents. While this is an important role, surely there is more or should be more to being a member in the House of Commons.

I have experience as an opposition MP, a backbench MP and as a minister of the Crown from 1983-88. It was during this period that many reforms to the rules of the House of Commons were proposed and, in some cases, they were adopted. The most significant flowed from the report of the Special Committee on Reform of the House of Commons chaired by the Honourable James McGrath in 1985. In all of the proposals adopted, and then in many cases disregarded, no black magic bullet was found to suddenly free the backbench member or allow the backbench member to participate to the degree they seem to want to in the legislative process — that is, to participate with a degree of independence without fear of retribution for taking positions opposite to the party leadership.

Honourable senators, a power has become concentrated in the PMO and the PCO. It has moved from the members of the House of Commons. This is an attitudinal problem which cannot be fixed by amending the rules of procedure. It will require a prime minister with the self-assurance and courage to allow dissent without retribution.

I speak of experience in this particular area as well. This is not a partisan aspect — it is consistent throughout the system, regardless of who is in power. It will require backbench members who do not wish to ingratiate themselves to the party leadership to begin to exercise independent action without the fear of retribution. Once this attitudinal hurdle is crossed, then free voting, as well as independence of thought and expression, will be seen in the House of Commons.

As part of the movement to wrestle power from the PMO, members will have to look at their committee system and their inability under the present circumstances to hold the government to account for its expenditures.

In the early 1980s, I sat on a committee with the late Ron Huntington, P.C., a member of the House of Commons who served in the 1970s and 1980s. Mr. Huntington proposed an elaborate scheme to one of the House of Commons reform committees in 1983 designed to give members real authority over government expenditures. At the time, he proposed a structure of three committees checking the Public Accounts Committee served by a large professional staff totally dedicated to the scrutiny of expenditures. However, this is hard work for which there is very little glory. As Mr. Huntington said at the time, it is a rare MP who says to the government, "Don't spend money, and especially don't spend money in my riding." Again, it is up to the members themselves to look at how they operate and how they spend their time. Committee members must, if they are to be taken seriously, challenge the basic policy premises of the government. This should be done by all committee members, not just opposition members.

Many of us will recall the work done by the House of Commons Finance Committee during much of the Mulroney mandate. It was chaired by Don Blenkarn, MP, who never backed away from a fight with his own government. The committee acted independently and could not be controlled by the party whip or the minister — but even Blenkarn could only go so far under the present system.

It is this type of independence of thought and action that will restore to the House of Commons the respectability of the institution and the respectability its members so richly deserve. It will mean that the very premises upon which legislation is drafted will be challenged. It will mean that the clauses in legislation will be challenged, not just for the sake of delay or grandstanding, but because meaningful alternatives will be proposed by both government and opposition members. It will mean that committees will undertake studies that will guide the formation of legislation to tackle major issues, not always be seen to be playing catch-up to the bureaucracy.

We can never and should never hear our Prime Minister say, and I paraphrase here the late Right Honourable Pierre Elliott Trudeau, who once said in reference to MPs that a few feet off Parliament Hill MPs are "nobodies." To denigrate elected representatives denigrates our Parliament and the intelligence of the Canadian people.

Honourable senators, the second part of my inquiry deals with the Senate. Before we get into all the mechanics of how our chamber might be reformed, we must reflect on what we envisage as the role of this chamber. It has evolved, certainly in the last few years, to being the chamber where the government is held to account. It has become more involved in the revising of legislation than I believe was ever envisaged.

As the House of Commons has virtually abdicated its scrutiny-of-legislation role, the void has been filled by the Senate. I believe that as a federal country we must have a second chamber, and I believe it should perform the function originally designed for it — representation of the regions, minority interests and the legislative role of exercising sober second thought.

I would advocate a return of the Senate to its original purposes, recognizing of course that it can only move in this direction if the House of Commons adopts the changes that I have mentioned.

In order to exercise these powers legitimately in the minds of Canadians, senators, I believe, must be elected. As none of us here can contemplate the kind of constitutional changes necessary to implement formal Senate elections, I believe province-wide elections must be held with an undertaking by the Prime Minister to appoint the senatorial candidates with the most votes or some other form of democratic selection.

