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**Tuesday, March 27, 2001**

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THE HONOURABLE DAN HAYS  
SPEAKER

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## THE SENATE

Tuesday, March 27, 2001

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

Prayers.

### SENATORS' STATEMENTS

#### QUESTION OF PRIVILEGE

##### UNEQUAL TREATMENT OF SENATORS—NOTICE

**The Hon. the Speaker:** Honourable senators, I wish to inform you that, in accordance with rule 43(3) of the *Rules of the Senate*, the Clerk of the Senate received, at 10:52 this morning, written notice of a question of privilege by the Honourable Senator Carney, P.C. In accordance with rule 43(7), I recognize Senator Carney at the appropriate place on the Order Paper.

**Hon. Pat Carney:** Honourable senators, as was indicated in my notice to the Clerk of the Senate, I wish to inform you that I will raise a question of privilege later today dealing with the unequal treatment of senators under the *Rules of the Senate*. If a prima facie case is found, I will move that the matter be referred to the Rules Committee for consideration and report.

#### PRINCE EDWARD ISLAND

##### WORLD JUNIOR CURLING CHAMPIONSHIPS— CONGRATULATIONS TO FEMALE CHAMPIONS

**Hon. Elizabeth Hubley:** Honourable senators, I am proud to rise in this chamber today to recognize the recent and quite astonishing achievement of a group of young people from my home province of Prince Edward Island. In what was one of the most thrilling events I have ever witnessed in sport, the Suzanne Gaudet rink of Summerside, Prince Edward Island, won the Women's World Junior Curling Championship Saturday evening.

The team of skip Suzanne, third Stefanie Richard, second Robyn MacPhee, lead Kelly Higgins, along with Coach Paul Power and alternate Carol Webb, stunned the curling world with their exciting win over Sweden in the final. To be in the position of attaining recognition as a world champion is obviously something most people never achieve. To do so at such a young age only adds to the honour.

I and all Islanders are so proud of what this group of young women has accomplished in the last few weeks. Their road to the world championships started at the provincial level, where they earned the right to represent Prince Edward Island at the nationals. From there, it was on to the Canadian championships in St. Catharines, Ontario, where they became national

champions. With one more step to climb, albeit a steep one, their dream of a world championship became a reality Saturday night in Ogden, Utah.

With Islanders in the stands and hundreds of others watching on television at the Silver Fox Curling Club in Summerside, these young women put on a show that was at once both inspiring and chilling. It was certainly a nervous time for everyone because those of us who have been watching all week knew that the team Canada was playing in the finals was not only the defending world champion but the same team that had defeated Canada earlier in the week during the round robin. With steely determination, the young Canadian team overcame that mental obstacle and earned the world championship in the process.

The welcome the Canadian team received last night on their return to Prince Edward Island was quite emotional. I can only imagine what the official welcome-home celebrations will be like on Wednesday evening at their home Silver Fox rink in Summerside.

Honourable senators, I trust that you will join with me in recognizing this wonderful achievement. It is something these young women will remember for a lifetime, as will those who watched it unfold.

• (1410)

#### NEWFOUNDLAND

##### WORLD JUNIOR CURLING CHAMPIONSHIPS— CONGRATULATIONS TO MALE CHAMPIONS

**Hon. Joan Cook:** Honourable senators, I should like to add my congratulations to the women's team from Prince Edward Island. For me, of course, the pleasure is mine today because the Newfoundland junior curling team also won the championship in Ogden, Utah.

On Sunday the best young curler in Newfoundland stepped up to the plate, and with the 2001 World Junior Curling Championship on the line, skip Brad Gushue delivered, giving Newfoundland its first ever official world championship in a team sport with a win of 7-6 over Denmark. The other members of the St. John's Curling Club rink are third Mark Nichols, second Brent Hamilton, lead Mike Adam, fifth Jamie Korab and coach Jeff Thomas. In the words of Mike Adam:

It's been an emotional week and when it's over, everything comes out, especially when they played the National Anthem. It's an incredible feeling, something I can't even describe. I'm still overwhelmed.

Honourable senators, special about their win was the fact that each of the curlers won the championship in front of friends and family. One of those was Ray Gushue, father of the skip. I am told that countless times during the week, the elder Gushue would shout, "Who let the dogs out?", and the appropriate response would echo from the Canadian section.

Honourable senators, on Sunday there were no Great Danes out in Ogdén, just the Newfoundland pedigree and the Labrador retrievers.

### CANADIAN INTERUNIVERSITY ATHLETIC UNION HOCKEY CHAMPIONSHIPS

CONGRATULATIONS TO THE  
UNIVERSITÉ DU QUEBEC À TROIS-RIVIÈRES

**Hon. B. Alasdair Graham:** Honourable senators, last weekend proved to be an extraordinary period for pure amateur sport in Canada. I join Senator Hubley and Senator Cook in congratulating those great curling teams from Prince Edward Island and Newfoundland that captured the ladies' and men's World Junior Curling Championships in Ogdén, Utah.

At the same time, I extend heartiest best wishes and a huge "Well done!" to the Université du Québec à Trois-Rivières, which captured the Canadian University Hockey Cup by defeating the X-men of St. Francis Xavier 5-4 in sudden-death, gut-wrenching, heart-stopping double overtime.

Honourable senators, I was physically present at the final game on Sunday in Kitchener. At the end of the first sudden-death overtime period, with the score still tied, I received a cell phone call from one of my sons who had caught a glimpse of me on TSN. "Sit down, Dad," he said, "and if by some miracle Dr. Keon is in the building, stick close to him."

I was obviously disappointed that the X-men did not capture their second straight national championship in one week.

[Translation]

The Patriotes de Trois-Rivières merit congratulations from all Canadians on their well-deserved victory.

[English]

Again, we congratulate the CIAU, the hosts in Kitchener and Waterloo, and all the participating teams from the University of Alberta, Western Ontario, Wilfrid Laurier, UQTR, St. Thomas University, New Brunswick and St. FX. "Well done!" to all the university athletes and their coaches.

### NOVA SCOTIA

BLUENOSE—EIGHTIETH ANNIVERSARY

**Hon. Wilfred P. Moore:** Honourable senators, yesterday marked the eightieth anniversary of the launch of the schooner *Bluenose* at Lunenburg, Nova Scotia. The vessel was christened by the late Audrey Smith, daughter of Richard Smith of the

shipbuilding firm Smith & Rhuland, of Lunenburg, and niece of the ship's legendary Master, Captain Angus J. Walters, also of Lunenburg.

Young Audrey was the only woman aboard *Bluenose* that morning, and little did she and all those in attendance know that they were witnessing the start of one of the most compelling sagas of maritime heritage — not just of Nova Scotia but of Canada and, indeed, the world. The ship and the pride she brought to Canadians is recognized by her image on the reverse side of our 10-cent coin.

As I mentioned to the townsfolk of Lunenburg during my address at a commemorative reception yesterday morning, we must continue to honour the design genius of William J. Roué, of Halifax, the skills of the shipwrights of Smith & Rhuland, and the high seamanship of the men who fished and raced in the *Bluenose* under Captain Walters.

By defeating all American challengers to win and retain the coveted International Fishermen's Trophy, these men sailed their magnificent ship into the hearts of Canadians forever. The legacy of *Bluenose* is one of pride and excellence, which continues today in her replica, *Bluenose II*, Nova Scotia's sailing ambassador of goodwill and Canada's recognized tall ship worldwide.

[Translation]

### HEALTH

REPRODUCTIVE TECHNIQUES

**Hon. Lucie Pépin:** Honourable senators, just recently there have been media reports that the federal Department of Health was making plans to introduce a bill, probably this May, on reproductive techniques. It will focus on a timely issue, that of the cloning of human beings, that is, the possibility of producing an identical reproduction of an individual without combining sperm and egg.

I am delighted to learn of this initiative planned by our government. Some international experts have in recent weeks, under the guise of a desire to help sterile couples to have children, confirmed their intention to be the first researchers to clone human beings, within the next two years. This is not very reassuring, when we know that cloning is still in its very early stages.

Unlike other countries, Canada does not yet have a legal and scientific framework to regulate genetic and reproductive manipulations. It cannot be other than reassuring that it has finally reached a decision on this. It is time we decided to take action in this important area. Far be it from me to state that these advances in biotechnology represent nothing but disadvantages to humanity. Acceptable as it may seem to be to use embryonic cells for therapeutic and scientific purposes, it is equally unacceptable for human beings to be cloned. As the French academic Jean-Jacques Salomon has said, scientists may have a calling to develop such techniques, but it is absolutely not their role to control their use. We must, therefore, define the scientific and moral limits.

I would remind this house that we lack a legal context for these questions not because we have not thought about it. In October 1989, the federal government set up a Royal Commission on New Reproductive Technologies chaired by Dr. Patricia Baird. The commission, which tabled its final report on November 15, 1993, had been charged with conducting a thorough investigation of scientific and medical progress and evaluating their consequences. In order to carry out this investigation, the Baird commission did research and critical analyses on these techniques and consulted and questioned Canadians. This wide-ranging study revealed that legislation prohibiting reproduction technologies that are contrary to the ethics and values of Canadians is needed. The Baird commission also recommended the government create a national reproductive technologies commission, which would be the regulatory body overseeing research, technologies and practices in this sector.

Honourable senators, I would hope that the next bill of the Minister of Health is not just wishful thinking and that it will be introduced in the House soon. This bill will draw on, I hope, the data and opinions underlying the 293 recommendations by the Baird commission, which did an excellent job. It is time, honourable senators, that these recommendations were put into effect.

[*English*]

### SUDAN PEACE PROCESS

**Hon. Lois M. Wilson:** Honourable senators, last week I was in Rome, as Canada's special envoy, attending meetings concerning the formal peace process in Sudan. The International Partners Forum, IPF, where I represent Canada, supports the IGAD — an African consortium of countries of the Horn of Africa that has extended its efforts beyond development to the peace process in Sudan. Approximately a year and a half ago, a secretariat was established in Nairobi, Kenya, funded by the International Partners Forum and charged with acting for IGAD in formal peace negotiations.

