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(HANSARD)

**Wednesday, March 14, 2001**

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THE HONOURABLE DAN HAYS  
SPEAKER

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## THE SENATE

Wednesday, March 14, 2001

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

Prayers.

### THE LATE HONOURABLE JOHN MORROW GODFREY, Q.C.

#### TRIBUTES

**The Hon. the Speaker:** Honourable senators, we begin today's session with tributes to the Honourable John M. Godfrey, former senator, whose death occurred on March 8, 2001.

**Hon. Joyce Fairbairn:** Honourable senators, last week we lost a very proud warrior and a friend with the passing of our former colleague John Godfrey at the age of 88. For 14 years during the 1970s and 1980s, this very vigorous Torontonian served with skill and determination in this institution, which he regarded with both respect and affection.

John was a striking character to behold. He was a giant of a man, impeccable in his pinstripe suits and well-tended moustache. He was a military man and a formidable corporate lawyer, educated at the Royal Military College in Kingston and a silver medallist at Osgoode Hall Law School.

During the Second World War, John Godfrey was a pilot and squadron leader with the Royal Canadian Air Force in the United Kingdom and France and he retired as a wing commander. He then settled down in the law firm of Campbell, Godfrey and Lewtas, but he did not isolate himself in the business world of Bay Street. In addition to his work as Chairman of the Canadian Tax Foundation and a variety of other international concerns, he also was the Founding Director of the Canadian Opera Company, a member of the Canada Council, and Honorary Chair of the National Ballet School.

Along the way, John directed his considerable drive and talent to the Liberal Party of Canada and was a driving force as the head of its National Finance and Treasury Committee from 1968 to 1974.

To put it mildly, John Godfrey got the job done in style and in abundance. He was tough as nails but had a heart of gold, which I came to appreciate as a new senator back in 1984. I have to admit that with this towering distinguished figure, my first inclination was to stay out of his way. However, his twinkling blue eyes, his sense of humour and his propensity to call a spade a spade converted me to become both a friend and an admirer.

His work here provided a strong example for a newcomer. Using his professional background, he was a hard-working

member of the Standing Joint Committee of the Senate and the House of Commons for the Scrutiny of Regulations, the Banking, Trade and Commerce Committee, the National Defence Committee and the Special Senate Committee on the Constitution.

John was always known as a straight shooter, which became clear right at the start with his maiden speech in the Senate, back in December of 1973, on the Foreign Investment Review Act.

• (1340)

Before he began, John made a point of setting out his background as a lawyer in a firm with a constant clientele of foreign-controlled Canadian companies, many of which could have been affected by the legislation. He told colleagues right off the top that in his career in this institution, he would make a constant effort to make sure that anything he said or did in this chamber, and I quote:

...would not in any way be influenced by the fact that it might affect a client of my firm and that I will in no way allow my professional interest to conflict with the proper discharge of my duties as a Senator.

Honourable senators, John Godfrey was described in many ways by many people. He may today be considered as a voice of the "old school" of politics or as a "patrician" in the ranking of society. In my view, his actions and words defined the title of "honourable senator" that we all carry. He cherished this place and its role in the country he loved. He never forgot the friendships he made here.

I can think of nothing that caused him greater joy than to see his son John become a member of the House of Commons, the Member of Parliament for Rosedale, the designation of Senator Godfrey's own position here. His son John, now in the House of Commons, is carving out a special and tremendously important role as an activist for the rights and development of opportunities for all children in Canadian society. His father would be enormously proud.

Our sympathy goes out to his wife, Mary, and all the family who may be assured that John Godfrey's contribution will remain a part of the history of the Senate of Canada.

**Hon. Lowell Murray:** Honourable senators, at its best, a second parliamentary chamber, a reviewing and revising chamber, a policy chamber such as our Senate, can call on the talents and commitment of citizens like John Godfrey. His wide learning, his distinction as a lawyer, his lively intellect, his interest in many areas of public policy, his service to Canada overseas during World War II, and his long and devoted voluntary leadership in the arts in peacetime let him make a memorable contribution to Parliament over a period of 14 years.

If one happened to be leaving the chamber when Senator Godfrey stood up to speak, one returned to one's seat to hear him. One came to expect the unexpected from him. One could also expect an intervention that was original, substantive and usually provocative. He was tough-minded but fair-minded. He wanted what was right for our institutions and our laws. He was pretty sure he knew what was right and, once convinced, he was not easily nor perhaps ever dissuaded.

I last saw Senator Godfrey in December 1998 at the funeral of our late colleague Senator Peter Bosa. I remarked how well he was wearing his years, but he ignored the compliment and let me have a pithy observation on some current matter of public policy coupled with a short, sharp comment on the parking arrangements at the church.

How wonderful for him and those close to him that he lived so long, so fully and passionately engaged. How wonderful for Canada to have had the benefit of his life and service.

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

**Hon. Peter Stollery:** Honourable senators, I also rise in memory of Jack Godfrey, our former colleague who passed away last week. Jack and I were members of the Liberal caucus for many years, both while I was a member of Parliament and while I was here in the Senate. Many senators have come and gone since Jack retired in 1987, something to which I find that I must continually adapt. Many here may not have known him, but he was a good senator and a good companion. I wish to express my condolences to his family.

**Hon. Lorna Milne:** Honourable senators, I knew the Honourable John Godfrey mainly through the eyes of my husband, Ross Milne, who was a member of Parliament in the mid-1970s and who chaired the Liberal caucus during that time. Ross has many fond memories of John. I will quote what Ross told me last night:

Senator Godfrey was a great guy. He was probably the most loyal senator of his day in terms of attending Liberal caucus, national, Ontario and caucus committees as well. He took a very active part. He was a mentor and a great friend to new MPs. To me, he was just a good and reliable friend. He was a wealthy man, but he came to Ottawa to do what he could for Canada. The only time I heard him complain was when he said, the last time I saw him, that he was just getting too damned old to do what he wanted to do.

Senator Godfrey's commitment to the Senate and the legislative process was truly remarkable. During his years in the Senate, he prided himself on the work he did examining budget, tax and banking measures with a fine-tooth comb. He was totally fearless in his pursuit of fairness and clarity in these areas, defending the interests of the Canadian business community.

There were more than a few times when finance ministers squirmed in front of the steely blue gaze and the exacting questions of Senator Godfrey; but if the senator's work in committee is notable, the fundraising that he did for the Liberal Party of Canada can only be described as the stuff of which legends are made.

For almost two decades, Senator Godfrey was the man that the Liberal Party turned to in an effort to fill the party's war chest. As he visited boardroom after boardroom across the country, that is exactly what he did. Over the years, Senator Godfrey raised millions of dollars for the Liberal Party of Canada, long before the days of mass mailings or dinners that cost \$500 or \$1,000 per plate.

Senator Godfrey's style of fundraising was remarkably non-partisan. His message to the corporate world, where he found most of his dollars, was simple. He truly believed that donating to political parties made businesses good corporate citizens and that they should promote democracy and free markets by contributing to parties of all stripes. In fact, in an interview with *Maclean's* magazine in 1978, he said quite bluntly:

It always seemed to me completely illogical, if a contribution was made by a public company on a non-partisan basis, that the party in power should receive more than the official opposition. To me, such a practice might logically suggest, particularly to the cynical, that the donor was looking for something for his money...

I do believe that Senator Godfrey's commitment beyond mere partisanship remains one that all honourable senators and, indeed, all parliamentarians should heed. We are blessed in Canada to live in a truly open democracy. Parliamentarians should all remember that members of another party are not so much the enemy as they are the other side of the coin.

Senator Godfrey's respect for all parliamentarians won him many friends here and in the other place over the years. His dogged work on legislation has left a lasting legacy and the respect of one and all.

Anyone who was here in Ottawa when Senator Godfrey was here has lost a good friend.

**Hon. Anne C. Cools:** Honourable senators, I join colleagues on both sides of the chamber in paying tribute to John Godfrey.

As we know, Senator Godfrey was a Toronto man. In fact, Senator Godfrey's designation was Rosedale.

John Godfrey was a very good lawyer and an exceptionally bright and able gentleman. I knew him as a senator. I also knew him as a supporter because John Godfrey was a strong supporter of me when I ran in Rosedale. To that extent, I join with all honourable senators to express our deepest and warmest feelings to his entire family.

• (1350)

## ROUTINE PROCEEDINGS

### SCRUTINY OF REGULATIONS

REPORT OF STANDING JOINT COMMITTEE  
PURSUANT TO RULE 104 PRESENTED

**Hon. Sheila Finestone:** Honourable senators, pursuant to rule 104 of the *Rules of the Senate*, I have the honour to present the first report of the Standing Joint Committee of the Senate and House of Commons for the Scrutiny of Regulations, which deals with the expenses incurred by the committee during the Second Session of the Thirty-sixth Parliament.

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

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

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

### LIBRARY OF PARLIAMENT

REPORT OF STANDING JOINT COMMITTEE  
PURSUANT TO RULE 104 TABLED

**Hon. Jane Marie Cordy:** Honourable senators, pursuant to rule 104 of the *Rules of the Senate*, I am honoured to table the Report of the Standing Joint Committee on the Library of Parliament, which deals with the expenses incurred by the committee during the Second Session of the Thirty-sixth Parliament.

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

[Translation]

### ILLEGAL DRUGS

REPORT OF SPECIAL COMMITTEE  
PURSUANT TO RULE 104 TABLED

**Hon. Pierre Claude Nolin:** Honourable senators, pursuant to rule 104 of the *Rules of the Senate*, I have the honour to table the first report of the Special Senate Committee on Illegal Drugs,

which deals with the expenses incurred by the committee during the Second Session of the Thirty-sixth Parliament.

For text of report, see today's Journals of the Senate.

[Later]

## OFFICIAL LANGUAGES

REPORT OF STANDING JOINT COMMITTEE  
PURSUANT TO RULE 104 PRESENTED

**Hon. Shirley Maheu:** Honourable senators, pursuant to rule 104 of the *Rules of the Senate*, I have the honour to table the first report of the Standing Joint Committee on Official Languages, which deals with the quorum and the expenses incurred by the committee during the Second Session of the Thirty-sixth Parliament.

For text of report, see today's Journals of the Senate.

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

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

[English]

## INTER-PARLIAMENTARY UNION

ONE HUNDRED FOURTH INTER-PARLIAMENTARY CONFERENCE—  
REPORT OF CANADIAN GROUP TABLED

**Hon. Sheila Finestone:** Honourable senators, I have the honour to table the report of the Canadian Group of the Inter-Parliamentary Union which represented Canada at the 104th Inter-Parliamentary Conference held in Jakarta, Indonesia from October 12 to 21, 2001.