As the Senate is not to be a confidence chamber, I can envisage a time limit of 10 to 12 years being placed on senators serving in this place. However, senators in this new upper chamber, exercising the mandate originally designed for the Senate, should concentrate on federal-provincial issues and the studying of overarching national issues. It should be from the Senate that solutions to the health care crisis and post-secondary education problems emanate. If senators have the legitimacy of popular election behind them, they can rightfully exercise influence over matters of federal-provincial policy.

The Senate, as part of the movement to remove power from the PMO, should become involved in the scrutiny of important Order-in-Council appointments. The ones that come immediately to mind are the appointments to the Bank of Canada and the Supreme Court of Canada. Why not? These are people who touch the lives of every Canadian in more significant ways than MPs do, and we certainly hold MPs up to public scrutiny.

• (1720)

I see an elected Senate functioning in a way that complements the role of the House of Commons, not a chamber that competes with the House of Commons. If we can structure reform in this way, we will all benefit, but most especially tax-paying Canadians.

Honourable senators, I move now to the third issue raised in my notice of inquiry: the numerical representation of the Western region, and especially British Columbia, in our central Parliament. Shortly after the 1988 election, Prime Minister Brian Mulroney established a royal commission on electoral reform in Canada. That commission became known as the Lortie commission. The commission held hearings across the country. In Western Canada, virtually everyone who addressed the commission complained that when they turn on their television sets in the West on election night the first thing they usually hear is that a government has been elected — a government declared elected without even considering any seats in Western Canada.

This theme of feeling irrelevant in the electoral process has resonated in the West virtually forever. A government can be elected on the basis of seats won east of the Manitoba-Ontario border. What did the Lortie commission do to address these feelings of frustration? Did it recommend a radical redistribution of seats in the House of Commons and the Senate? No, it recommended that the polls close at the same time across Canada so that we as Westerners will find out at the same time as all other Canadians that the government is elected on the basis of significant representation in central Canada. The Lortie answer was not the answer Western Canadians were searching for.

The West needs two things: increased representation in the Senate and increased representation in the House of Commons. A formula must be devised so that Canada's fastest-growing area has representation in the House of Commons that gives it the electoral clout it deserves. We as British Columbians want to have a significant number of seats so that we know we have to be taken into consideration because we have electoral clout. We want the national political parties to see that if they do not address the fundamental concerns of the people of British Columbia, Alberta, Saskatchewan, Manitoba and the northern territories, they will not win a majority government. The same must be true of the Senate. The distribution of seats must give the West the ability to make senators from Central Canada sit up and take notice of our needs.

Honourable senators, I believe our parliamentary institutions are at a crossroads. We who are here must strive to make them effective and relevant. We must also be aware of the regional alienation in Western Canada, an issue that has never been addressed in a satisfactory manner. We may not agree on the solutions for reform, but we need new ideas in this place. As a former prime minister recently said, "I support opening up the system."

I look forward to other senators joining in the debate on this inquiry, and I hope at some time — if there is not an imminent election call — that the subject matter of this inquiry will be referred to an appropriate Senate committee for in-depth consideration.

On motion of Senator Prud'homme, debate adjourned.

ADJOURNMENT

Leave having been given to revert to Government Notices of Motions:

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

That when the Senate adjourns today, it do stand adjourned until tomorrow, Wednesday, October 18, 2000, at 1:30 p.m.;

That at 3:30 p.m. tomorrow, if the business of the Senate has not been completed, the Speaker shall interrupt the proceedings to adjourn the Senate;

That should a division be deferred until 5:30 p.m. tomorrow, the Speaker shall interrupt the proceedings at 3:30 p.m. to suspend the sitting until 5:30 p.m. for the taking of the deferred division; and

That all matters on the Orders of the Day and on the Notice Paper, which have not been reached, shall retain their position.

Motion agreed to.

The Senate adjourned until Wednesday, October 18, 2000, at 1:30 p.m.

CONTENTS

Tuesday, October 17, 2000