Although both warring parties have agreed to a 1994 Declaration of Principles, a number of stumbling blocks remain. The north insists on combining religion and the state, and the south insists on self-determination.

Last night, honourable senators may have seen the CBC documentary on Canadian oil exploration in Sudan. Now both France and Sweden are poised to join in oil exploration and more investment. There is not much evidence that either side in the civil war is earnest about a formal peace settlement.

The core countries of IPF, of which Canada is one, delegated the two co-chairs from Italy and Norway, along with the envoy

[ Senator Pépin ]

from the United States, to visit Kenya in the fall and deliver a message that more political involvement is required of IGAD foreign ministers and heads of state to strengthen the peace negotiations. Further, it is acknowledged that the authority of the Kenyan Secretary must be strengthened commensurate with the responsibility he had been given and that intense political pressure be applied to both parties to the conflict to negotiate in good faith. A response was requested prior to our IPF meeting in Rome last week, but no such response has been received.

• (1420)

Finally a ray of hope emerged. Mr. Godana, the Foreign Minister of Kenya, came to address us in Rome. He assured us that there had been some convergence in the fourth round of talks last November, but there is still disagreement as to the exact nature of the future unified state as between a federal or confederate state. Accordingly, these issues would be deferred to the IGAD ministerial subcommittee. President Moi of Kenya has made a public statement intended to push the process forward, and after consultations with the President of Sudan in the next week or two, would push for a summit of the IGAD committee on Sudan.

IPF participants agreed — and this is the crunch — that consideration of further funding by the International Partners Forum — and that includes Canada — will depend on the positive outcome of the expected summit of the IGAD committee on Sudan and its substantive decisions on the peace process.

Therefore, we left Rome with slightly higher hopes this time. Canada continues to support IGAD and the DOP, but expects much more political will to be demonstrated in view of the continuing horrendous human suffering in Sudan. Canada and our partners indicated that our patience is being sorely tried.

### WORLD FIGURE SKATING CHAMPIONSHIPS

#### CONGRATULATIONS TO PAIRS CHAMPIONS

**Hon. Joyce Fairbairn:** Honourable senators, as we cheer on our young curlers and hockey players today with great enthusiasm, I would ask you also to share that enthusiasm for a young couple who dazzled the world by winning the gold medal in the pairs competition at the World Figure Skating Championships in Vancouver. Jamie Salé from Alberta and David Pelletier from Quebec, with their skill, their excellence, their grace and their spirit, captured the hearts of tens of thousands who flocked to see them, plus television audiences around the world.

They are treasures of our country and I know they will do us proud, as will our other skaters, at the Olympics in Salt Lake City next year.

Also, congratulations to Skate Canada and the City of Vancouver, which showed the world exactly how to host a huge event like this with class and style. Canada stands alone in showcasing figure skating to the world.

[Translation]

## ROUTINE PROCEEDINGS

### AGREEMENT ON KANESATAKE GOVERNANCE OF THE INTERIM LAND BASE

TABLED

**Hon. Fernand Robichaud (Deputy Leader of the Government):** Honourable senators, pursuant to rule 28(3), I have the honour to table, in both official languages, the Agreement on Kanesatake Governance of the Interim Land Base, reached by the Mohawks of Kanesatake and Her Majesty in Right of Canada, signed December 21, 2000.

[English]

### PROPERTY QUALIFICATION OF SENATORS

REPORT TABLED

**The Hon. the Speaker:** Honourable senators, I wish to inform the Senate that, in accordance with rule 136 of the *Rules of the Senate*, the Clerk of the Senate has tabled the list of senators who have renewed their Declaration of Property Qualification.

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

[Translation]

### ADJOURNMENT

**Hon. Fernand Robichaud (Deputy Leader of the Government):** Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(h), I move:

That when the Senate adjourns today, it do stand adjourned until tomorrow, Wednesday, March 28, 2001, at 1:30 p.m.

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

**Hon. Senators:** Agreed.

Motion agreed to.

### KANESATAKE INTERIM LAND BASE GOVERNANCE BILL

FIRST READING

**Hon. Fernand Robichaud (Deputy Leader of the Government)** presented Bill S-24, to implement an agreement between the Mohawks of Kanesatake and Her Majesty the Queen in right of Canada respecting governance of certain lands by the Mohawks of Kanesatake and to amend an act in consequence.

Bill read first time.

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

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

[English]

### CANADIAN NATO PARLIAMENTARY ASSOCIATION

JOINT MEETINGS OF DEFENCE AND SECURITY, ECONOMIC AND POLITICAL COMMITTEES FROM FEBRUARY 17 TO 21, 2001—REPORT OF CANADIAN DELEGATION TABLED

**Hon. Colin Kenny:** Honourable senators, I have the honour to table the second report of the Canadian NATO Parliamentary Association which represented Canada at the joint meeting of the Defence and Security Committee, the Economic Committee and the Political Committee of the NATO Parliamentary Assembly held in Brussels and Paris from February 17 to 21, 2001.

[Translation]

### THE AUDITOR GENERAL

MR. DENIS DESAUTELS—NOTICE OF MOTION  
TO SEND MESSAGE TO HOUSE OF COMMONS

**Hon. Jean-Robert Gauthier:** Honourable senators, I give notice that tomorrow, Wednesday, March 28, 2001, I will move:

That a message be sent to the House of Commons requesting that House to support the contents of the following motion adopted by the Senate on March 22, 2001:

That, in the opinion of the Senate, Mr. Denis Desautels has been an excellent Auditor General of Canada. Scrupulously honest, professional, fair-minded and a determined investigator, Mr. Desautels carried out his duties as Auditor General efficiently and effectively. During his ten-year term, he not only verified the government's accounts but also was able, thanks to his leadership, to lead a team as professional and dedicated as himself. The Parliament of Canada thanks Mr. Desautels for his services and recognizes the valuable work he has done for his country.

[English]

### FOREIGN AFFAIRS

AUTHORITY TO MEET DURING SITTING OF THE SENATE

**Hon. Peter A. Stollery:** Honourable senators, with leave of the Senate and notwithstanding rule 58(1)(a), I move:

That the Standing Senate Committee on Foreign Affairs have power to sit at 4:30 p.m. Tuesday, March 27, 2001, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto.

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

**Some Hon. Senators:** Agreed.

Motion agreed to.

## RECOGNITION AND COMMEMORATION OF ARMENIAN GENOCIDE

### NOTICE OF MOTION

**Hon. Shirley Maheu:** Honourable senators, I give notice that on Thursday, March 29, 2001, I will move a resolution on the recognition and commemoration of the Armenian genocide.

## NATIONAL DEFENCE

### QUALITY OF FAMILY LIFE IN THE MILITARY— NOTICE OF INQUIRY

**Hon. Erminie J. Cohen:** Honourable senators, I give notice that on Tuesday next, April 3, 2001, I will call the attention of the Senate to the quality of life in the military family and to how the quality of life is affected by government actions and by Canadian Forces policy.

• (1430)

## QUESTION PERIOD

### TRANSPORT

#### PRIVATIZATION OF MONCTON AIRPORT

**Hon. Brenda M. Robertson:** Honourable senators, my question to the Leader of the Government is a follow-up to my February 20 question regarding the 1997 agreement to privatize the Moncton airport.

As the minister knows, the Moncton Airport Authority was the first in the Atlantic region to sign an agreement with Transport Canada to privatize its facility. This agreement was characterized by the Auditor General as not as good as agreements signed by other airport authorities in the region later on.

Transport Canada met with Moncton airport officials on February 8, which enabled Moncton to make the case to renegotiate the deal to put the Moncton airport on a level playing field with other privatized facilities in the region.

The honourable leader's response to my question by way of delayed answer was:

A decision on the need to re-negotiate the deal that privatized the Greater Moncton Airport will be made only once the Department has completed reviewing similar agreements across the country.

Would the Leader of the Government make inquiries as to when the review will actually be completed? Who is doing the review? What is the mandate of the review? Will an opportunity be provided to the Greater Moncton Airport Authority to make a further intervention in view of any preliminary findings of those doing the review?

**Hon. Sharon Carstairs (Leader of the Government):** Honourable senators, I wish to thank the honourable senator for her question. I am sure she knows that I do not have the answers at my disposal, but I will try to find out when the review will be completed, who is conducting it, what is the mandate and whether the airport authority will be able to make a further intervention.

## FOREIGN AFFAIRS

### INTERNATIONAL DEVELOPMENT RESEARCH CENTRE— WITHDRAWAL OF AID TO SOUTH AFRICA

**Hon. Donald H. Oliver:** Honourable senators, my question is for the Leader of the Government in the Senate. It relates to the International Development Research Centre, the IDRC.

The honourable leader will know that the IDRC is a small technical assistance agency that spends about \$85 million in parliamentary appropriations annually. Reports indicate that it is now getting ready to pull out of South Africa.

Honourable senators, in 1994 I attended the first ever democratic elections in South Africa. Following those elections, Canada's IDRC provided expertise in helping to design, draft and implement many of the key economic and social policies that were essential to the peaceful and rapid democratic transition. Reports also indicate that over one-half of President Mandela's first cabinet benefited directly from IDRC's support in preparing to assume office.

Why is the Government of Canada withdrawing this support? Why is the Government of Canada withdrawing support of all kinds from English-speaking Africa? Why is the Canadian government withdrawing support at a time when South Africa needs Canada's guidance and assistance more than ever before?

**Hon. Sharon Carstairs (Leader of the Government):** Honourable senators, I wish to thank the honourable senator for his question. The International Development Research Centre has done excellent work in South Africa. When I went to South Africa with the newly elected members of provincial legislatures to conduct seminars sponsored by the Parliamentary Centre, I had a first-hand glimpse of the excellent work being conducted at that particular time.

With respect to the honourable senator's specific question as to why we are pulling out of South Africa and the broader question of why we are pulling out of English-speaking Africa, I cannot give the honourable senator answers today. However, I will pursue the answers to those questions, both for his interest and for my own.



**Senator Oliver:** As a supplementary question, the honourable leader will know that South Africa has achieved the impossible dream of peaceful democratic revolution. Surely, Canada will want to assist in making this dream a reality indefinitely.