## CANADA-EUROPE PARLIAMENTARY ASSOCIATION

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT  
DEBATE—REPORT OF CANADIAN DELEGATION TABLED

**Hon. Lorna Milne:** Honourable senators, I have the honour to table the report of the Canada-Europe Parliamentary Association delegation which represented Canada at the European Bank for Reconstruction and Development debate held in London, England, from January 16 to 20, 2001.

COUNCIL OF EUROPE PARLIAMENTARY ASSEMBLY SESSION FROM  
JANUARY 20 TO 27, 2001—  
REPORT OF CANADIAN DELEGATION TABLED

**Hon. Lorna Milne:** Honourable senators, I also have the honour to table the report of the Canada-Europe Parliamentary Association delegation which represented Canada at the Council of Europe parliamentary assembly's plenary session in Strasbourg from January 20 to 27, 2001.

[Translation]

## NATIONAL FINANCE

### NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO PERMIT ELECTRONIC COVERAGE

**Hon. Lowell Murray:** Honourable senators, I give notice that at the next sitting of the Senate, I will move:

That the Standing Senate Committee on National Finance be empowered to permit coverage by electronic media of its public proceedings with the least possible disruption of its hearings.

[Later]

[English]

## OFFICIAL LANGUAGES

### NOTICE OF MOTION TO AUTHORIZE STANDING JOINT COMMITTEE TO MEET DURING SITTINGS OF THE SENATE

Leave having been given to revert to Notices of Motions:

**Hon. Shirley Maheu:** Honourable senators, I give notice that at the next sitting of the Senate, I will move:

That the Standing Joint Committee on Official Languages have power to sit during sittings of the Senate; and

That a message be sent to the House of Commons to inform that House thereof.

## QUESTION PERIOD

### CANADIAN BROADCASTING CORPORATION

#### FUNDING AND MANDATE— COVERAGE OF ALBERTA PROVINCIAL ELECTION

**Hon. Ethel Cochrane:** Honourable senators, I have a question for the Leader of the Government in the Senate. Will the Leader of the Government confirm that the CBC continues to receive hundreds of millions of dollars in government funding each year and that, in return, the CBC has the responsibility in its mandate to report to Canadians on news events in each of the regions of Canada?

**Hon. Sharon Carstairs (Leader of the Government):** Honourable senators, I thank the honourable senator for her question. There is no question that the CBC receives substantial

government funding. Its mandate, as I understand it, is to explain Canadians to Canadians.

**Senator Cochrane:** Honourable senators, I have a supplementary question.

On Monday, March 12, there was no live coverage of the election results in Alberta on the CBC or CBC Newsworld in Eastern Canada, nor was there coverage on CTV, CTV Newscast or Global. My concern, though, is with CBC, because of its federal funding and its mandate.

I thought it was rather curious and ironic that the CBC and Newsworld would ignore the Alberta election, while two hours of excellent coverage was available in French on RDI. Many Eastern Canadians thought that was outrageous, and they have told me so. Does the Leader of the Government share that concern?

**Senator Carstairs:** Honourable senators, absolutely, I share that concern. Alberta is a province of this country, and despite the fact that I might not have been particularly happy with the results of that provincial election, it is incumbent upon all provincial elections to be covered by CBC, or at least its affiliate Newsworld. I think that the question that Senator Cochrane raised is one that she should take up with the CBC, and I will do so as well.

**Senator Lynch-Staunton:** Who will get the answer first?

## NATIONAL DEFENCE

### REPLACEMENT OF SEA KING HELICOPTERS— FEDERAL COURT DECISION ON COMPETITION PROCEDURE

**Hon. J. Michael Forrestall:** I have a question for the Leader of the Government in the Senate. A news release came across my desk this morning, for immediate release.

Charlottetown— Liberal Leader Jean Chrétien today declared the Liberal government would bring a different set of priorities to Ottawa, and cited as an example the cancellation of Kim Campbell's multi-billion dollar Cold War helicopter program.

"More than anything, this election is about priorities and about competence," said Chrétien. "That is why I am taking this opportunity early in the campaign to restate the Liberal Party's opposition to these helicopters."

Honourable senators, that makes interesting reading on the bulletin board at Shearwater, believe me.

My question for the Leader of the Government has to do, as I suggested yesterday, with a recent decision by the Federal Court. I would like her opinion as to what the court meant when it said the evidence presented to it may

...demonstrate that the procurement procedure suffered from “patent politicization” within the Department of National Defence.

**Hon. Sharon Carstairs (Leader of the Government):** Honourable senators, far be it from me to interpret a court statement. I leave that up to the court itself.

**Senator Forrestall:** I did not think that I had asked the honourable senator to interpret it; I asked her what her opinion was. Perhaps she does not have an opinion about the safety of pilots.

• (1400)

I withdraw that comment, honourable senators. Of course she does, but I also reject the minister’s response out of hand. When the courts read the riot act, I would have expected some kind of reaction.

REPLACEMENT OF SEA KING HELICOPTERS—  
CABINET COMMITTEE OVERSEEING PURCHASE COMPETITION

**Hon. J. Michael Forrestall:** Yesterday, honourable senators, the Minister of National Defence, in committee in the other place, admitted that there was a special committee of cabinet chaired by the Deputy Prime Minister to monitor the Maritime Helicopter Project. Can the Leader of the Government explain the role of the Gray committee that oversees that project? Who are the members of that special committee?

**Hon. Sharon Carstairs (Leader of the Government):** Honourable senators, I thank the honourable senator for his question. I do not know the membership of the committee, but if I can obtain that information, I will provide it to Senator Forrestall.

I believe the committee’s role is very clear. It will give the government the best possible advice on the purchase of the replacements for the Sea Kings — replacements that I know the honourable senator and I want sooner rather than later.

**Senator Forrestall:** Is it because there were two committees within the Department of National Defence, the so-called Dempster committee and the new Senior Management Oversight Committee, and the two groups outside DND, namely, the Privy Council Office and now the Gray committee — a fact admitted to, as I suggested yesterday, by the Minister of National Defence — who had their hands in the Maritime Helicopter Project? Why the unprecedented political scrutiny, which the Canadian Search and Rescue Helicopter Project did not receive, concerning the ship-borne military project? Why scrutiny for one and not for the other?

**Senator Carstairs:** It is clear, honourable senators, that the government wants to ensure that it gets the best value for its dollar, while at the same time ensuring that the Canadian Forces have the best vehicles necessary for their work generally, particularly with respect to the Maritime Helicopter Project for search and rescue work. If that requires a thorough evaluation,

re-evaluation and re-evaluation again, then let us do the very best we can because we are engaged in a considerable expenditure of dollars on this project.

**Senator Lynch-Staunton:** Delay, delay, delay.

**Senator Forrestall:** Honourable senators, I am forced to ask a final supplementary question. Do I understand the Leader of the Government to be saying that this whole process — now probably six committees looking at helicopter purchases — is designed to ensure that the Canadian public get the best helicopter for their invested dollar? If that is so, I am pleased to hear that we seem to be leaving the lowest-dollar-compliant position.

**Senator Carstairs:** Honourable senators, I have indicated and I will indicate again that the government wants good value for its money. The government also wants excellent equipment for the Canadian Forces. I do not see those as two opposites. Perhaps the honourable senator does.

## HEALTH

### APPOINTMENT OF LEADER OF THE GOVERNMENT AS MINISTER RESPONSIBLE FOR PALLIATIVE CARE—PLAN OF ACTION

**Hon. Eymard G. Corbin:** Honourable senators, I hold in my hand a press release entitled “Leader of the Government in the Senate takes on Special Responsibility for Palliative Care.” It reads:

Prime Minister Jean Chrétien today announced that the Honourable Sharon Carstairs, Leader of the Government in the Senate, will take on special responsibility for palliative care...

May I be allowed to congratulate Senator Carstairs for this appointment.

**Senator Lynch-Staunton:** Question!

**Senator Corbin:** Honourable senators, in no way, shape or form is this a planted question. I know the minister has the knowledge to carry out this mandate, and I am personally assured that she will perform with great dedication.

My question to the Leader of the Government is this: What is her battle plan?

**Hon. Sharon Carstairs (Leader of the Government):** Honourable senators, let me begin by thanking the honourable senator for his question. I did get a copy of the press release. I must confess that I put it on Senator Corbin’s desk because he, along with Senator Roche and others in this chamber, such as Senator Keon and Senator Pépin, have been extremely supportive with respect to the development of the strategy on palliative care in Canada. I am absolutely delighted that the Prime Minister has added this responsibility to my responsibility as Leader of the Government in the Senate.

Clearly, my mandate will be to kick-start the palliative care initiatives across this country and to work with the provinces, the territories, NGOs and the federal government to ensure that resources are directed toward palliative care so that instead of 10 per cent of dying Canadians receiving appropriate palliative care, 100 per cent of Canadians can receive appropriate palliative care.

## HERITAGE

### CONCENTRATION OF MEDIA OWNERSHIP

**Hon. Noël A. Kinsella (Deputy Leader of the Opposition):** Honourable senators, we also congratulate the honourable minister in her extra mandate. Palliative care is an important area, and the work that has been done by all honourable senators speaks to the recognition that the government and Canadians abroad give to important work that can be undertaken by members of this house.

I should like to turn to another observation by the Prime Minister, as reported in *National Post* today. He said that he defends Mr. Asper's right to write. Fair enough. One is spelled with an "r" and one with a "w."

Could the minister clarify for this house what is happening with the government vis-à-vis the concentration of ownership of the media in Canada, an issue which has now moved to the front burner of public affairs in Canada?

Mr. Tobin, the Minister of Industry, has been indicating his interest and a desire to have a mandate. Ms Copps, the Minister of Canadian Heritage, confirmed yesterday that the government will soon announce the names of experts who will look into the matter of the concentration of media ownership in the country. In this house, on Monday evening, the minister was able to point out for us that she would be open to and welcome an update of the important study that was conducted by the Senate on this very topic, under the leadership of former Senators Keith Davey and Charlie McElman.

Could the Leader of the Government in the Senate advise the house of the intent of the Government of Canada, as we are receiving divergent views from several different ministers?

**Hon. Sharon Carstairs (Leader of the Government):** Honourable senators, I thank the honourable senator for his question. Let me begin by congratulating David Asper for a well-written article on our Prime Minister. I can say that because David and I have been friends for a great many years, I am delighted that he took it upon himself to defend the Prime Minister in as eloquent a fashion as he did.

In terms of the issue of the concentration of ownership of media in this country, I believe we are all concerned, or I would hope that we are all concerned, that Canadians from coast to coast will have a selection of materials available to them in print and through the Internet, as well as through radio and television.

[ Senator Carstairs ]

If the ownership of all of those outlets is to be in one or two hands, the question for all of us is whether we get our information through a filtered lens imposed by someone else.

If there is a broad range of media, then of course each media outlet will take a particular position and a particular line, whether it be on the left or the right of the spectrum.

• (1410)

However, when you get a very narrow concentration of media, the question becomes whether we in fact hear all sides of the story. That, I think, is what Canadians want to know. Will the concentration that seems to be occurring in the media limit the ability of Canadians to choose and to come to their own decisions about what has really happened in the community?

With regard to exactly how this will proceed, we have heard from Minister Tobin, who seems to have a particular bent. We have heard from Minister Copps, who appears to be going in a slightly different direction. As I indicated yesterday, I would be quite happy if this institution chose to do that study.

Honourable senators, there has yet been no decision made on how such a study will proceed.

**Senator Kinsella:** I thank the honourable minister for that answer which underscores the unique position of this house, it being ideally situated to examine questions of public policy, including ones of this importance.

The question asked earlier by my colleague Senator Cochrane regarding the CBC also speaks to this issue, from the aspect of part of the media being in the hands of the people of Canada. That arrangement reflects a unique part of our social values, so different from those in that great republic to our south, where they are also facing a concentration of ownership. As anyone visiting there can observe, 300 million people get their information from a very narrow stream.

## THE SENATE

### CONCENTRATION OF MEDIA OWNERSHIP— POSSIBILITY OF SPECIAL COMMITTEE

**Hon. Noël A. Kinsella (Deputy Leader of the Opposition):** Honourable senators, I have taken the minister's response of the other day to heart. She suggested that some of us prepare some propositions. Does the Leader of the Government think that a special committee might be the way to proceed? Has she any more direct guidance for us with regard to a Senate examination?

**Hon. Sharon Carstairs (Leader of the Government):** Honourable senators, I am of the view that the Senate makes excellent decisions when it votes in this chamber on whether such committees should be established. Far be it from me to set the guidelines or the parameters for such a study. I leave that to the members of this institution in whom I have great faith.



## DELAYED ANSWERS TO ORAL QUESTIONS

**Hon. Fernand Robichaud (Deputy Leader of the Government):** Honourable senators, I have three delayed answers. The first is in response to a question raised by the Honourable Senator Spivak on February 6, 2001 regarding the Speech from the Throne, measures to protect children's health; the second is in response to a question raised by the Honourable Senator Roche on March 1, 2001 regarding the church community; and the third is in response to a question raised by the Honourable Senator Robertson on February 18, 2001, concerning the report of the Auditor General, lack of budgetary planning on possible complications resulting from aging population.

## ENVIRONMENT

### SPEECH FROM THE THRONE— MEASURES TO PROTECT CHILDREN'S HEALTH

*(Response to question raised by Hon. Mira Spivak on February 6, 2001)*

Over the next few months, the Ministers of Health and Environment will be considering options for fulfilling the commitments made in the Speech from the Throne to strengthen laws, research efforts and other measure to safeguard Canadians from toxic substances and environmental contaminants and to develop appropriate standards that reflect the special vulnerabilities of children. Various initiatives and mechanisms are being contemplated to advance the research and actions needed to address children's environmental health issues. It is too soon to say whether this will result in a review of CEPA before the next mandated CEPA 5-year review.

## CHURCH COMMUNITY

### FINANCIAL SUPPORT TO SETTLE LAWSUITS BY FORMER STUDENTS OF RESIDENTIAL SCHOOLS

*(Response to questions raised by Hon. Douglas Roche on March 1, 2001)*

#### QUESTION:

How does the government plan to work with the churches in addressing the legal exposure they share as a result of litigation arising from the residential school system?

**ANSWER** (from the Honourable Herb Gray, M.P.):

The government is keen to work with the responsible church entities in addressing the liability which we both share. I was asked last fall to work with the churches to find solutions which will address the financial concerns of the

churches as this relates to residential school litigation. I would offer two points for you to consider. First, your question seems to suggest that the issues arising from the history of this system deal only with the loss of language and culture. To focus on this ignores the serious issues of physical and sexual abuse with which we must also deal.

Second, both the government and churches shared in the goal to assimilate Aboriginal people. As such our responsibility today is to continue to try and find ways in which Aboriginal people can participate fully in Canadian society while preserving and enhancing the collective identities of Aboriginal people and allowing them to evolve and flourish. This can best be achieved, in our view, outside of the courtroom.

With further regard the abuse of children at these schools, this issue has nothing to do with the well intended, but misguided policies pursued by the government and the churches through these schools, but rather was the result of our mutual failure to protect the children in our care. The government is committed to working with those who were abused in finding the most appropriate solutions for their healing and the need for reconciliation between these individuals and the institutions, which ran these schools. Both the government and the churches will be held accountable for abuses perpetrated by their employees.

#### QUESTION:

Why has the government not met with Aboriginal representatives in addition to the church leaders with whom it has been meeting since October?

**ANSWER** (from the Honourable Herb Gray, M.P.):

I am pleased to inform you that I have met with the National Chief of the Assembly of First Nations and our officials have remained in contact since that time. I have also met with and sought the advice of individuals who are themselves former residents of these schools and who are seeking the best approaches to healing and reconciliation for themselves, their families, and their communities.

I should also note, that the government, with the support of the AFN and the churches, facilitated nine "Exploratory Dialogues" over the course of 1998/1999 which permitted hundreds of survivors, healers, plaintiff counsel, Aboriginal leaders, government officials and the churches to meet for the first time and discuss constructively, a wide range of issues which address the sad legacy left by the residential school system. It was these discussions which led the parties to support the development of dispute resolution models to resolve these claims.

Our government remains open to working with church leadership to determine the best way to do approach these issues and which will permit the parties to live up to their legal and moral responsibilities. In doing so we must also give due consideration to the long-term sustainability of the churches that are affected by these claims.

I appreciate the interest you may have in this issue and understand that through your work in the Helpline Process in Ontario you have considerable experience in working with victims of abuse and with church institutions to help them come to terms with their legal responsibilities and reconciling with victims of abuses perpetrated by church employees. I would be pleased to meet with you to discuss and to seek your advice on some of the issues we confront today in the context of residential schools.

## FINANCE

### AUDITOR GENERAL'S REPORT— LACK OF BUDGETARY PLANNING ON POSSIBLE COMPLICATIONS RESULTING FROM AGEING POPULATION

*(Response to question raised by Hon. Brenda M. Robertson on February 7, 2001)*

The Government is in full agreement with the general conclusion of the Auditor General's report relating to the need for information to Parliament and Canadians regarding fiscal policy. A sound understanding is required of the issues involved and the possible ramifications of alternative policy choices. Good information is the foundation for good policy.

The Department of Finance takes considerable pride in the policy research done and the actions taken to bring many of the issues raised by the Auditor General into the public domain. For example, in September 1997, the Department sponsored a conference, organized by the John Deutsch Institute of Queen's University and the Institute for Policy Analysis of the University of Toronto, entitled "Fiscal Targets and Economic Growth." At the Department's request, some of the papers explicitly addressed some of the demographic issues raised by the Auditor General.

Similarly, in 1992, the Department of Finance, in conjunction with the provincial finance departments, released a detailed study entitled "The Cost of Government and Expenditure Management." This paper focused on major long-term cost pressures, especially in the areas of health education and social services, facing governments. The methodology employed in that study was used by the Auditor General in his Report.

[ Senator Robichaud ]

The Department of Finance has, and is continuing, to take part in an international working groups examining the consequences of an ageing population throughout the industrialized world. These are being undertaken either through Group of Ten countries or the Organization for Economic Co-operation and Development.

The department provided detailed information on the long-term structural problems associated with the Canada Pension Plan, which formed the background for the recent reforms agreed upon by the federal and provincial governments. And finally, as noted by the Auditor General, an internal working paper was released recently, entitled "Public Finance Implications of Population Aging."

All of this is to say that the Department of Finance is very active in ensuring that good analysis is available to the public and Parliament on which to base informed discussion and policy decisions.

However, where we disagree is the process and in what forum this information should be made available.

The Auditor General is suggesting that long-term economic and fiscal projections should be part of the annual budget process or be published during pre-budget consultations by the government.

Experience has shown that the inclusion of longer-term projections in the budget process undermines the importance and urgency of addressing immediate problems — problems and issues that must be addressed even in good times in order to ensure that the longer-term objectives can, in fact, be met.

Previous ministers of finance did table five-year economic and fiscal plans that were not achieved. Failure to meet targets meant lost credibility and the consequence for this was a higher risk premium and higher interest rates.

The government's approach to budget planning has been based on setting two-year fiscal targets embedded in a medium-term fiscal framework.

The first medium-term anchor was the elimination of the deficit. Implicit in this objective was the need to halt the rise in the debt-to-GDP ratio and to put it on a permanent downward track.

Most importantly, however, the government ensured first and foremost that the short-term targets were met. This has resulted in fiscal discipline unprecedented in the post-war period. In doing so, the federal government has been able to eliminate the deficit much faster than anyone expected.

By focusing its actual budget plans on the short-term, the government has been able to achieve a significant longer-term objective — that is, arresting the growth in the debt-to-GDP ratio after nearly 25 years of uninterrupted increases and putting it on a permanent downward track.

Although the government's budget plans have been of a two-year focus, this has not meant that the longer-term financial problems are being ignored. For example, the federal government and the provinces have restructured the Canada Pension Plan precisely to address the longer-term demographic pressures on the Plan. It will continue to address those longer-term structural issues that need to be addressed.

The government does not believe that it should change its approach to budget planning at this time. It has proven to be extremely successful in not only achieving the government's short-term objectives but for laying the foundation to address the longer-term structural problems.

This is not to imply that changes will not be considered or made. Each fall, the Department of Finance conducts extensive consultations with private sector economists. Their medium-term economic and fiscal forecasts are presented in the Minister of Finance's fall update, as the basis for pre-budget consultations and the resulting initiatives announced in the Government's annual budget.

[Translation]

## ORDERS OF THE DAY

### THE SENATE

MOTION ON PROPOSED CHANGES TO RULE 86—  
DEBATE CONTINUED

On the Order:

Debate resumed on motion by Honourable Senator Robichaud, P.C., seconded by Honourable Senator Rompkey, P.C.,

That Rule 86 of the *Rules of the Senate* be amended:

1. by deleting subsection 86(1)(h) and replacing it with the following:

(h) The Senate Committee on Foreign Affairs, composed of twelve members, four of whom shall constitute a quorum, to which shall be referred, if there is a motion to that effect, bills, messages, petitions, inquiries,

papers and other matters relating to foreign and Commonwealth relations generally, including:

- (i) treaties and international agreements;
- (ii) external trade;
- (iii) foreign aid;
- (iv) territorial and offshore matters.