When the honourable leader makes her inquiries, will she take steps to persuade the government to reinstate the plan for aid from IDRC for another 10 years or so in South Africa?

**Senator Carstairs:** Honourable senators, I thank the honourable senator for not only his question but also his statement. What has gone on in South Africa is quite remarkable considering the problems it was facing and the enormous strides it has made in the peaceful achievement of a democratic resolution. All of us who gathered in the other place to hear from the Honourable Nelson Mandela want to see that mandate continued. I can assure the honourable senator that I will do my best to ensure that the government's funding is ongoing.

CIVIL WAR IN SUDAN—  
INVOLVEMENT OF TALISMAN ENERGY INC.—PEACE PROCESS

**Hon. A. Raynell Andreychuk:** Honourable senators, I wish to raise the issue of Sudan. I was pleased that Senator Wilson made her statement and report as to the progress of what has been referred to as the Track II concept supporting the political process that allegedly is taking place with respect to settling the issues in Sudan.

I support the comments coming out of the Track II Diplomacy Project, namely, that IGAD has been meeting year in and year out and that there has been little progress. It would take an impetus from the international community to get that process back on track and to have it taken seriously by all of the perpetrators and actors in Sudan.

However, I am terribly confused as to what the Canadian position is with respect to Sudan. Earlier last week, one minister indicated that Canada does not support Talisman's position in Sudan. It appears that another minister is contradicting that position. I should very much like to know the formal Canadian position with respect to businesses that presently find themselves in Sudan.

**Hon. Sharon Carstairs (Leader of the Government):** Honourable senators, The issue of Sudan and, in particular, the situation of Canadian businesses operating in Sudan is not a question about which I have any information today. I will attempt to obtain that information for the honourable senator.

**Senator Andreychuk:** This is a significant issue. In watching the documentary yesterday on the CBC, I understand that tonight we will have the benefit of ex-Minister Axworthy's position on Sudan. As my honourable friend will recall, Minister Axworthy originally said that there should be no oil exploration and that he was not in favour of companies making a profit at the expense of the citizens of southern Sudan.

Further statements were made that Canada would not support the money from oil revenues going to the military and to the

government's unfair advantage — if I can call it that — in peace negotiations, thus threatening the lives of citizens.

I hope that in the reply given by the Leader of the Government I will also learn what Canada's formal position is with respect to the peace process and what leadership Canada will take regarding that situation.

Having had the benefit of department briefings yesterday and of comments made by members of Parliament who have just returned from Sudan, it is clear to me that certain NGOs have information and positions with respect to Sudan. Businesses such as Talisman have a position with respect to Sudan, but there appears to be very little consistent information from the Canadian government as to its position on Sudan. I believe that this is unfair to Talisman and the companies working there, as well as to the NGOs that are attempting to support humanitarian endeavours in Sudan.

• (1440)

It is time for the Canadian government to come forward with a clear and definitive position on Sudan, one that all ministers will support and that does not hide behind the good works of the Track II process, which, after all, is not the official negotiating peace process in which Canada should be involved.

**Senator Carstairs:** Honourable senators, I thank the honourable senator for her question. The honourable senator wants to know the official Canadian position on Sudan. The position that has been expressed to date is that Canada would like to see peace in Sudan. However, if there is a more detailed policy initiative, then I will try to obtain it for the honourable senator.

**Senator Andreychuk:** Honourable senators, Canada was very much involved in the promotion of the IGAD process and supported it both directly and indirectly. Over the years, Canadian government funds have gone into that process. At this point, it is extremely critical that the parties to the peace process and that Sudan's neighbours be encouraged to move on it. It simply cannot go on. Millions of people have been killed in Sudan, something which has literally gone unnoticed. It cannot continue.

We have focussed on Congo. Some of the players involved in the situation in Congo are also involved in the Sudan. Canada can ill afford to look at the process in Sudan without looking at the process in the Congo, while developing a clear, definitive policy toward those countries.

Canada has an excellent reputation in Africa where we have played a leadership role. We took the initiative in Ethiopia. We did not wait for our European, African or American counterparts. We took the lead in suggesting possible peace initiatives and possible measures to protect civilians. We have literally abandoned Africa, and it is time to review this situation and to see some leadership from Canada in the peace process in Sudan and in the neighbouring regions.

**Senator Carstairs:** Honourable senators, Canada has not abandoned Africa. The honourable senator is quite right in saying that Canada has an excellent reputation. It is a reputation we want to continue to maintain in Africa.

If there is any further information, I will get it for the honourable senator. I will certainly make representations to the Minister of Foreign Affairs with respect to the issues that she has raised in the Senate chamber this afternoon.

[Translation]

## OFFICIAL LANGUAGES

### PUBLIC SERVICE—UNDER-REPRESENTATION OF FRANCOPHONES AT DEPUTY MINISTER LEVEL

**Hon. Jean-Robert Gauthier:** Honourable senators, my question is for the Leader of the Government in the Senate. The media report that francophones are still under-represented in the senior levels of the federal public service.

According to certain journalists, including Vincent Marissal of *La Presse*, there is a growing linguistic imbalance in the federal public service. The level of bilingualism among anglophones varies from non-existent to good, but all deputy ministers require their correspondence in English.

This same article says that routine business in the senior levels of federal departments is conducted almost exclusively in English. English dominates everywhere.

Given the recent announcement that an in-depth review of the Public Service Employment Act and the Public Service Staff Relations Act is planned, will the minister find out whether Part V of the Official Languages Act with respect to language of work is still a priority for the government, and report back to us? If it is, might we soon look forward to government initiatives which will allow Canadians to work in the federal government in their mother tongue, and which will guarantee equitable service in both official languages throughout the country?

[English]

**Hon. Sharon Carstairs (Leader of the Government):** Honourable senators, I thank the honourable senator for his question. It is clear that there have been significant improvements in the representation of francophones at the senior levels of the public service. Historically, for example, more than 25 per cent of deputy ministers and associate deputy ministers have been francophones. At the present time that figure is at 28 per cent. Of the 35 CEOs of Crown corporations appointed by the Governor in Council, that figure has increased to 31.4 per cent. Of the 77 heads of federal agencies appointed by the Governor in Council, there are now 24 francophones, or 31.2 per cent.

There are significant improvements. Do we have that kind of level of representation in every single department? No, we do not. It is a goal that we must work toward until we achieve it.

[Translation]

**Senator Gauthier:** Can the minister tell us whether there will be a reorganization at the deputy minister level in the future? Right now, five deputy ministers out of 28 are French-speaking. This is not 25 or 30 per cent she mentioned. There are 150 assistant deputy ministers and, for two years now, they have all been bilingual. This is not an eternity. Will there be changes with respect to the representation of deputy ministers in order to ensure that these people, who are the bosses, can understand and work in both official languages of this country?

[English]

**Senator Carstairs:** Honourable senators, perhaps if I repeat the figures it will make things clear. At the present time, there are 57 deputy ministers, associate deputy ministers and PCO deputy secretaries to cabinet. Some 16 of them are francophone; that is 28 per cent.

## TRANSPORT

### AIR CANADA—DISCUSSIONS WITH CANADIAN AIRLINES PILOTS ON SENIORITY—EFFECT ON SAFETY

**Hon. Donald H. Oliver:** Honourable senators, Senator Forrestall cannot be here today and has requested that a question be asked of the Leader of the Government in the Senate on the topic of transportation.

Senator Forrestall is somewhat concerned about suggestions that the merger discussions and negotiations between Air Canada and Canadian Airlines pilots on seniority issues are not proceeding in an equitable fashion. This could threaten flight safety, for example, when an Air Canada pilot with three years seniority outranks a pilot formerly with Canadian with 10 years seniority.

Will the Leader of the Government assure Canadians that this merger will address the seniority issue as it relates to harmony on the flight deck between flight crew members and not compromise flight safety?

**Hon. Sharon Carstairs (Leader of the Government):** Honourable senators, clearly, safety is the number one issue. Within that particular limitation, we have some ongoing internal issues concerning labour negotiations between the merged airlines. The government will not directly interfere in that particular dispute. That is for the two unions and management to work out, hopefully, in some harmony.

As to the question of safety raised on behalf of Senator Forrestall, I will raise the question with the Minister of Transport and indicate to him that Senators Oliver and Forrestall — and I dare say all members of this chamber — want to ensure that safety is in no way compromised.

## TREASURY BOARD

### PUBLIC SERVICE—REPRESENTATION OF VISIBLE MINORITIES

**Hon. Noël A. Kinsella (Deputy Leader of the Opposition):** Honourable senators, my question is directed to the Leader of the Government in the Senate.

I wish to develop another dimension of the question raised by the Honourable Senator Gauthier. Last week, we had the unseemly spectacle of the Secretary of State for Multiculturalism fighting imagined issues of racism when there are so many real issues to be addressed on an ongoing basis.

One of those areas is the area of systemic discrimination for which the government's program, which I laud, of employment equity in the public service is a part. To pick up from where Senator Gauthier brought us, in the renewal of the public service, in particular at the cadre beyond the PM-5 level to the cadre of deputy ministers and directors general, et cetera, will it be the policy of the government to set a clear goal to increase the participation of visible minority public servants?

• (1450)

Currently, the percentage of participation is negatively out of proportion to the gains made in the public service at large. Participation at the senior level is low and, indeed, the general participation rate is about half of what the general statistics on population indicate it should be.

**Hon. Sharon Carstairs (Leader of the Government):** Honourable senators, there is no question that the representation in terms of employment equity, in particular for visible minorities and for Aboriginal people in this country, has not met the goals set. That is due, in part, to the lack of jobs in the public sector open to general competition.

The renewal process is now underway and more positions are being opened for general competition, and the employment equity provisions will prevail. It is our hope — certainly mine and yours — that it will result in the hiring of more members of visible minorities and the Aboriginal community.

Honourable senators, I should like to broaden it further. There is a senator on that side with whom I have a particular affinity on the issue of people who suffer from physical and mental handicaps. This group is also highly under-represented in our greater public service community. I am hoping that the employment equity provisions will also be sufficiently inclusive that those people will be considered as well.