2. by deleting subsection 86(1)(m) and replacing it with the following:

(m) The Senate Committee on Social Affairs, Science and Technology, composed of twelve members, four of whom shall constitute a quorum, to which shall be referred, if there is an order of the Senate to that effect, bills, messages, petitions, inquiries, papers and other matters relating to social affairs, science, and technology generally, including:

- (i) Indian and Inuit affairs;
- (ii) cultural affairs and the arts;
- (iii) social and labour matters;
- (iv) health and welfare;
- (v) pensions;
- (vi) housing;
- (vii) fitness and amateur sports;
- (viii) employment and immigration;
- (ix) consumer affairs; and
- (x) youth affairs.

3. by adding new subsections 86(1)(r) and 86(1)(s) after subsection 86(1)(q) as follows:

(r) The Senate Committee on Defence and Security, composed of nine members, four of whom shall constitute a quorum, to which may be referred, as the Senate may decide, bills, messages, petitions, inquiries, papers and other matters relating to national defence and security generally, including veterans affairs.

(s) The Senate Committee on Human Rights, composed of nine members, four of whom shall constitute a quorum, to which may be referred, as the Senate may decide, bills, messages, petitions, inquiries, papers and other matters relating to human rights generally.

**Hon. Lucie Pépin:** Honourable senators, I should like to add my support to the formation of two committees, the Standing Senate Committee on Human Rights and the Committee on Defence and Security, as stated in the motion.

I have been interested in defence for a number of years. In 1985, I was the first woman parliamentarian to become a member of the NATO parliamentary group, where, at the first meeting, I was asked:

[English]

What are you doing here?

[Translation]

I responded:

[English]

I don't want to be told what to do. I would like to be part of the decision making.

[Translation]

Later on, I worked hard for women to be allowed to fly F-18s, but particularly to have the letters "DW" or "dependant wife" removed from the ID cards of all the wives of NATO military personnel. At the time, women were viewed as inferior and anything that they did wrong — including a motor vehicle violation — was entered on their husband's file. It seems that these letters have now been removed and that these wives and spouses are better off.

Since coming to the Senate, I have been a member of the Subcommittee on Veterans Affairs. I have been in contact with women in the military and with the wives of military personnel for several months now and I have met a number of them.

It is important to improve the working and living conditions of our military personnel. However, we must be vigilant and examine the quality of life of wives, spouses and children. We must also examine the community in which they live, their children's schooling and the ability to communicate in both official languages.

Recently, Canadian Forces community organizations published a booklet on how to prevent family violence. A film was also produced on how to improve the lives of families on military bases across Canada and Europe.

I know that Senator Erminie Cohen did work similar to mine and she will soon tell us about the results of her visits and meetings on the military bases in her region.

There are many paramilitary activities we should look into. These activities are all part of the daily lives of the families and people who live with our soldiers, and it is important that these people not be heard exclusively by female parliamentarians, but perhaps by a committee made up of both men and women.

In working to improve the defence of our country, we must pay attention to what is going on where our military personnel and their families live.

[English]

• (1420)

**Hon. Douglas Roche:** Honourable senators, I wish to record my support for the Senate establishing two new committees:

[ Senator Pépin ]

one on defence and security and one on human rights.

Bearing in mind the excellent addresses given yesterday on this subject by Senator Rompkey, who spoke on defence, and Senator Wilson, who spoke on human rights, I wish to associate myself with the comments made by both honourable senators. Further comments by me would be merely repetition. Thus, I propose to spare you my comments and simply record my support.

[Translation]

**Hon. Jean-Robert Gauthier:** Honourable senators, I do not propose to comment further on the creation of two new committees, which are surely needed, because a number of senators have been speaking about them for three or four years now. It is time for action and I have no hesitation in supporting the creation of a Senate Committee on Defence and Security or a Senate Committee on Human Rights. These two committees will undoubtedly help to resolve problems with which we are all familiar.

My comments have to do with the wording of the first part of the motion, and I quote:

That rule 86 of the *Rules of the Senate* be amended:

1. by deleting subsection 86(1)(h)...

As you can read in today's Order Paper:

(h) The Senate Committee on Foreign Affairs, composed of twelve members, four of whom shall constitute a quorum, to which shall be referred, if there is a motion to that effect, bills, messages, petitions, inquiries, papers and other matters relating to foreign and Commonwealth relations generally, including...

I have discussed this matter with certain senators and my position is known. I would like the motion to be amended to include the words "la Francophonie." I was told that the motion was inclusive because it uses the word "generally." However, when I read the motion in French, it says "le Commonwealth en général," not "les affaires étrangères en général."

I would like the words "la Francophonie" to be added to these directives to the Foreign Affairs Committee. I have been trying for some five years to convince the Senate that the whole issue of the Francophonie is one of great importance to the majority of us. The committee must address this, because the Francophonie does indeed exist.

The Francophonie is a group of countries which have in common mainly their use of French. It has been around for a long time and has been recognized internationally for over 30 years.

Canada played an important role in the establishment of the Francophonie. Because it had no colonial history, you will understand that Canada had a certain credibility, in Africa in particular, with respect to helping these countries develop and take their place on the world stage.

There are more than 50 members of the Francophonie; their common language is French. The countries of Europe, France, Belgium and Switzerland in particular, and Canada, have been involved in the creation of an association of common interests, called the Francophonie.

It is unlike the Commonwealth, with its economic interests, which has English as its principal though not exclusive language, required in the former British colonies by economic necessity. That is reality.

There is not the same connotation within the Francophonie. Its ties are linguistic and cultural, not economic. That is the difference. The Canadian Parliament ought to look further into this matter. We spend a lot of money in Africa, hundreds of millions of dollars. I have been a member of the Foreign Affairs Committee, even co-chairing the review of this country's famous foreign policy, and the Francophonie and culture are two issues often shunted aside.

The sixth chapter of the report by the joint House of Commons and Senate Committee on Foreign Relations addresses culture, an important issue, which has become an international one. We need to protect our cultural interests in our dealings with the United States, where the term is not "culture" but "entertainment."

The senators on the committee must address the Francophonie. How do we go about this? The matter must be referred to the committee, of which I am a member. I will ensure that the members are made aware of the need for an amendment in committee that includes the words "la Francophonie." There are two or three different ways of doing so. I give notice to the committee that I shall be taking the necessary steps to convince the senators that my request is justified. The arguments I have used here are serious and important ones, and I would like them to be considered as such.

*[English]*

On motion of Senator Tkachuk, debate adjourned.

*[Translation]*

### **SPEECH FROM THE THRONE**

MOTION FOR ADDRESS IN REPLY—MOTION IN  
AMENDMENT—DEBATE SUSPENDED

On the Order:

Resuming debate on the motion of the Honourable Senator Cordy, seconded by the Honourable Senator Setlakwe, for an Address to Her Excellency the Governor

General in reply to her Speech from the Throne at the Opening of the First Session of the Thirty-seventh Parliament.

And on the motion in amendment by Honourable Senator Kinsella, seconded by Honourable Senator Rossiter, that the following be added to the Address:

We respectfully affirm to Your Excellency that the Speech from the Throne would have captured the imagination of the people of Canada if it contained the following words:

"Canadians are the finest people in the world community today. Our common citizenship speaks to many ways of being Canadian and affords us unique opportunities to be leaders for freedom and dignity for every person with whom we share Planet Earth in the 21st Century.

My government recognizes that we are blessed with an incomparable landscape, natural and human resources, and an historical foundation of freedom, peace and civility. Canada has always been a place where people, seeking opportunity, fairness and security can build a future.

Despite these enduring strengths, many Canadians feel they no longer share in the Canadian dream. The world is changing rapidly around us, but we face an uncertain and challenging future without a plan. There is a growing sense we have lost our direction.

We need to restore a "common purpose" to this country — to recapture the sense that we are acting together in the interests of the whole community, and to encourage those acts of will that have defined Canada and moved it forward at critical times in our past.

My government's blueprint for this country's future is a plan to strengthen Canada's communities, build a vibrant economy, and govern with integrity.

### **Strengthening Canada's communities**

Canadians feel that the fabric of Canada's communities and institutions has been weakened in recent years.

Canadians' faith in their health care system has been shaken. Health care cuts have closed thousands of hospital beds, jammed emergency rooms and created unacceptable waiting lists for critical services and treatments.

Cuts to post-secondary education funding have resulted in higher college and university tuition fees, and intolerable debt loads for students. Access to higher education is being lost in Canada, even as the knowledge economy raises the premium on higher qualifications.

At a time when Canadians do not feel safe in their communities, the RCMP has been starved for resources. Meanwhile, the gun registration program is costing Canadians hundreds of millions of dollars, while treating law-abiding gun owners as if they were criminals.

Canadians want to see their common values reflected in Canada's social programs: self-reliance and personal responsibility balanced by compassion, investments in a healthy and well-educated populace, safe communities and fiscal responsibility.

Canadians want their national government to provide leadership in protecting the environment.

My government's Plan for Canada addresses all these issues to build a stronger Canada through stronger communities.

My government will:

- Immediately restore the cash portion of the Canada Health and Social Transfer to at least 1993-94 levels. This would restore completely the health and post-secondary education dollars cut from transfers to provinces.

- Add a sixth principle to medicare — guaranteed stable and predictable long-term healthcare funding — through legislation. Never again will a government be able to scoop billions of dollars out of health care.

- Increase and make refundable the caregiver credit, in consultation with groups representing seniors and Canada's disability community.

- Change the repayment terms for Canada Student Loans to provide that loans are repaid as a percentage of net after tax income starting the first full working year after graduation.

- Introduce a tax credit for post-secondary students repaying Canada Student Loans to a maximum of 10 per cent of the loan principal, per year, for the first 10 years after graduation, provided they remain employed in Canada.

- End the taxation of scholarships awarded to students in colleges and universities.

- Provide the RCMP with stable funding, and with an explicit priority to defeat organized crime, particularly money laundering, human and contraband smuggling, fraud and computer crime.

- Replace the federal Young Offenders Act with new legislation that reflects the principles of protection of

the public, deterrence and denunciation balanced with rehabilitation, and the greater use of restorative justice.

- Repeal the current long gun registration system and uphold and enforce provisions that control criminal and unsafe use of firearms.

- Make the health of Canada's children an explicit priority of environmental legislation by introducing a Safe Water Act and a Safe Air Act.

### **Building a stronger economy**

The average Canadian today loses about 47 per cent of his or her income to taxes. High taxes have eroded the standard of living of Canadian families. They have made our businesses less competitive. And they are driving young professionals and entrepreneurs to seek their futures in other countries.

Canadians know that today's balanced budget and growing economy were only achieved through their sacrifice and hard work. They want to share in Canada's prosperity, but they want tax reductions to be fair and benefit all Canadians.

Canadians also know that success in today's world requires that we be competitive with our trading partners, that the new economy demands we reward investment, innovation and creativity.

Canadians want the burden of the national debt — now totalling \$560 billion — lifted from the shoulders of their children.

And Canadians want strategic investments targeted towards their priorities.

My government will:

- Cut taxes for all Canadians by raising the basic personal exemption from the current level of \$7,231 to \$12,000 by 2005. This tax cut will remove 2.3 million low income Canadians — those least able to pay taxes — from the tax rolls. It will also deliver across-the-board tax relief of up to \$1,100 (federal/provincial) to the average taxpayer.

- Increase the married and equivalent spouse amount to \$12,000 by 2005. When this change is fully implemented, a single earner family would not pay income tax until their income reached \$24,000 per year.

- Introduce a child tax amount of \$1,176 to assist Canadian families. This will create a tax cut for families with children of \$200 per child.

– Eliminate the personal capital gains tax immediately. This will free venture capital, reward personal initiative and help reverse the brain drain by encouraging entrepreneurs to build their future in Canada.

– Cut excise taxes on gasoline, diesel fuel and home heating fuels to help ease the burden of rising energy costs.

– Eliminate the national debt — the mortgage on our children's future — within 25 years, and pay down the principal on the debt by \$25 billion over the next five years.

– Implement an annual “Red Tape Budget” detailing the estimated total of each new proposed government regulation, including the enforcement costs to the government and the compliance costs to individual citizens and businesses.

– Actively expand global trading partnerships with other nations, while promoting human rights and the environment, and protecting our culture.

– Establish the Federal Agriculture Stabilization Transfer (FAST), a comprehensive national safety net program, to include a revenue/income stabilization component and a reliable disaster relief fund.

– Work with the international community to protect trans-boundary fisheries from unsustainable harvesting practices on our east and west coasts.

### Governing with integrity

A strong democracy is essential to everything we want to do as a country.

What makes democratic government work or fail is the public's willingness to accept or support decisions made on their behalf. Just as we need wealth to prosper, we need trust to govern. That trust has been missing in Ottawa.

Intolerance of legitimate dissent has dramatically weakened the role of Members of Parliament. We cannot continue to inspire our most able citizens to stand for public office if they are shut out of involvement and influence after they are elected.

My government would restore integrity to the governing of Canada by increasing the democratic accountability of government to Parliament.

The government will:

– Strengthen the role of MPs by allowing more free votes in the House of Commons. MPs must be able to represent the views of those who elected them.

– Empower Parliament to scrutinize the spending practices of federal departments without a time limit.

– Introduce comprehensive “whistle-blower” legislation.

– Increase annual defence spending over the next five years to support adequate strength levels, improve the quality of life of Armed Forces personnel and support the procurement of new equipment.

### A balanced and prudent plan

My government's plan for Canada is a balanced and prudent blueprint to restore purpose and direction to Canada, to point us towards a successful future in a changing world.

The numbers add up for Canada. In my government's five-year plan:

– We've placed the greatest emphasis — over \$55 billion — on reducing taxes to leave more money in the hands of Canadians. It's their money, and we want to leave it up to them to save, spend or invest as they see fit.

– Our mandatory debt repayment plan will eliminate the debt mortgage on our children's future within 25 years. Over the coming five years, our plan will reduce the federal debt by \$25 billion. As part of this plan, we will reallocate 1.3 per cent of the current annual program budget to reducing the debt.

– We have identified targeted new investments in programs totalling \$7.4 billion.

Members of the House of Commons:

You will be asked to appropriate the funds required to carry out the services and expenditures authorized by Parliament.

Honourable Members of the Senate and the House of Commons:

May Divine Providence guide you in your deliberations.”.—(*Pursuant to Order adopted March 1, 2001—6 sitting days remaining*).

**Hon. Roch Bolduc:** Honourable senators, I have read carefully once more the Speech from the Throne, and here are a few remarks I would like to make about it.

First, concerning the general orientations, I believe that the government's statement is correct. Being in favour of economic progress, of social inclusion, that is the sharing with everyone of the advantages of economic prosperity, being in favour of the best quality of life in Canada and wanting to have a positive influence on the international community, are certainly four general orientations on which our fellow citizens must agree.

How, objectively, can anyone be opposed to such great and noble intentions? The government must be given the merit of drawing to the attention of Canadians such highly desirable general objectives. The government also lists, and most lucidly I must say, certain real challenges facing our society: the fact that our economy is only average in its competitiveness compared to other developed countries, the uncertainty of our export markets, which are focussed on the United States where we know there has been an unequivocal downturn over the past quarter, the many Canadians who are being shunted aside by globalization which, though inevitable, does not share its benefits equitably, the positive but decreasing influence of Canada in a world where new and powerful economic groups are being formed and where we do not pull much weight. Faced with these real challenges, and with others to which I shall return shortly and which the Speech from the Throne did not see fit to address, what is the government's attitude?

It claims to be positive, optimistic and entrepreneurial. According to the official speech, what it needs to do is promote activity in a number of areas: first of all, innovation in the production of goods and services, then skilled human resources, followed by the use of modern communications equipment, and finally international trade and foreign investments in Canada. In short, the government acknowledges, as I myself stressed a year ago in connection with the Minister of Finance's budget, that one of the things involved in economic growth is government measures that encourage a better performance from the factors of production, that is, capital, enterprise and manpower.

It is already something to recognize the evidence, but that is not enough. It is not enough to say one supports virtue. Where the Speech from the Throne falls short is in the "hows." As soon as the government moves into the ways and means of achieving the objectives set out earlier, it plunges into the governmental activism so dear to the Liberal Party. We would think we were still in the post-war period. The Liberal Party has not really learned its lesson. Instead of looking for new ways to increase productivity and raise the standard of living of Canada's most disadvantaged, there it is trying to launch new initiatives all over the place, the majority of which are in areas of provincial jurisdiction. After pointing out the so-called advantages of the post-war welfare state — old age pensions, health insurance and unemployment insurance — noting their benefits, as if this meant the problems were resolved, the government proposes to devote its energies to early childhood, literacy, school dropouts, continuing training, forms of health care, municipal and provincial infrastructures, potable water and the revitalization of culture.

[ Senator Bolduc ]

To listen to them is to think that this is the only way to advance Canada in the community of nations. In short, move over, you provincial governments, we in Ottawa know about this and we will show you what good government is about. Really? What about the dubious performance of the Minister of Human Resources Development? What did the Auditor General have to say about the handling of fisheries? Is the government satisfied with the management of gun control, whose cost is skyrocketing before we even have a sense of its effectiveness? Was it not this government that dramatically slashed funds to health care and then announced after all the damage it caused that it was proud of its agreement on the social union, which would resolve health care problems? You will permit us in opposition a little skepticism at the government's proposals, not to mention the contradictions in the official speech itself. For example, the government is setting objectives for us to attain in order to increase our standing among the countries investing the most per capita in research and development: it wants us to be among the top five, because we are currently in fifteenth place. The solution: double our investment. And where will this money come from? From taxes, obviously. Does the government not realize that, by taxing, it is increasing business costs and thus slowing the growth of the economy?

At times, the government sounds like a teacher, stating the obvious, saying that we need an innovative economy to be competitive, for instance. At other times it sounds like a social worker, stating the obvious, saying that there is a marginalization process in the country and that we must fight it with greater social inclusion, for instance.

Like social democrats or marketing whiz kids, every six months the government comes up with two or three buzzwords that are used to caricature an issue, and sometimes its solution at the same time. This time, the buzzword is social inclusion.

However, we know that beyond the government's good intentions and its satisfaction in light of the social progress made in Canada over the past 50 years, reality is very different from the rosy picture that is presented by the official message. Here are some facts.

First, Canada's performance in terms of productivity and real income pales in comparison with that of the other OECD countries. According to last spring's issue of the Department of Industry's publication entitled *Micro*, Canada lags behind when it comes to innovative, top-of-the-line products.

The productivity gap between Canada and the United States has been widening since 1995. According to *The Economist*, from 1996 to 1999, productivity in Canada increased at a cumulative rate of 4.2 per cent versus 11.5 per cent, or 2.9 per cent per year, in the United States.

The United States is not the only country faring better than us. We rank eleventh among OECD countries in terms of productivity, and fifteenth in terms of per capita share of the GDP invested in research and development.



According to a C.D. Howe Institute study, the brain drain is a real concern. We are losing engineers, computer scientists and nurses. We are of course getting people in certain professions, but Canada is losing in the modern sciences sector. The temporary visa has attracted many more people with doctorates to the United States. The difference in salaries is substantial, from 40 to 75 per cent for experts in new technologies.

A few years down the road, this drop in productivity will naturally have an impact on the standard of living. The same issue of *Micro* reports that the standard of living in the United States is 22 per cent higher than in Canada, the average of course, but it also reports that the standard of living in every region of the United States is higher than the average in Canada: 40 per cent higher in New England; 37 per cent in the Mid-Eastern States, New Jersey, Maryland, et cetera; 28 per cent in the West; 20 per cent in the Great Lakes region; 18 per cent in the Southwest; 17 per cent in the Mountains and the Central Plains; 10 per cent in the Southeast. The list of states and provinces shows Alberta in 18th position and Ontario in 37th. The other Canadian provinces are at the very bottom.

Another result of this sorry state of affairs is that there is not much of an improvement in the figures on poverty in Canada, if we are to believe the official figures. In the last few years, the number of children living in poverty has gone from 20 per cent to 18.6 per cent, or almost one in five. This is very high, if we are to believe the numbers from the government.

People talk about the blatant injustices in the United States, and what they have in mind is the fate of many Black Americans. However, here in Canada, many Aboriginals are living on the fringes of Canadian society, in a state of humiliating dependence for which the government itself is in part to blame.

Nor are we free of social unrest: gangs have the run of many of our cities, and the family is in disarray in many countries, but in Canada as well. The government has a lot to say about individual rights, but is doing very little to encourage individual responsibility.

Economically, things are far from perfect. The federal debt still stands at 60 per cent of the GNP but, if provincial debts are included, 40 cents of every dollar Canadians pay in taxes go towards paying the interest.

The Canadian dollar continues to fall. As a result, our manufacturers are paying far too much for imported equipment, which is limiting their ability to invest in technology, and thus cutting into productivity. It is a vicious circle.

Recent tax cuts have barely offset higher pension plan contributions. In the year 2000, they did not. In 1981, the average tax rate in Canada was 40 per cent. In 2001, it is 50 per cent. Half our money goes to the government. That is a 25 per cent increase. There is no longer the social equality there once was.

On a horizontal basis, intergenerationally, there is greater inequality than before. Direct foreign investments in Canada are also decreasing. We used to have a 4 per cent share and now it is 2 per cent.

Many Western farmers are in dire straits.