[Translation]

## DELAYED ANSWERS TO ORAL QUESTIONS

**Hon. Fernand Robichaud (Deputy Leader of the Government):** Honourable senators, I have three delayed answers. The first one is to a question raised by the Honourable Senator Cochrane on March 14, 2001 on the coverage of the Alberta provincial election, and the other two are to questions raised by the Honourable Senator Nolin on February 6 and 7, 2001 on the Department of Canadian Heritage, the Auditor

General's report on the efficacy of the allocation process for grants and the role of the minister with regard to approval.

## CANADIAN BROADCASTING CORPORATION

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

*(Response to question raised by Hon. Ethel Cochrane on March 14, 2001)*

– As Canada's national public broadcaster, the CBC is the only news organization with a presence throughout the country in both official languages. Journalistic leadership is one of the CBC's greatest strengths. CBC regional operations provide Canadians in all parts of the country with windows on events throughout Canada.

– With respect to the recent Alberta election, Canadians across the country were provided with one and a half hours of election coverage on CBC Newsworld. In Alberta, CBC TV carried a full evening of coverage. In addition, there was complete coverage of the election on the CBC's website where, for the first time, there was live streaming video of the Alberta show.

– Newsworld began its coverage with the first half-hour of the local CBC news program from 8 to 8:30 p.m. Mountain Time (10 - 10:30 p.m. Eastern Time), which included the announcement of a majority Klein government. As local coverage focused on individual riding results, Newsworld cut away for 45 minutes to broadcast a previously promoted program while local CBC stations in Calgary and Edmonton carried on with complete local coverage. At 9:15 p.m. Mountain Time (11:15 p.m. Eastern Time), Newsworld returned to the Alberta election for about an hour, including live coverage of their victory speech by Premier Klein..

– The CBC is an autonomous Crown corporation guaranteed journalistic, creative and programming independence under the Broadcasting Act. Accordingly, the CBC is responsible for all aspects of its operations.

– Within the new, globalized communications environment, the Government believes that the CBC will continue to occupy an important place in the lives of all Canadians.

– As articulated most recently in the Speech from the Throne, the Government remains committed to a strong national public broadcaster, and will support the CBC so that it can continue to fulfil its special obligations to all Canadians.

– Over the past five years, the Government has provided the CBC almost \$4.5 billion in Parliamentary appropriations. Through the Main Estimates tabled in Parliament last month, the CBC will receive Government appropriations in 2001-2002 totalling \$922,975,000. The CBC also has access to the Canadian Television Fund, via independent producers.

**CANADIAN HERITAGE***[English]*

AUDITOR GENERAL'S REPORT—  
 EFFICACY OF ALLOCATION PROCESS FOR GRANTS—  
 ROLE OF MINISTER WITH REGARD TO APPROVAL

*(Response to questions raised by Hon. Pierre Claude Nolin on February 6 and 7, 2001)*

The Department of Canadian Heritage implemented a department-wide management initiative to address in particular the management of Grants and Contributions in June 1999. This included:

- the establishment of the Integrated Planning and Reporting Renewal Exercise resulting in a new set of strategic objectives to guide all programs and activities,
- implementation of a Grants and Contributions Information Management System (GCIMS), provision of due diligence training to all program staff, and
- a systematic approach to review all grants and contributions program terms and conditions over the next three years to ensure their alignment with the strategic objectives.

The Department of Canadian Heritage completed an internal audit in 2000 to assist the follow-up work of the Auditor General. This audit has been publicly available since late December. Its findings led to an acceleration of action already underway in the department.

The department has responded to the findings of the Auditor General by developing and implementing concrete measures and a set of comprehensive directives to assist project officers in evaluating project requests.

The Auditor General did not identify the three projects to which he referred in his audit report. Nevertheless, the AG questioned the financial instruments being used in a number of cases. The department took immediate steps to address this finding by issuing a directive specifically intended to clarify the choice of funding instrument, and this directive took effect on December 20, 2000.

The Secretary of State (Multiculturalism)(Status of Women) has full authority to approve Multiculturalism Grants and Contributions.

**ORDERS OF THE DAY****SPEECH FROM THE THRONE**

## MOTION FOR ADDRESS IN REPLY ADOPTED

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 of the Honourable Senator Kinsella, seconded by the Honourable Senator Rössiter, 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 who we share planet earth in the 21st Century.

My government recognizes that we are blessed with an incomparable landscape, natural and human resources, and a 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 healthcare system has been shaken. Healthcare 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—1 sitting day remaining*).

**Hon. Marjory LeBreton:** Honourable senators, I am most honoured to participate in the Speech from the Throne debate. Like others before me, I wish to add my congratulations to His Honour, on his appointment. I also wish to congratulate the leadership on both sides of this chamber, in the case of the government side, on being appointed, and in the case of our side on having their previous elections confirmed.

Honourable senators, never in the history of our great country has there been a time when parliamentary reform and honesty and integrity are more important or necessary. Time and again, the latest occasion being my first question in the first question period of this new Parliament, I have asked a simple basic question that required a simple “yes” or “no.” I cited the ongoing controversy concerning the Auberge Grand-Mère and the Grand-Mère golf course in Shawinigan, Quebec as the basis of my question:

Will the Leader of the Government in the Senate ask the Prime Minister if, first, the government will consult with all party leaders in the House of Commons, and then, two, appoint an ethics counsellor who will be responsible to and report to Parliament and only to Parliament?

The government leader responded:

The Prime Minister has appointed an ethics counsellor who has been in place since Mr. Chrétien became the Prime Minister. He made the decision that Howard Wilson would report directly to him. His view, quite frankly, is that he is ultimately responsible for the integrity of his ministers. He, and he alone, has the power to put them in office and to remove them from office. They, therefore, have their integrity to respond to him. That is the basis on which the ethics commissioner is in place. I see no change in the immediate future.

Honourable senators, as a supplementary, I asked if the government would reconsider. The government leader replied:

The simple answer is, not at this time. The standard that the Prime Minister has set on integrity in this government since 1993 is extraordinarily high and could stand up to the reputation of any proceeding government.

Honourable senators, that response was not surprising. We had heard it many times before, and we have heard it many times since, ad nauseum, I might say. The answer is a canned response prepared by the PMO to be used by the Prime Minister’s apologists.

It is, therefore, not surprising that the Speech from the Throne was devoid of any commitment to parliamentary reform or honesty and integrity, other than a silly proposal to modernize voting procedures. This would allow the herd of Liberal sheep to cast their votes and not have to show their faces.

In the recent federal election, my party put before Canadians a comprehensive policy with a clear commitment to parliamentary reform, which committed itself to the restoration of the power of

Parliament and, specifically, to individual MPs who seek to hold the government accountable. I will read a portion of that policy into the record. It had two components, one for the House of Commons and another for the Senate. I will read that which relates to the House of Commons:

The House of Commons is in need of reform. Parliament must be made more relevant and meaningful for Canadians. We believe in responsible government and representative democracy. Unfortunately, the influence of the individual Member of Parliament has significantly eroded. This damages Canadian democracy. To repair that damage, we must reassert the power of the individual MP to effectively represent the interests of constituents and play a meaningful role in the development of public policy.

It is time to bring meaningful reform to the House of Commons to enable members to participate effectively in the policy making process and have the tools necessary to hold the government accountable.

A Progressive Conservative government would restore power and democratic accountability to Parliament and strengthen the role of the Members of the House of Commons by allowing more free votes and restricting some of the appointment powers of the Prime Minister.

A Progressive Conservative government would restore Parliament’s ability to hold the government accountable for its spending by allowing a certain number of government departments, chosen by the Opposition, to have their estimates scrutinized by Parliament, without a time limit.

- A Progressive Conservative government would introduce comprehensive whistle-blowing legislation.

Honourable senators, that subject is now the subject of a Senate bill sponsored by my colleague Senator Kinsella.

- A Progressive Conservative government would initiate a process whereby Members of the House of Commons would only be able to vote on pay and benefit changes to their remuneration that take effect after a subsequent election.
- A Progressive Conservative government would require the Ethics Commissioner to report to Parliament, instead of to the Prime Minister as is currently the case.

Honourable senators, I also wish to refer to “The Sixth Report of the Committee on Standards in Public Life” from the mother of parliaments — Westminster. In this rather large document, which was prepared in January 2000, procedures and recommendations for proper standards in public life were reviewed. Seven principles were set out. These should serve as beacons for each and every one of us to follow as we work on our service to the public.

The seven principles are:

**Selflessness:** Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their families or their friends.

**Integrity:** Holders of public office should not place themselves under any financial or other obligation to outside individuals or organizations that might seek to influence them in the performance of their official duties.

**Objectivity:** In carrying out public business, including making public appointments, awarding contracts or recommending individuals for rewards or benefits, holders of public offices should make choices on merit.

**Accountability:** Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

**Openness:** Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands it.

**Honesty:** Holders of public office have a duty to declare any private interest relating to their public duties and take steps to resolve any conflicts arising in a way that protects the public interest.

**Leadership:** Holders of public office should promote and support these principles by leadership and example.

• (1500)

Honourable senators, if only this were so. On behalf of the Canadian public, we parliamentarians should be dismayed and outraged that the Prime Minister and government have moved the bar of accountability to all-time lows. There is no such thing as ministerial accountability. The Prime Minister answers to no one, and it would be hard to imagine a situation whereby a minister is dismissed for inappropriate behaviour.

The Leader of the Government in the Senate, in her lecturing defence of the Prime Minister, said:

...the standard that the Prime Minister has set on integrity...is extraordinarily high and could stand up to the reputation of any preceding government.

The question is: Who judges the Prime Minister? For who can possibly claim that they support the Prime Minister's stonewalling tactics or, worse, the excessiveness of his apologists, specifically the Minister of Industry, who resorts to personal insults and innuendoes, or the Deputy Prime Minister and the Government House Leader, who deploy diversionary

[ Senator LeBreton ]

tactics to throw Parliament, the public and the press off the track in pursuit of the truth?