As far as foreign policy is concerned, we are dealing with the unknown, with uncertainty, with obscurity. Nothing is clear. We do not, for example, know whether the government does or does not support the U.S. defence strategy, the missile defence system. We do not know its views on negotiations on the Free Trade Area of the Americas, the FTAA. The pretext for that is that, in accordance with old constitutional conventions, the government is the one negotiating. We are still back in the days of the prerogatives of the Crown. It seems we are going to step up international aid without any objective assessment of the impact of our present programs. We already have \$2 billion invested, and it is important, before that amount is raised to \$2.5 billion, for us to know whether this is a good idea, whether the countries we are helping are any better off than before. We are in the 21st century and the government is behaving as if it were in the 19th. The prerogatives of the Crown are a constitutional pretext for acting with all discretion, as if Parliament did not exist. Talleyrand could not top that.

This leads me to say a few words on the way this government is managing public affairs. As with foreign affairs, the executive power is ruling as an absolute master. One would think we were at war. We are well aware of the results. Arbitrariness reigns. The public service is forced to bow to undue pressures from political personnel. This goes right up to the Prime Minister, who wants us to believe that, when he intercedes with the head of a Crown agency, he is just acting as the MP for Shawinigan.

We no longer see, as we used to, public notices in the papers announcing vacant management positions in the public service. It worked well in Quebec, where I worked, and in Ottawa. Where is democracy? Have we come back to the buddy system? There seems to be no more competition in the awarding of positions or of contracts. Forty per cent of contracts in the informatics field last year were not tendered. We have vigorously fought this sort of situation in the past, and it continues to scandalize me. As we said in Quebec in the 1960s, it is time it changed. The government seems to be taking certain recommendations by Thomas Courchene, the economist from Queen's University, into account in its inaugural message. It should read him carefully, because he makes the point that the public service must start operating once and for all on a competitive basis and stop continuing to operate as a monopoly with the new special agency formula. I suggest it read the enlightening thoughts of Gilles Paquet on subsidiarity. I look forward to the day when the forces of the opposition will give Canadians an alternative program in keeping with the views of the opposing groups and of the people of Canada.

The Prime Minister, unlike the British Prime Minister still seeking a third way, has found his own, the Canadian way. If the results I have just indicated are the product of his way, after eight years in power, then, we are not out of the woods yet. The government is hard of hearing: it continues to commit to a multitude of activities that foster bureaucracy and waste and settle nothing. What is the government doing to help Canadians deal with the social changes resulting from globalization?

I noted, a moment ago, the confusion that reigns in too many homes in Canada with the effect we have all seen in social terms: children left on their own or pulled between their parents, tense situations in elementary and secondary schools, the violence to be found pretty well everywhere in welfare institutions overwhelmed by the number and scope of problems, and so on. In the face of these alarming situations, the government reacts to the tip of the problems, which we know to be resolved primarily through the delicate handling of measures that produce a shift in values and a change in behaviours.

Elsewhere, we see that citizens are overcharged by public administrations and the President of the United States is asking Congress for "a refund on their behalf." Here, the government does not want to give money back to citizens, as it timidly began to do back in October, but to propose other magical initiatives. It is strange to see how in October, just before the election, the government knew what people wanted and how quickly it forgot all about their wishes afterwards.

A large part of the Speech from the Throne gives a superficial description of our social problems and the new programs the government wants to set in place to solve them. However, after a few paragraphs, the root causes of our problems are left unexplained. These fundamental reasons are related to the tax system. In October, the minister told us that Canadians would be able to compare themselves to Americans. I have news for the minister. It is only in five years that Canadians will be able to compare themselves to today's Americans. In five years, the Americans will have moved up. This is serious. This is where the problem lies. Let us not kid ourselves about our foreign investments and about many other things.

We must improve the tax system. Corporate funding through risk capital is inadequate, largely because of the incentives that govern institutional funding. In the United States, aggressive companies such as General Electric, Hewlett-Packard, Intel and others encourage their researchers to innovate and they fund their start-up costs, while here contributions to the public service pension plan are invested in government bonds and in shares that will be managed by a new monopoly, instead of allowing employees to look after their investments themselves.

The difference in terms of innovation and productivity between the U.S. economy and the economies of the other Western countries, including Canada of course, is precisely due to the different incentives governing these economies.

[ Senator Bolduc ]

In the United States, the structure of the tax system and labour market, and the management style of companies, help promote innovation, competition, mobility and performance. In the compromise between efficiency and fairness, the resulting institutional balance is severely condemned in Canada, under the pretext that our society is more egalitarian. However, where is the fair inequality between an unemployment rate of 4 per cent and one of 8 per cent?

I, for one, believe that what Canada needs now is not more government, but rather restraints on its discretionary action at both the provincial and federal levels, for the benefit of citizens. It would appear, in our country, that the strength of the majority, which characterizes the British parliamentary system, allows governments to have visions that are more beneficial to the people than what people themselves want. Yet, in recent decades, we have seen that governments overestimate their abilities and are unable to deliver what they promise. The history of pensions and health insurance are clear illustrations of this: on one hand, we see ourselves forced to increase contributions drastically, and on the other, we are left with deplorable waiting lines and are forced to have our patients treated in the United States, whose health system we continue to criticize.

If, today, I rise against conventional political wisdom in Canada, it is because the reasonable alternative is not well presented in our country.

• (1440)

**The Hon. the Speaker:** Honourable senators, I must inform Senator Bolduc that his 15 minutes are up. Is leave granted for him to continue?

**Hon. Senators:** Agreed.

**Senator Bolduc:** Honourable senators, I am well aware of the fact that the political game in Canada consists of evaluating tensions between too much and too little politicization, too much and too little collective interference with individual liberties, or a too small or too ponderous public economy. However, between 15 per cent of GDP in essential public goods and today's 40 per cent of GDP in public goods, we have to admit that Canada does not hesitate to take money from some to give it to others. The problem is that this redistribution by the government does not benefit the poor, those who need it the most. This is the tragedy of politics.

Our parliamentary system already allows almost complete domination by the majority. It seems to me that efforts at reform should focus on ways of preventing the executive arm from going too far. This is true in the case of Senate reform, to take one example. I will return to this soon, I hope.

**Hon. Aurélien Gill:** Honourable senators, there was a time when governments did not give too much thought to Aborigines.

As the Speech from the Throne clearly shows, those days are gone, and I wish to congratulate the government on giving this issue all the recognition it deserves by including it among its primary concerns for this new session. The government is restoring hope to Aboriginals, and this is saying something. It is giving them hope that they can leave poverty behind, hope that they can play a more active role in governing themselves, hope that one day their culture will resonate proudly throughout Canada, and that in spirit and in fact they will feel like full-fledged citizens.

In restoring hope to Aboriginals, the government has taken the first step only. Our objective is just starting to become visible on the horizon. This is but the dawn of a long and difficult day.

We will have to put much time and energy into attaining our goal. We will have to venture fearlessly into unknown lands, and find new ways of improving things.

The Prime Minister is urging us to look to the future. This is desirable and, in my view, inescapable. We must set clear objectives that will enable us to build a promising future for our children.

While we, as Aboriginals, gaze upon this distant horizon, we must take care not to forget the past. The past and the future are not mutually exclusive. The way to our future is through acknowledgement of our past. We must not forget the past. We must not forget who we are, who we were, and what we have become.

To forget the past would be to forget what makes us different, the extent of our wounds. We do not yet have our rightful place in the politics of this country, and the efforts to acknowledge, define and enforce our rights must be kept up so that we will soon feel at ease, responsible and accepted in this country, in our country.

In its Speech from the Throne, the government invites us to look beyond the past and to focus with confidence on the future, particularly in connection with the commitments to bolster Aboriginal self-government. For us, this is the key issue in the debate, for the structure within which we will govern ourselves tomorrow will impact directly on our ability to find effective and lasting solutions to the numerous problems afflicting our communities.

The Constitution of Canada, specifically section 35 of the Constitution Act, 1982, recognizes First Nation rights. It describes the aboriginal peoples of Canada as having Aboriginal and treaty rights which are recognized and affirmed. This recognition represents a significant milestone along our long path to true self-government. Considerable energies, however, still have to be expended to define these rights, to unearth them, dust them off and put them into application. If a functional structure that would enable us to advance those rights is lacking, or absent, then they are at risk of remaining dead issues, or becoming the object of misunderstandings or conflict that seem to have no

prospects of getting settled. As far as politics and self-government are concerned, any real solution involves the creation of a structure that would ensure accountability and national representation for Aboriginal people.

• (1450)

For the moment, the Assembly of First Nations is doing what it can, which means doing the impossible. Its power is insufficient, being limited to its influence on the process.

At this point in time, great confusion reigns in the political dimension. In practice, the words "First Nations" lack both a definition and a legal framework. There is absolutely nothing said about the existence of Aboriginal nations throughout the country.

Moreover, the only institution recognized by government, via the Indian Act, is the band and the band council. If we want to make any progress, we will need to group together those communities that are members of the same nation. If that is not possible, we have a real problem on our hands, one that hampers true political development.

Since it is impossible for us to establish and recognize these institutions under the current legislation, self-actualization and development is equally impossible. In most cases, communities have a hard time administering their affairs properly, and their future absolutely depends on a political structure they must create in the very near future.

Very often the government negotiates the territorial claims of Native Peoples village by village, thus creating rivalries between communities. As the Dussault-Erasmus Royal Commission has recommended, we must move boldly to another stage.

A First Nation, generally, includes several communities. We do not know precisely which they are, but we should make the effort to find out. Within this country, is there not a Tsimshian fact, as there are Cree, Innu, Iroquois, Inuit and Anishnawbe facts?

It is time to return to the true existing identity borders and to those that existed elsewhere in the country but were never respected. If there are indeed 34 Mi'kmaq communities in the Maritimes, would it be practical to think that one single First Nation exists in the Maritimes comprising 34 communities?

If, in the end, we had recreated some fifty First Nations within Canada, would it not be useful and very interesting to create at the same time a new political institution, a responsible government representing these nations, who would then have a legitimate representative?

[English]

Such an institution does not exist; we must create it. We need responsible, transparent and normally constituted political representation.

[Translation]

I believe it is dangerous to continue on a case-by-case basis. We can no longer go from Ipperwash to Burnt Church, settling problems piecemeal as crises arise. In order to break out of the vicious circle, we have to move on to another reality, that of responsibility and political existence.

To get there, we have to establish a national authority governing the First Nations and representing their diversity and their aspirations.

We of the First Nations have a big job to do just to agree on creating this new structure. The mere establishment of such a structure is a challenge for everyone. We will then be able to discuss the division of resources and the creation of wealth. It will also be possible to discuss objectives for education and health care and everything that goes to make up the life of a people.

The First Nations cannot govern without a government of their own. We must direct our best efforts to creating it, which is in turn the result of a redefinition of what constitutes a First Nation. Do not be afraid to be innovative and to dare, because real responsibility has to start somewhere.

I can only firmly support the government in its intentions to do something to alleviate human misery and to promote our children's education, because beyond the political issues there are social emergencies, tragedies and unacceptable living conditions, both in and outside the communities.

A few years ago, the Native Women's Association publicly warned leaders of the Assembly of First Nations that human conditions were as important as, if not more important than, the negotiation of rights. It would be futile to obtain rights for a community that is too sick to exercise these rights.

Today, the government seems to realize that some situations can no longer be tolerated. Aboriginal suicide, drug dependence and incarceration rates are serious issues. I will not describe what everyone knows all too well, but I agree with the government's conclusion that the money does not always go where it would be best used.

[English]

We must improve, considerably, our front-line intervention and the social reality of Aboriginal peoples across the country. This will be a long, hard process; as long and as hard as the process that brought us this far. What choice have we?

[Translation]

Aboriginals do not have a monopoly on misery, but the seriousness of their plight is disconcerting to the extreme. To eliminate this misery, we must invest money but, first and foremost, we must be extremely creative, effective and determined.

[ Senator Gill ]

In real life, many people have been working humbly, resolutely and relentlessly for years to prevent the worst. We must listen to these people and we must help them wherever they are in Canada, including in Labrador, Saskatchewan, Western Ontario and in all the regions where the situation is critical.

The government will have to take all appropriate means to support these anonymous and courageous people who work in their communities to fight drugs, suicide, violence and delinquency. We all want the best possible education for our children. For Aboriginals, this issue is all the more critical, and we have been concerned about this for a long time. We have suffered too many losses and we can no longer sacrifice entire generations. We must succeed at all costs.

[English]

I reiterate how pleased I am that the government has placed this urgent situation among its priorities.

[Translation]

Once again, I am pleased to see the government giving priority to righting the situation, with the goal of saving Aboriginal lives. I am choosing my words carefully, but that is what it has come to.

Canadians must keep an eye on government and this issue must no longer be relegated to the back burner. I believe that this is the message the government is sending. Although no one can claim to have miracle solutions, it is reassuring to know that we all intend to work hard at this. Eliminating the shocking poverty in countless Aboriginal communities throughout Canada, getting a good education for the future of our children, and taking our rightful place in the Canadian political landscape are goals that deserve the support of all Canadians.

However, when all is said and done, it is up to us, as First Nations peoples, to improve our own situation. For that, of course, we need support but, more important, we need open-mindedness and generosity.

• (1500)

Honourable senators, we need to tackle our problems in the knowledge that we have the means to rebuild proud and prosperous societies. Let us not forget that this is the challenge. This has been known for a good 40 years. The Prime Minister is fully aware of the problem and he is very sensitive to it. Mr. Chrétien is well acquainted with national programs that encourage Aboriginals to run their own educational systems. At the time, he was one of the leading proponents. Today, he knows, as we all do, that we must go further.

Again, I would like to say how pleased I am that the government is including these emergency situations among its top priorities.

[English]

**The Hon. the Speaker:** I regret to interrupt the Honourable Senator Gill, but his time has expired. Is the honourable senator seeking leave to continue?

**Senator Gill:** Yes, Your Honour.

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

**Hon. Senators:** Agreed.

[Translation]

**Senator Gill:** I have already said that we have reached the end of the line and that we will run out of time if we do not take action soon. Although it looks like the future will be difficult, we cannot afford to fail. The job ahead is a big one. However, we will get off to a better start in the new century if we leave behind the existing political legacy and come up with a structure that will truly allow Aboriginal peoples to lead a proud and autonomous existence and to be full-fledged citizens of this country, which belongs to all of us.

[English]

**Hon. Mabel M. DeWare:** Honourable senators, I have chosen to address the Speech from the Throne from the aspect of post-secondary education. We all appreciate the critical importance of federal support for higher learning, both for young Canadians and for Canada as a whole.

Before I get into the substance of my remarks, however, I should like to congratulate our new Speaker, the new Leader of the Government and the Deputy Leader of the Government. It is clear that Senator Hays, Senator Carstairs and Senator Robichaud are taking their responsibilities and the challenges of their roles very seriously. I believe this chamber will benefit from their knowledge, leadership and guidance, and I wish them well.

I focus my remarks on post-secondary education by acknowledging that jurisdiction in this area falls to the provinces. However, the federal government has also traditionally played an important role in this area. Unfortunately, the current government has watered down that role. Shortly after it was first elected, it slashed transfers to the provinces for health care, education and social programs. Despite promises to gradually restore funding, the effects of these cuts will be felt for a long time to come.

The government has also failed to offer a national vision, a framework to foster higher education in Canada. Canada has one of the world's most highly regarded systems of post-secondary education. It is one of which we should be proud. However, that system is now facing significant problems and is, it has been argued, at the point of crisis.

The ability of post-secondary institutions to offer high quality, affordable education is under siege. They are having trouble

keeping pace with Canada's need for graduates to enable us to prosper in the international marketplace and to stay at the forefront of international affairs, the liberal arts, science and technology.

Senator Lynch-Staunton, in his Reply to the Speech from the Throne, mentioned three areas of concern: student indebtedness, crumbling university infrastructure and a shortage of experienced teaching staff. These areas were also brought to the attention of the Special Senate Committee on Post-Secondary Education, of which I was a member. I should like to expand a bit on them.

Honourable senators, student indebtedness is a painful reality in Canada today. This is because tuition fees have soared, thanks largely to federal funding cuts, while grants have been cut back. The majority of students who must borrow to continue their education graduate with crippling debt loads. This prospect can deter young people from going to college or university in the first place.

Under the policies of the Liberal government, student debt load has become so high that students in record numbers are defaulting on their payments. The government's solution to this problem was to change the Bankruptcy Act, not to alleviate student debt or make it easier for students to pay back their loans.

Campus infrastructure across the country is in a pathetic state. Many university and college facilities have not been retrofitted since their construction. A tour through some of Canada's major learning centres reveals decrepit main entrances and poor lighting and air quality. There is also a shortage of capital for proper landscaping, signage and water drainage. Many post-secondary institutions have been forced to defer infrastructure repairs because of lack of funds; but the longer it takes for these repairs to be made, the higher the costs will be, especially for students.

The government has been able to come up with an infrastructure program that funds things like golf courses, zoos and bocce courts. However, it has all but ignored the critical infrastructure needs of Canada's colleges and universities.

In addition, our institutions of higher learning often struggle with computer equipment that fails to meet the most basic of standards. Colleges and universities have empty bookshelves in their libraries and poorly equipped laboratories. This directly affects the quality of education that their students are receiving. In this new and exciting age of the Internet, those who lag behind quickly find themselves rendered obsolete.

Another disturbing symptom of the federal government's neglect of Canada's national post-secondary education system is the inability of our colleges and universities to attract and retain enough professors and instructors. It is estimated that over the next 25 years nearly 50,000 higher education teaching positions will need to be filled. Unfortunately, more professors leave the Canadian post-secondary education sector than are hired. Many qualified candidates head for the private sector or leave Canada altogether.

Honourable senators, there is a great deal more that I could say about the sorry state of post-secondary education in Canada, but I think everyone has a general idea. I wish to talk now about the opportunities for the future, opportunities that were unfortunately missed in the recent Speech from the Throne.

The opening of the new Parliament could have been a wonderful opportunity for the federal government to demonstrate its desire for Canada to take a commanding role in its efforts to succeed in the knowledge-based economy.

The Speech from the Throne could have been a pillar of Red Book III, a policy lightning rod that would graduate 100,000 Canadians into the most prestigious boardrooms, courtrooms, operating theatres, government offices and computer research stations in this country. It could have demonstrated an exciting and aggressive policy agenda, designed to significantly improve the degree to which the federal, provincial and territorial governments cooperate to capitalize on Canada's greatest natural asset: our people. However, it did not. In fact, I think it is instructive that the words "post-secondary" and "university" did not appear once in the Speech from the Throne.

The federal government has failed to respond to the problems and opportunities confronting post-secondary education. Rather than making a national commitment to revamp the way the federal government coordinates the national delivery of higher education, the Speech from the Throne only nibbled at the edges of the problem.

Here is how the Liberal government plans to improve delivery of quality post-secondary education in Canada. It was stated in the Throne Speech that the government will:

...create Registered Individual Learning Accounts to make it easier for Canadians to finance their learning. And it will improve the loans that are available to part-time students, so more workers can learn while they earn.

Honourable senators, that was about the only direct mention of higher education. This is not to say that other forms of learning, such as early childhood education and adult education, are not equally important. After all, Canadians are coming to understand that education is a lifelong process that brings out the tremendous potential that exists in each and every one of us.

Making post-secondary education affordable and accessible is not just about tax incentives and registered accounts. It is about having a comprehensive plan for change. Canadians deserve better than what they received from the government in the recent Speech from the Throne.

Ad hoc financial measures are not how you build extraordinary education superstructures. Coordinated, strategic and comprehensive policies are needed to develop a coast-to-coast learning environment.

It is not as though there are not plenty of ideas that the government could have drawn on. For example, the election

[ Senator DeWare ]

platform of the Progressive Conservative Party contained an imaginative and substantial set of initiatives to improve the delivery of post-secondary education. I should like to briefly review those.

• (1510)

In the Speech from the Throne the government could have chosen to immediately restore the cash portion of the Canada Health and Social Transfer to at least the 1993-94 levels, but it did not. The government could have chosen to examine federal student assistance programs with a view to moving to a system where student loans are repaid as a percentage of net after-tax income, starting the first full working year after graduation, but it did not.

The government could have chosen to introduce a tax credit to help Canadians repay their Canadian student loans, but it did not. The Progressive Conservative platform proposed a tax credit based on a repayment of the principal, to the maximum of 10 per cent of the principal per year, for the first 10 years after graduation provided the individual remained in Canada.

Honourable senators, in its Speech from the Throne the government could have chosen to eliminate the taxable status of scholarships, but it did not. The government continues to tax poor students, to penalize the smart ones.

The government could have chosen to establish "E-campus" collaboration among universities to co-develop courses and programs. Even if Ottawa is not responsible for the day-to-day administration of post-secondary education, it could take a leadership role in assisting institutions of higher learning to take advantage of technology and facilitating cooperation. The government could have chosen to establish a Canadian "E-learning" resource library to provide the infrastructure for a nationwide exchange of "E-learning" content, but it did not.

Honourable senators, these are all well-researched ideas that were included in the Progressive Conservative platform during last fall's election. They were there for the taking, but the government chose to ignore them, as it has overlooked other recommendations including some of those made by the Special Senate Committee on Post-Secondary Education. Canada's post-secondary education sector will, unfortunately, continue to suffer.

As you can see from the Progressive Conservative policy proposals, instituting reforms to Canada's post-secondary infrastructure is limited only by the current government's lack of imagination and creativity. Canada can be a better country for the benefit of all if priority is given to higher-education reform.