In answer to a question to the Right Honourable Joe Clark a few weeks ago, the Prime Minister reverted to just such a tactic by saying that Mr. Clark was jealous because the government that he was part of had "a scandal every month." I was not surprised. It was yet another example of prime ministerial distortion — a tactic of which he, pardon the pun, makes liberal use.

Parliamentarians and members of the media and, through them, members of the public have been subjected to every tactic imaginable by the propagandists and apologists, who take their marching orders from the Prime Minister or his praetorian guard over in the PMO. Any tactic to confuse the public, divert attention or simply misinform is used to attempt to shut down debate. As is evident in this latest scandal, and "scandal" is the correct word, we are seeing many examples of that.

When the opposition demands that the government honour its commitment to name an Ethics Counsellor answerable to Parliament, we are treated to lectures, such as the one that I received from the Leader of the Government in the Senate, or this whopper from that old ratpacker himself, now Government House Leader in the other place. In response to the Alliance motion in the other place, which used the exact words of the Liberal Red Book promise as it applied to the Ethics Counsellor, this is what Mr. Boudria said:

We will not apologize for our record on integrity. We will not apologize for meeting or exceeding our Red Book commitment. We will not apologize for having an independent Ethics Counsellor.

Mr. Boudria actually said that with a straight face.

On March 22, 2001, the *Ottawa Sun* ran a story about the Prime Minister's "blathering rant," as one Liberal insider described it, at the weekly Liberal caucus meeting, where the Prime Minister described the Right Honourable Joe Clark as "a pebble in his shoe" and painted Mr. Clark as a desperate man. In that caucus meeting, it was reported, and I quote from the article:

Mr. Chrétien felt the need to repeatedly remind his MPs that "I am not Mulroney," said several Liberals who attended and asked not to be identified.

Well, Mr. Prime Minister, I seldom agree with you, but I say to you now that you are right; you are not Mr. Mulroney. When Mr. Mulroney was Prime Minister, he believed in ministerial accountability. Ministers' resignations were demanded for what now, using the Chrétien criteria, would have been simple errors in judgment. A mere apology, and sometimes not even that, would have ended the matter.

In the one case where there was an appearance of a conflict not unlike the situation we now face with the Grand-Mère case, a public inquiry was called and the whole matter was scrutinized in every minute detail by Mr. Justice Parker.



Let us look at a few of these and then ask ourselves what would have happened to these ministers if the Chrétien criteria had been followed.

Do you think a Chrétien minister would lose his job as Minister of National Defence if he went to a bar while on business in West Germany?

If the Honourable John Fraser, Minister of Fisheries and Oceans, had been a Liberal minister and had overruled bureaucrats regarding the sale of tuna, which was not of the best quality, but hardly "tainted," would he have been removed from his post by Mr. Chrétien?

Would the Honourable Marcel Masse, who was Minister of Communications, have been forced to step aside because of an alleged violation of the Canada Elections Act? He was, for the record, reinstated when the matter was resolved and no irregularities were found.

Would the Prime Minister have asked for the resignation of the Minister of Supply and Services when it was revealed that he had contravened the conflict of interest guidelines by failing to report a personal loan? Obviously not.

How would he have dealt with the Minister of Consumer and Corporate Affairs who seriously injured himself when he crashed his motorcycle through a fence and pled guilty to drinking and driving?

Would the Prime Minister have asked for the resignation of the Minister of State for Youth, Fitness and Amateur Sport for calling a judge about a case in which the judge was ruling regarding a coach who wished to participate in the upcoming Commonwealth Games? Hardly, because the Prime Minister, as was recorded in a book written about him, had done the same thing earlier in his career.

How would the Prime Minister have responded when the Minister of State, in a puzzling personal lapse in judgment, violated the Aeronautics Act at the Ottawa International Airport by joking about a firearm?

Would he have demanded the resignation of the Minister of State for Transport who was the subject of an RCMP investigation into apparent land speculation in his riding? Prime Minister Mulroney certainly did. For the record this person was cleared in a court of law.

Honourable senators, the answers are obvious. Ministerial responsibility and accountability are no longer the expected high standard of government.

**Senator Bryden:** Were there really that many Tory ministers who needed to be dismissed? I had forgotten.

**Senator LeBreton:** The point I am making is that none of them would have been dismissed.

The answers are obvious. Ministerial responsibility and accountability are no longer the rule and the expected high standard of governing is but a distant ideal.

Honourable senators, one wonders what Mr. Pearson or Mr. Trudeau would have said about this lack of public accountability. As Gordon Robertson, one of Canada's most respected public servants and a former Clerk of the Privy Council, said, "this Prime Minister has lowered the bar," and he was referring to the ethics bar.

By way of example with regard to Mr. Chrétien's ministers, nary a word in protest was raised when it was revealed that Minister Roy MacLaren had signed a letter to businessmen offering meetings in exchange for donations to his riding association.

Minister John Manley mishandled the tainted fish sauces issue by publicly denying any knowledge of it, even though a leaked letter showed that he had been aware of it for several months prior to his denial. Oh, were it that John Fraser had been a minister of the Chrétien government.

Regarding Minister Michel Dupuy, it was revealed that a select group of businessmen who had direct dealings with the government paid \$2,000 each to attend a private dinner with him, and the funds were used to help pay off his 1993 election campaign debts.

Minister David Dingwall changed the terms of a federal-provincial highway agreement in order to divert \$26 million to his own riding. There was also a probe to investigate the reasons why a \$1.5-million contract for a business development centre in Sydney was revised, allowing a prominent Liberal and a close friend of the Prime Minister's, Louis Freedman, to win the contract.

In Minister David Anderson's riding, three law firms were handed the job of prosecuting drug dealers. The lawyers were all key Liberals, two of whom served on Mr. Anderson's riding executive.

Minister David Collenette paid a former election campaign volunteer nearly \$100,000 to help smooth relations with the Greek-Canadian community in his Toronto riding.

Minister Ethel Blondin-Andrew improperly used government credit cards for large sums of personal expenses, including trips and the purchase of a fur coat.

Minister Sergio Marchi breached conflict of interest guidelines by sending a letter to the Immigration and Refugee Board in 1995. After reviewing the case, the Liberal Ethics Counsellor, Howard Wilson, said that nothing was done wrong.

**The Hon. the Speaker:** Honourable Senator LeBreton, I regret to advise you that your 15 minutes have expired. Does the honourable senator wish leave to continue?

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

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

**Hon. Senators:** Agreed.

**Senator LeBreton:** Honourable senators, an internal audit showed that Minister Jane Stewart's department bungled \$1 billion in job creation funds. Even the urgings of *The Toronto Star*, which said that "the minister should resign over the fiasco," did not pierce the Prime Minister's armour of stone.

The most recent example relates to Minister Hedy Fry, who has, for the second time, cited mythical references to cross burnings in Peace River. She said that this previously occurred in Kamloops. Neither occurrence has been proved, and it is now revealed that she sought evidence after the fact to back up her false claims, and this information from the RCMP, no less. There has been no response from the Prime Minister.

• (1510)

What is the Prime Minister talking about when he promises honesty, integrity and ethical behaviour? I dare say that this is a figment of his imagination, just like his talks with his homeless friend on the street corner.

The Webster dictionary definition of "ethic" is as follows:

...the discipline of dealing with what is good and bad and with moral duty and obligation; the principles of conduct governing an individual or group.

It is no secret that public cynicism about politics and politicians is at extremely high levels. Even during the fall 2000 election, an Ipsos-Reid poll found that 24 per cent of Liberal supporters considered the government arrogant and corrupt. Therefore, the questions must be asked: Is it ethical? Are you being honest? Are you conducting yourself with integrity?

You must ask yourself all of these questions when you promise to scrap the GST and do not; cancel the Free Trade Agreement and do not; make spurious allegations against your predecessors with regard to Pearson airport; ask a close friend to conduct a "quickie investigation" to back up your false allegations and then break lawful contracts signed by the government at a cost of \$1 billion to the Canadian taxpayer. Today, honourable senators, Pearson is still a mess and the public is being forced to pay passenger service charges of \$10 a trip and \$7 a connection for each time they set foot in the place.

You should ask yourself whether honesty, integrity and ethics come into play when you cancel a helicopter contract at a cost of \$500 million in initial penalties, and a further total loss of almost \$7.7 billion, while jeopardizing the lives of members of our Armed Forces; or shut down the Somalia inquiry when the truth is about to be revealed. Would honesty, integrity and ethical behaviour not have been the way to go on the APEC inquiry, when a much less costly solution would have been to accept responsibility for wrong-doing of PMO officials and the RCMP in trampling on the democratic rights of individual Canadian citizens?

Sources tell me, honourable senators, that the cost to the taxpayer of the APEC Inquiry is in the range of \$24 million to \$28 million. You can expect a question on the Order Paper from me in that regard.

Honourable senators, we are dealing here with an all-powerful Prime Minister, who is accountable to no one. That sorry display at noon today by the so-called Ethics Counsellor is all the testimony we need. There are no conditions whereby ministers are compelled to resign, nor are there any conditions, it seems, which would compel the Prime Minister to demand resignations. This is a far cry from a statement made by Mr. Chrétien when he was Leader of the Opposition on June 12, 1991. At that time he stated:

...I would like to tell the people of Canada that when we form the government, every minister in the cabinet that I will be presiding over will have to take full responsibility for what is going on in his department. If there is any bungling in the department, nobody will be singled out.

As a journalist said this morning on CBC Radio, using the Sinclair Stevens case as a point of reference, Prime Minister Mulroney was out of the country at the time attending an economic summit, returned and immediately put an end to the matter by turning it over to an independent public inquiry, whereas this Prime Minister deals with similar situations by stonewalling.

Honourable senators, it is a curious situation here in Canada, where one Prime Minister who believed in ministerial accountability, who took seriously his duties for which he was answerable to Parliament, who took strong actions to address perceived and real acts of ministerial shortcomings, has been vilified and treated to cheap shots such as that of the current Prime Minister to Mr. Clark. The present Prime Minister stonewalls, refuses to acknowledge acts of inappropriateness, refuses to demand a high standard of his ministers, and this, for some strange reason, is celebrated by him and his followers. They actually believe if they say so that it must be fact. The only possible answer is that the word "scandal" has been redefined by the Prime Minister, or perhaps by prime ministerial edict it has been stricken from the record, never to be used again.