If the federal government and my colleagues on the other side of this chamber are committed to leaving their children, grandchildren and great grandchildren a post-secondary educational structure that will serve them as well as it served us, this chamber must be transformed into a cauldron of thought, policy development and non-partisanship.

Honourable senators, we can find solutions to these pressing problems. We need now the political will to implement them. I look forward to working with colleagues on both sides of this chamber in the weeks to come to direct our energies in this important matter.

**Hon. Sheila Finestone:** Honourable senators, I am honoured to stand and reply to the Speech from the Throne.

Before I begin, however, I should like to offer my congratulations to the Honourable Sharon Carstairs on her appointment as Leader of the Government in the Senate. She is doing a fantastic job. I love the way that she handles Question Period.

I also offer my congratulations to her seatmate, the Honourable Fernand Robichaud, the new Deputy Leader of the Government.

I offer my congratulations also to the new Speaker of the Senate, the Honourable Dan Hays.

Honourable senators, I cannot proceed with my speech today without remembering with deep regret and deep care the passing of our beloved friend and great senator, Gildas Molgat, whose loss I felt quite profoundly. The untimeliness and the suddenness left us all with a sense of bewilderment and sorrow. In our minds and our hearts the people we love will remain with us forever.

Today I stand to remember him here in the Senate, to say farewell to a friend and to thank him for a job well done.

Honourable senators, the new session of the Senate opens once more under the leadership of our Prime Minister, Jean Chrétien, following the victory of the Liberal Party in the election. This victory is clearly a sign of the trust and confidence that the Canadian people have placed in the hands of the Liberals. Undoubtedly, Canadians have rested their faith in the institution that has proven to have the capacity to transform material circumstances into resources, infrastructures, a strong and flourishing economy, and opportunity for all.

We are proud of our achievements, particularly as they come at a time when one of the most conspicuous features of politics is the transcendence of national frontiers. Processes of economic internationalization, environmental issues and regional and global communication networks have become increasingly matters of concern for the national and international community.

It is the new world order, as they say, and that is really what is taking place. It is nothing like the old industrial revolution. It goes beyond that in its impact of change both in our lifestyle and the world in which we live. It is a new and difficult experience to which society must adjust.

As we are led into the re-evaluation of the nature and limits of our national democracies in relation to the process of social and

economic globalization, we see a strong Canada with sound macro-economic and structural policies that have provided a solid foundation for expansion. Fiscal consolidation by both federal and local governments has led to a sharp reduction in government debt as a ratio of GDP.

Honourable senators, all of these accomplishments have come at a price. At the beginning of our first term, the Canadian people accepted the sacrifices borne from deep and painful budget cuts, difficult but necessary remedies to make the nation prosper once again.

On the 2001 Article IV Consultation Statement by the International Monetary Fund Mission, Canada is praised for its many successes. As the report states, Canada has demonstrated its commitment to liberal trade through initiatives at the multinational, regional and bilateral levels, and has shown much generosity in providing favourable access to its markets to the least developed countries.

The Speech from the Throne articulates the Liberal government's platform for a balanced plan: from opportunity for all to health and quality of care, programs for children and families, research and development, and elimination of the digital divide. The speech is a reflection of the Red Book's conceptual and pragmatic commitments made to the electorate during the campaign. It has proved it was a good plan, thoughtfully conceived and now being enacted.

Honourable senators, I would now like to focus my attention on two salient points contained in the Speech from the Throne that are of major relevance to me: the truly international dimension of our foreign policy and the new invigorated role of our Canadian culture.

From the most expedient disarmament convention prohibiting the use of anti-personnel landmines — and hopefully we can be even more expedient when it comes to nuclear weapons — to the creation of the Canadian International Commission on Intervention and State Sovereignty, to the establishment of the International Criminal Court, as well as to CIDA's new social development priorities, Canada stands as a champion of cosmopolitan democracy. Through these efforts Canada has shown itself to be a country that seeks to entrench and develop democratic institutions at the regional and global levels as a necessary complement to the institutions of the nation state.

The International Commission on Intervention and State Sovereignty was commissioned by the Canadian government in response to the challenge placed before the international community by the Secretary-General of the United Nations, Kofi Annan. In the Millennium report of September 2000 entitled "We, The Peoples," the Secretary-General urged member states to address the dilemmas posed by humanitarian crises where intervention and the sanctity of the state sovereignty are in conflict.

Honourable senators, in a world of intensifying regional and global relations, the creation of this new political institution to coexist with the state polity will, hopefully, guarantee that regional and global forces will not escape the democratic mechanisms of accountability, legitimacy and transparency, as well as harmonizing the state right to sovereignty and the need for the international community to intervene in countries where democracy appears to be at risk. That is not only for our peacekeepers, but it is for our peacemakers. It is a new concept, and we owe a debt of gratitude to Foreign Affairs Minister Axworthy who managed to convince the Security Council to address a very painful issue. I should like to add that Canada's term in the Security Council was constructive, effective and very much a force for wider consultation, openness and new thinking.

• (1520)

The international commission, however, is but one element of our dynamic foreign policy. Within our nation's economic needs we have demonstrated our willingness to share opportunities and to help the less fortunate. From emergency assistance to earthquake victims, et cetera, we did a lot through the initiatives of Finance Minister Paul Martin for the poorest and most marginalized peoples in the world.

On the other hand, honourable senators, I wish to discuss the question of culture. While we may be open to the multi-dimensional and almost "inevitable" phenomenon of globalization, we must reflect upon the words of Federico Mayor, Director General of UNESCO, who said:

...in its inequitable way, globalization is producing a culture of uniformity and an impoverished world...

Let me explain.

New technologies and new means of communication, which are key to linking our country to the world, are also the keys to our future. However, they are truly the equivalent of just plain "Big Pipes."

[*Translation*]

Ultimately, this is about the container and what it contains. That is the basis of the idea I wish to put forward.

[*English*]

It is indeed their content that will influence who we are, our ethics and our values to each other and to the world.

Honourable senators, you understand why it is more important than ever that the government protect and sustain our unique Canadian values and national identities.

[ Senator Finestone ]

The project to promote a "vibrant Canadian culture" is, by all means, the confirmation that economic factors and technology are not the only measures to judge the greatness of our nation.

By committing millions of dollars to enrich Canadian content on the Internet, the Canadian Feature Film Policy, the Canadian Magazine Fund, the sound and recording industry, and the Canadian Council for the Arts, together with the announced funding increase for the CBC, the Canadian government is not merely playing the role of a custodian or administrator of our heritage; it is the sentinel, protecting our cultural diversity at the global level.

This new acquired strength in the visual, literary and performing arts will allow Canadians to fully participate in the new global cultural arena while preserving a whole complex of distinctive, spiritual, material, intellectual and emotional features that characterize the very diversity of our Canadian heritage, its ethics and its values.

We hope that through the promotion of creative activities within our country and through cultural exchanges with other countries we can make the world more human in an age where information technology has become very pervasive. We must remember that above and beyond the great technological advancements it is essential that we encourage dialogue, understanding and critical thinking, that we remember and keep alive those philosophic ideas and ideals that have allowed for the creation of our nation.

In this sense, the program for a vibrant Canadian culture represents a true "renaissance des arts," one that will provide the Canadian people with the historical continuity necessary for sustainable social development. It is within this context that I see the conjunction of two of the great activities portrayed in the Speech from the Throne, that is, the integration of Canadian culture and foreign policy.

Honourable senators, our foreign policy and our commitment to developing countries make it clear that development is a process of enlarging people's choices. In the words of the UNDP, development should create a conducive environment for people, individually and collectively, to develop their full potential and to have a reasonable chance of leading productive and creative lives.

The Canadian development approach assumes that human development is the ultimate objective of economic development, but within that concept and within the changing concept of the world in which we live it is vitally important to remember that each and every one of us has a right in a democratic society to be left alone. It is in that light that I would have wished that the question of a charter of privacy rights had been included in the thinking of the government because that is what is happening. As the world encompasses us and as the whole world of technology descends around us, our rights and our freedoms have been changed. We must think about rights and freedoms.



Consistent with the theoretical perspective of Nobel Prize winner Amartya Sen, underdevelopment is viewed as a lack of basic capabilities rather than the simple lack of income and commodities. From this perspective and against the backdrop of a strong economy, our foreign and cultural policies do not seek to merely produce more goods and services, but to increase the capabilities of people to lead full and productive lives in which political freedom, human rights and personal self-respect are guaranteed.

If globalization redefines the political spectrum within which the government is able to act and the global economy yields the imperative of economic competitiveness, the Canadian Liberal paradigm seeks to create equality of opportunity in a world of equal and fair distribution. This is no small task. That is what we are faced with and that is what we are trying to do. We are doing our best in trying to accomplish this great task.

**Hon. Douglas Roche:** Would the Honourable Senator Finestone accept a question?

**Senator Finestone:** Yes.

**Senator Roche:** Senator Finestone made reference in her fine speech to nuclear weapons as a subject of Canada's foreign policy. Could the honourable senator elaborate on her views on this subject by focusing on the recommendation that United Nations Secretary-General Kofi Annan made, which is that there should be a global conference of all nations to identify and eliminate nuclear dangers? Perhaps Canada could host a small meeting of like-minded countries to examine this proposal made by the Secretary-General. Would that be a concrete item within Canadian foreign policy and would it be practical in the honourable senator's view?

**Senator Finestone:** Honourable senators, that is a very interesting question and it is certainly an interesting challenge. With the evolution of the world in its new face of instability, and

with the knowledge of nuclear capacity having spread to other countries, it would be most important to revisit this and to enter into a dialogue once again.

I believe that the people of the world do not want to be exposed to or to have to worry about nuclear weapons and nuclear disarmament. For that matter, they do not want to worry about any of the information under international humanitarian law, which is supposed to cover all those issues that will allow everyone in this room and all of the citizens that we represent to live a peaceful and good life. One cannot live a peaceful and full life, or a good life, if one does not have the safety and the security to live in peace and harmony today and into the future. If this is what it will take for the world to start to move, the smaller nations might be well-advised to look to Canada. I would hope that they could come to Canada and that we could host such a meeting.

As honourable senators know, I do not like to use the words "Big Brother" because they have the wrong connotation, but Canada is perceived to be a supportive, trustworthy country, one with integrity and one with which others can dialogue and perhaps arrive at a reasonable solution. That solution could then be taken to the big boys on the Security Council, where their interests, then, would need to be faced.

Honourable senators, I hope these moral questions are faced and that the three major countries start to think about someone other than themselves.

**The Hon. the Speaker:** Honourable senators, the time being 3:30 in the afternoon, pursuant to the order of this house, I declare the Senate adjourned until tomorrow at 2 p.m.

Debate suspended.

The Senate adjourned until tomorrow at 2 p.m.

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