Honourable senators, I repeat what I said at the outset. Parliamentary reform, and honesty and integrity in government are more urgent now than they have ever been in the history of our country. It is the responsibility of each and every senator, no matter what their party, to move this topic to the top of the parliamentary agenda.

**Hon. Jeremiah S. Grafstein:** Honourable senators, I hope the honourable senator will give us a specific reference to the poll that she referred to in her speech concerning the fact that Liberals believe that Liberals are arrogant and corrupt. If Senator LeBreton could give the citation, the question and the date, it would be helpful.

**Senator LeBreton:** Honourable senators, I would be happy to do that. It was an Ipsos-Reid poll. I do not have it here. I will send it to the Honourable Senator Grafstein. It was done in the midst of the 2000 election. The whole question was the perception of politicians and the question was about the Prime Minister, at the time when articles were starting to appear about Grand-Mère. The poll specifically stated that 24 per cent of Liberal supporters believed that the Liberal government was arrogant and corrupt.

Honourable senators, not only was the poll well reported, but Lawrence Martin, the biographer of the Prime Minister, actually wrote a column on the matter. I will be pleased to send both items to the honourable senator.

[Translation]

**Hon. Rose-Marie Losier-Cool:** Honourable senators, I am pleased to speak today in response to the Speech from the Throne. My remarks will concern the federal government's interventions in the area of official languages in Canada.

In the latest Speech from the Throne, I was delighted to note that the Liberal government has undertaken to provide further support for the development of francophone communities in Canada. The time has come to increase our support for official languages in Canada, and, more specifically, for francophone communities facing monumental challenges.

The needs of francophones living in a minority situation are desperate right across the country, as in the case of health care or economic development in rural francophone regions.

To this end, the federal government set up forums for francophone business people in Canada. In 1996, 1998 and 2000, francophone business people from New Brunswick established links and did business with francophones from Western Canada. The creation of groups of business people in each of the provinces and territories has enabled francophones to meet and share their successes and challenges. I really hope that this initiative, one among many, will enable these communities to develop sustainable and thriving economic vitality so they may be fully involved in the new knowledge economy.

Francophones living in a minority situation in Canada are often in remote regions where it is hard for them to get health care. In order to remedy this problem, the federal government has set up a national French-language health training centre, which is managed by the University of Ottawa. The centre is responsible for training professionals who can provide health care in French. The need for francophone health care professionals is real and pressing in my province of New Brunswick.

The federal government pledged to strengthen its support to francophone communities and to promote linguistic duality by increasing the monies given to the provinces and territories to teach both official languages.

If we want our children and grandchildren to do business or to have a career in French, including in the health sector, we must ensure that they can get an education in French, from kindergarten to university. To that end, the federal government renewed the letter of understanding on official languages and education with the Council of Ministers of Education by allocating funds totalling \$880.8 million, over a five-year period, to the provinces and territories.

The federal government signed co-operation agreements with Ontario to develop French-language colleges, and with Nunavut to create francization services. A program of French as a first language is continuing in Iqaluit, from kindergarten to grade eight.

Thanks to funding granted for the construction and renovation of schools, the French school of Grande-Prairie, in Alberta, and the Allain St-Cyr school, in Yellowknife, will get a facelift for the new millennium.

It is my hope that the 2.7 million children, or 52 per cent, who study French or English as a second language, and the some 317,000 who are in French immersion, will embrace the diversity and richness of the two official languages.

I do hope that this teaching will bear fruit and will result in a larger number of young Canadians becoming bilingual. Polls show that Canadians clearly want their children to learn their second official language. Indeed, 77 per cent of those living outside Quebec feel that it is important to teach in both official languages.

• (1520)

Honourable senators, you will agree that linguistic duality is a fundamental part of our Canadian identity. We must preserve it and we must make sure that it thrives from coast to coast. Today's young Canadians are our hope that both official languages will shine even more. When I take a closer look at the number of our young people who are learning a second language, I hope and I dream that French will take on a greater importance. I hope that these young people will realize that bilingualism is a real asset, that it is a value added to their passport.

All Canadians must recognize that linguistic duality is a value that distinguishes us. They must support the government's efforts to help these minority communities, which truly need this support to counteract the impact of demographic and cultural erosion on their development.

Canadians want and deserve effective and reliable service from their government. They are also entitled to receive those services in the official language of their choice, whether they are anglophones in Sherbrooke or francophones in Edmonton.

As legislators, we have a responsibility to support these communities in their development. By adopting an action plan in order to attain its objectives, I hope that the government is reaffirming its commitment in a firm and ongoing manner.

[English]

**Hon. Michael A. Meighen:** Honourable senators, I rise to take part briefly in the debate on the Speech from the Throne.

When I heard the Speech from the Throne, I knew that it sounded vaguely familiar — or perhaps I should say “vague and familiar.” Of course, the reason the Speech from the Throne was so familiar to many of us is that it was simply a rehash of the old and familiar Red Book III. This, of course, is a truly unfortunate comparison.

Most observers agree that Red Book III was fascinating only because, while it purported to be a policy statement, one key ingredient was missing — policy. While it should be of concern to all of us on both sides of this chamber that our government is operating without any clear policy direction, I must sadly conclude that having a clearer direction would unfortunately not make any difference whatsoever.

On February 8, 2001, the Liberals shocked the country when they stood up en masse in the other place and voted against a policy that they had explicitly promised to the Canadian people during the previous election. Shame. Now, thanks to Senator Oliver’s motion, Senator Bryden and others in this place will have a chance to redeem themselves.

Honourable senators, while I am standing here to speak in response to the Speech from the Throne, I shall not in fact be speaking about any subject raised in that speech. Indeed, I shall be dealing with a serious sin of omission of my friends opposite rather than one of their equally numerous sins of commission.

Inexplicably, the subject about which I wish to speak has received no mention whatsoever from this government; nor, in fact, did it receive any mention in the infamous Red Book III.

In what amounts to nothing less than an insult to all Canadians, neither the Speech from the Throne nor Red Book III made any mention whatsoever of the issues facing Canada’s approximately 400,000 veterans. It is shocking to us on this side of the chamber that we send men and women into combat and to act as international peacekeepers, men and women who willingly risk their lives to represent this country with courage and pride, and yet the veterans of these conflicts merit not even one word in the two most important policy statements delivered by the governing Liberals in the past year. This omission is a travesty in and of itself, and even more so when one considers some of the pressing issues facing veterans today.

Those issues include lack of funding for the Merchant Marine settlement. The government is so confused on this issue that even its own ministers are singing different tunes. Other issues include foot-dragging and stalling in conducting the necessary research to get to the bottom of the illnesses affecting veterans of the Gulf War and peacekeeping missions in the Balkans, the recent finding by an Ontario court that this government has mismanaged veterans’ trust funds to the tune of more than \$1.5 billion — a judgment that this government has seen fit to appeal — and the potentially massive shortage of long-term care facilities promised to our aging veterans.

What of our future veterans? How are we supporting the men and women who are serving in the military today?

Honourable senators will recall that Senator Forrestall spoke at length about this two weeks ago. It is a message that bears repeating.

A recent *National Post* editorial did an excellent job of summing up the state of our military. That article stated, in part, the following:

After nearly eight years of Liberal governance, Canada has a military that can barely make a fist.

[Translation]

In 1994, there were 76,000 men and women in Canada’s Armed Forces. Since 1999, this number has dropped to approximately 58,000 and, during the same period, the number of civilian employees has been cut from 32,000 to 20,000.

The situation has grown so bad that the Prime Minister had to break his promise to send 600 soldiers on a peacekeeping mission to East Timor because the Department of National Defence could deploy only 250. These soldiers almost failed to leave because the old Hercules aircraft used to transport them could barely make it off Canadian runways.

Worse yet is the situation of soldiers who are forced to moonlight or line up at food banks in order to provide for their families. After years of earning barely enough to live on, these soldiers have just received an adequate salary increase from this government.

In the meantime, it goes without saying that the Liberal government has found plenty of money to pay for fountains and hotels in Shawinigan, just to mention a few examples.

[English]

Honourable senators, not that long ago, soldiers might be asked to serve one six-month tour as peacekeepers. Now many soldiers can look forward to two or three tours of duty over just a few short years. I understand that the government is now finally taking steps to reduce this number, but at the same time it is extending their stays in Eritrea and Ethiopia.

Those soldiers who do serve on peacekeeping missions can look forward to miserable conditions when they arrive at their destinations. The president of the Royal Canadian Legion wrote to the Minister of National Defence last month to report that soldiers serving in Bosnia suffer from “a poor state of morale, tattered and unsightly clothing and equipment deficiencies.” The Legion president reported that the general state of the soldiers’ clothing was “worn, threadbare, stained and patched.”

Perhaps nothing is sadder, honourable senators, and potentially more dangerous, than the ongoing delays in replacing the ancient Sea King helicopter fleet. The Liberals have been promising new helicopters since 1993. We now hear that the delivery date may not be until as late as 2008.

Ironically, if my friends opposite had not paid \$500 million of taxpayers' money to cancel the EH-101 contract for purely political reasons, our servicemen and women would not be endangering their lives on a daily basis but rather flying state-of-the-art helicopters before the end of this very year; and Senator Forrestall would not be obliged to continue to ask embarrassing questions and to make the Leader of the Government squirm on a daily basis.

As if it is bad enough that our helicopter fleet is woefully inadequate, we now learn that the Liberals are going to ground over one-third of our CF-18 fighter planes. However, following its policy of taking with one hand and giving with the other, they are prepared to upgrade the remaining fighter planes.

Honourable senators, we cannot continue to ask our young men and women to serve overseas under extremely volatile and dangerous conditions without providing them with the best possible equipment and training and without assuring them that they will be well looked after when they return. Since the Liberals are in such dire need of new ideas, I have a suggestion for them. They need only turn to the policy platform of the Progressive Conservative Party issued during the last election. I am sure the Honourable Senator Bryden has read this. In it, the government will find several timely and important proposals. I will recite here only those proposals dealing with veterans.

- (1530)

First, a Progressive Conservative government would create a veterans' bill of rights to ensure that all disputes involving veterans are resolved quickly, fairly, and with the presumption in favour of the rights of the veterans.

Second, a PC government would ensure that all veterans receive their benefits and health care in a timely fashion, with no more stalling and equivocation.

[*Translation*]

Third, our government would conduct a complete review of the veterans' hospital, located in Sainte-Anne-de-Bellevue near Montreal, in order to ensure that it meets all the needs of its clients.

[*English*]

Those are just a few ideas, Senator Bryden and others opposite, for veterans, put forward by the PC Party. We shall continue to push forward these ideas and many others in the weeks and months to come.

Honourable senators, Canadians have had enough of opening their newspapers every day to read more and more about the problems and difficulties faced by our veterans and soldiers alike. It is time for some positive news.

When the PC Party or, in the words of the Prime Minister, the Official Opposition, form the next government, honourable senators, positive news is exactly what Canadians will get.

**Hon. Donald H. Oliver:** Honourable senators, I am pleased to rise to participate in the Speech from the Throne. At the outset, I too wish to congratulate the new Speaker, Honourable Senator Hays, for his important appointment. I have had the privilege of working with Senator Hays in various Senate-related matters over the last few years. I know him to be a hard-working individual with integrity and a strong sense of justice. Congratulations.

I also was pleased to see yet another Nova Scotian lead the government in the Senate after Senators Murray and Graham. Senator Carstairs also is hardworking, sensitive and strongly imbued with doing what is foremost in the public interest. I congratulate another easterner, Senator Robichaud, for his appointment as Deputy Leader of the Government. Finally, I am pleased at the reappointment of our leadership under Senator John Lynch-Staunton and his Deputy Leader, Senator Kinsella, who very competently and capably carry out the important job of leading the official opposition in the Senate of Canada.

Honourable senators, one month or so before the opening of Parliament, I wrote every member of Cabinet before the speech requesting the following:

...it would be highly beneficial to Canadians at large if new initiatives designed to enhance opportunities for visible minorities were included in the upcoming Speech from the Throne.

I had no positive response and there was no reference to visible minorities in the Speech from the Throne.

Today, honourable senators, I want to canvass justice issues as raised by the Speech from the Throne.

I was saddened that the Throne Speech barely mentioned how this government would ensure the safety of children and our streets. This would have been the perfect opportunity to inspire Canadians by presenting new and innovative means to combat criminal activities in this country. Instead, we were presented with regurgitated ideas, lacking both substance and imagination.

There are three areas that I wish to discuss in great detail: anti-gang law, young offenders, and child pornography.

Drug trade, extortion rackets, prostitution, money laundering, human smuggling, fraud, and computer crimes are but a few the daily illegal activities biker gangs are involved in. While these gangs live in the shadows of our society, they have managed to infiltrate each and every region of this country. The Speech from the Throne observed that the Government of Canada —

...will take aggressive steps to combat organized crime, including the creation of stronger anti-gang laws and measures to protect members of the justice system from intimidation.

This government has had seven years to take the threat of organized crime seriously. Instead of strengthening the RCMP — our first line of defence against criminals — the government has slashed its budget, downsized staff, and chosen to close police and training centres. Does this sound like a government that is serious about fighting crime?

The attempted murder of Montreal crime reporter Michel Auger in September 2000 revived debate over the growth of organized crime activities in Canada and highlighted the need to amend the anti-gang law. The legislation enacted by the passage of Bill C-95, which was adopted by Parliament in 1997, steps up the fight against organized crime.

Since 1995, the Province of Quebec has demanded that membership in a criminal organization be made a criminal offence exempt from the Canadian charter under its notwithstanding clause. Other provinces, such as Ontario, are asking for tougher laws to permit the seizure of the profits of organized crime.

In response to these events, Justice Minister McLellan sought consultation with the provinces and territories before making anti-gang amendments to the Criminal Code. We are only beginning to see signs of life on these issues with the conviction of four outlawed bikers in the Rock Machine.

During last fall's election campaign, the Liberals promised to strengthen as needed provisions of the Criminal Code and other laws in relation to organized crime activities and to provide federal law enforcement agencies with the resources they need to fight criminal organizations.

Many experts, however, say that the adoption of a harsher anti-gang law would be ineffectual in fighting criminal biker gangs. They assert that Crown attorneys should use the provisions under Bill C-95 to prosecute the accused bikers and thereby assess the effectiveness of the provisions under Bill C-95 in the courts. The government should also reinvest in the RCMP and give this crucial organization the appropriate funding to fight crime before the government considers radical legislative changes.

Recognizing the need to improve this patchwork system, the Progressive Conservative Party of Canada has made a commitment to give the RCMP and the Canadian Security Intelligence Service the necessary financial, human and technical resources to maintain security in our communities and fight organized crime. The PC platform states, in part, as follows:

A Progressive Conservative government would explicitly assert that our priority is to defeat organized crime, in particular money laundering, human and contraband smuggling, fraud and computer crime.

Next, I wish to talk about the young offender legislation. Many Canadians in both rural and urban centres are alarmed by the number of violent crimes committed by our youth and feel that

[ Senator Oliver ]

these youth should be held accountable for their actions. Since 1993, the Liberal government has promised to address this problem through major reforms to the Young Offenders Act.

The Liberals, however, waited until March 1999 before tabling Bill C-3, in respect of criminal justice for young persons. The bill provided harsher consequences for violent crimes committed by young persons 14 years of age and over and promoted alternative measures other than detention for non-violent offenders.

According to the Speech from the Throne, "the government will reintroduce legislation to change how the justice system deals with young offenders."

The government has since reintroduced Bill C-3, now Bill C-7, a bill that has not had great support or success to date. Since this bill was first tabled, it has died on the Order Paper twice, once in September 1999 and once in October 2000, because of other government priorities. Although the Liberal government has made the earliest possible adoption of this bill a priority, in the space of two years it has not gone past the report stage in the other place. The reason for this delay is quite simple. Since it was tabled, this bill has been the subject of severe criticism from all sides. This bill appears to be a hasty initiative by the Minister of Justice designed for political purposes and it has been criticized in the Province of Ontario and in Western Canada as being too soft on young offenders.

Testifying before the House of Commons Standing Committee on Justice and Human Rights, a number of expert witnesses said that the proposed act was so complex that its enactments would lead to a war of court challenges, would paralyze the youth courts as well as adult courts, and would lead to the violation of the rights of young people. Quebec, for its part, is opposed to the bill on the grounds that it would jeopardize its system of youth courts and its unique young offenders rehabilitation system.

The debate surrounding the Young Offenders Act will undoubtedly continue in 2001. Passing this bill may be difficult, though, because prior to the November election, the MPs would have voted on 3,133 amendments, about 100 of which came from the Liberals.

Over the course of the debate surrounding the passage of the Young Offenders Act, members of the Bloc repeatedly attacked the government for entering into provincial jurisdiction with regard to the imposition of adult sentencing.

Although this bill claims to provide a degree of flexibility for the provinces to determine the age of majority of an accused youth, it does little to assure Canadians that the federal government has seriously considered the concern of the provinces.

• (1540)

Progressive Conservatives believe that legislative changes are paramount to tackling young offenders issues. To that end, our platform states that a Progressive Conservative government

...would replace the *Young Offenders Act* with new, more effective legislation that reflects the following basic principles of justice: protection of the public, deterrence and denunciation balanced with rehabilitation, and a greater discretionary use of restorative justice.

That is from "Change You Can Trust," at page 20.

We also believe that early identification and intervention strategies for youth at risk should be put in place. As well, clear guidelines for communications should be established between the justice system and our schools involving young offenders. We also place a greater emphasis on ensuring that parents are involved in all court proceedings concerning young offenders.

Finally, honourable senators, a few words about child pornography. Our children are our most precious citizens. They are our future. They need and deserve our protection. The Speech from the Throne would have been the perfect avenue to provide a detailed outline of the government's plans to combat child pornography. The Speech from the Throne states that the federal government —

...will safeguard children from crime, including criminals on the Internet. The Government will take steps to ensure that our laws protect children from those who would prey on their vulnerability.

In 1999, the British Columbia Supreme Court ruled in a decision upheld by the province's Court of Appeal that Criminal Code provisions on the possession of child pornography were unconstitutional since the Canadian Charter of Rights and Freedoms guaranteed the right to freedom of thought, belief, opinion and expression of the accused John Sharpe. This case was appealed to the Supreme Court of Canada and, in January of this year, the court upheld the current law. The Supreme Court of Canada stated that Mr. Sharpe has to face charges of child pornography ownership.

In the wake of numerous criticisms of the government's inactivity in this matter, the Liberals resigned themselves to promising during the recent election campaign to provide children with greater protection by adding some specific offences against youth in the Criminal Code, such as criminal negligence or the use of the Internet to attack them for sexual purposes. There is nothing new about this undertaking, however, since the Minister of Justice announced her support for such measures at a meeting of the federal and provincial justice ministers in Nunavut in September 2000.

Unlike the Liberals, during the last election campaign, the Progressive Conservative Party of Canada proposed the establishment of a comprehensive national strategy to fight child pornography.

A Progressive Conservative government would implement a National Strategy to Combat Child Pornography, Child Abuse and Elder Abuse that would include Internet safety education for children, training of police in tracking

pornography and revamping our current laws to ensure that they are not facilitating high tech prostitution.

The Speech from the Throne is our national blueprint for the next four years. That speech lacked the initiative and vision necessary to combat crime in today's world. The dark side of our society is evolving and expanding as it delves deeper into the technological sphere. Our justice system must do the same. Our justice system needs muscle behind it that only comes with sufficient funding and federal support to effectively challenge sophisticated criminal activity. It is alarming, honourable senators, that so many crucial and important issues were simply glossed over in the Speech from the Throne.

[Translation]

**Hon. Fernand Robichaud (Deputy Leader of the Government):** Honourable senators, the Speech from the Throne delivered by Her Excellency the Governor General on January 30, 2001 clearly sets out the program of the federal government.

This program attaches great importance to Canada's future in the areas of health, culture, the economy and, of course, education. It is also necessary to ensure Canada's place in today's world and certainly in the world of tomorrow.

Having heard the bases of the program as set out by the Liberal Party at the time of the last election in November 2000, Canadians acknowledged that the government's program clearly reflects the aspirations of the various groups making up the Canadian population. This was so aptly put by Senator Finestone on March 14, 2001 in her reply to the Speech from the Throne in which she said:

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.

I am in total agreement with my honourable colleague that Canadians have faith in the direction in which their government is engaged toward a promising future, a future that inspires them with confidence.

I should like to thank and congratulate all honourable senators who have taken part in this essential debate.

[English]

All senators who participated in this debate offered thoughtful commentaries on the Speech from the Throne, as well as on Canada.

[Translation]

Honourable senators, I should like to thank all those who have expressed good wishes and congratulations to the people who have accepted leadership responsibilities on both sides of this Chamber. Thank you for your good wishes.

[English]

Honourable senators, I feel that the Speech from the Throne as presented by Her Excellency the Right Honourable Governor General on January 30, 2001, was complete in its vision and substance. Therefore, we on this side feel that it need not be amended, and that it should be engrossed in its original form.

**The Hon. the Speaker *pro tempore*:** Honourable senators, is the house ready for the question?

**Hon. Senators:** Question.

**The Hon. the Speaker *pro tempore*:** The question is on the motion in amendment of the Honourable Senator Kinsella.

Will all honourable senators in favour of the motion in amendment please say “yea”?

**Some Hon. Senators:** Yea.

**The Hon. the Speaker *pro tempore*:** Will all honourable senators opposed to the amendment please say “nay”?

**Some Hon. Senators:** Nay.

**The Hon. the Speaker *pro tempore*:** In my opinion, the “nays” have it.

Motion in amendment negatived, on division.

**The Hon. the Speaker *pro tempore*:** The next question is on the main motion. Is it your pleasure, honourable senators, to adopt the motion?

**Hon. Senators:** Agreed.

Motion agreed to, and Address in reply to the Speech from the Throne adopted.

On motion of the Honourable Fernand Robichaud, ordered that the Address be engrossed and presented to Her Excellency the Governor General by the Honourable the Speaker.

• (1550)

## THE ESTIMATES, 2000-2001

### REPORT OF NATIONAL FINANCE COMMITTEE ON SUPPLEMENTARY ESTIMATES (A) ADOPTED

The Senate proceeded to consideration of the second report of the Standing Senate Committee on National Finance (Supplementary Estimates (A) 2000-01), presented in the Senate on March 22, 2001.

**Hon. Lowell Murray:** Honourable senators, I move the adoption of the committee report standing in my name.

[ Senator Robichaud ]

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

**Hon. C. William Doody:** Honourable senators, I have no intention of holding up the report in any way, but some items in that document should be highlighted and brought to the attention of the Senate. One of them, in particular, has become of some interest to me.

Honourable senators, we are dealing with the Supplementary Estimates (A) 2000-01, as presented by Senator Murray on Thursday past. I should like to call your attention to the curious matter of the more than \$3 billion in pay equity awarded to certain members and ex-members of the public service.

When Treasury Board officials appeared before your Finance Committee about a year ago, they were asked what the total cost to taxpayers would be for this pay equity adjustment and when the lucky recipients could expect their cheques. We were told the exact amount was not known at that time, that it could be in the vicinity of \$3 billion and that the first batch of cheques would be going out in April 2000, which was only a week or so away. No mention of this rather substantial amount of money was shown in the Estimates before us and, as far as I could tell, no mention of this amount of money was made in previous Estimates. That is to say, it seemed to me that this amount had never been voted for in Parliament.

We were told that the amount needed was available from funds put aside for this purpose in anticipation of a pay equity judgment decision in favour of the employees but that it was not identified as such. We were told that this amount appeared in the accounts of Canada but could not be identified until the pending judgment came down.

This explanation makes some sense from a bargaining and strategy point of view from the government's perspective, but to me and to others it is quite alarming from an accountability point of view. That this gargantuan sum of money would be stashed away and then dispensed without a specific and open consent of Parliament — or, more to the point, of the House of Commons, which is supposedly the keeper of the public purse — is quite startling. I do not suggest here that there is any wrongdoing, skulduggery or malfeasance. Indeed, a specific act of Parliament provides Treasury Board — that is, the government — with the statutory authority to settle cases like this when the government finds itself on the losing side of a judgment. However, this is an odd way to exercise that right. It looks to me like an open-ended, blank cheque, but we can discuss that, perhaps at another time, in committee.

Honourable senators, it is quite scary that \$3 billion of taxpayers' money would be put aside and then disbursed with no one in government any the wiser, except the responsible minister, I suppose. This item is shown in the Estimates before us simply as a reported item and not a request for funds.



As I have mentioned, statutory authority was used and then the matter was a closed case. This money was paid out before either Parliament was informed or we were told of the amount shown in the Public Accounts. If it was identified in the Public Accounts, I could not find it there as a specific item of pay equity.

Honourable senators, almost 70 per cent of spending by the Government of Canada is now statutory; hence, it needs no further parliamentary approval. Parliament has already passed an act or acts of some such statute or document or instrument to authorize the spending, so the Estimates must be read with the Public Accounts of Canada in mind. We have the case where public oversight of public spending or parliamentary oversight of public spending may be a little dubious if, indeed, it exists at all. Clearly, there is something wrong with the system and the system needs fixing.

Honourable senators, let me add another complication to this already complicated affair. What effect did this \$3 billion have or will it have on the surplus or the deficit in 2001-02 or the years on either side of that year? Frankly, I do not know. Once again, perhaps the committee might revisit this matter at another time and ask some pertinent questions.

Honourable senators, what happened to the principle of lapsed spending authority, the principle that money voted but not spent in a given fiscal year cannot be carried forward into the next year but must lapse and be shovelled back into the general revenue or the general accounts? I do not know what happened to this \$3 billion. If it lapsed, it could not have been there for the public service settlement. However, if it did not lapse, then there is some sort of variation on the principle that I always thought was a binding rule of public accounts management.

There is another item that we might think about in terms of a step toward making this system easier to work with and to understand. Parliament should force itself to look in more detail and in more depth at the Estimates, department by department. The House of Commons passes billions of dollars of spending every year in a cursory way, with a mere nod of the head. They say, "It is now March 31, so we must pass a supply bill." That is the end of it, which is simply amazing to me.

Honourable senators, apparently the House of Commons cannot find time to resolve itself into a Committee of the Whole to look at these Estimates, line by line. I can understand that. The House may be too big and unwieldy to deal with a complicated issue such as this, although it would be a good exercise for the House to at least look at one or two departments every year. In the meantime, if the House of Commons cannot find the time to deal with this matter in a Committee of the Whole, perhaps we can do it here in the Senate. We have the time, the resources, the talent, and most of us have the interest. Perhaps we could think in terms of having the Senate look at the Estimates on a line-by-line basis in Committee of the Whole. Ours is a much smaller house, and it would be much easier for us to get to grips with this matter. It is worth considering.

It might be said that we do not have time to do the committee work we have now, but what if we were to look at the Estimates on either a Monday or a Friday? We would not have many senators here, but we would have enough to be able to do a decent job of examining the spending of the accounts of Canada. I think this is a worthwhile project.

When I was a member of the Government of Newfoundland, we looked at all legislation in Committee of the Whole. Every detail of every piece of legislation was studied in Committee of the Whole, including the Estimates, on a line-by-line basis. Each minister had to appear before Committee of the Whole to defend his Estimates and to explain his programs and policies. Admittedly, it was a smaller set of Estimates and a smaller house, but the principle was the same. It is just that the volume is bigger.

Honourable senators, we do not have to do it all, every year. However, my proposal is worth thinking about in terms of making the Senate more relevant in this country of ours. It would expand the role the Senate in terms of public perception and in terms of the Senate's usefulness.

Honourable senators, many other items in this report are worthy of your attention, but I wanted to take a few minutes of your time to bring this particular one to your attention.

• (1600)

**Hon. John. G. Bryden:** I have a question for the Honourable Senator Doody. I have been concerned for some time about the points the honourable senator has raised. I have thought about what role the committees of this place could play in regard to the Estimates.

I wonder, honourable senators, whether over the years, or because of inclination of people on committees, we have tended to get away from the principal role of standing committees. Have we instead conducted specialized studies or identified areas that are of particular interest to people on a certain committee?

The guidelines for standing committees note that a standing committee that is authorized by the Senate to study the subject matter of bills or government Estimates and that wishes to retain the services of persons may do so. Since I have been here, I know of few occasions in which the Standing Senate Committee on Agriculture, for example, or the Standing Committee on Social Affairs, Science and Technology dealt with the Estimates of the relevant department — for example, Health Canada, in the case of the Social Affairs Committee.

Honourable senators, I know of one instance of that occurring. The continuing chair of the Standing Senate Committee on Fisheries, one year or two years ago, had the Minister of Fisheries and Oceans come before that committee.

Honourable senators, I have heard that there were a number of years in which the Fisheries Committee did not meet because there was no legislation, and the committee had nothing to do. That surprises me, especially in view of the fact that the fishing industry was going to hell in a hand basket.

The Minister of Fisheries and Oceans, after having defended his Estimates before the Standing Senate Committee on Fisheries, noted that it was a much more thorough and better-informed review of the Estimates of his department than he had experienced in the other place.

I should like to ask the honourable senator the following question: Could the standing committees, as well as the Committee of the Whole, examine the Estimates of the departments for which these standing committees are responsible to this chamber?

**Senator Doody:** Honourable senators, the honourable senator's question was only slightly longer than my comments.

I thank the honourable senator for his question. The gist of the matter is why do the standing committees not examine the Estimates of various departments, particularly the ones in which they are interested? The answer is that there is no reason why they should not. In fact, some of the committees do examine the Estimates from time to time. The Veterans Affairs Committee, for example, which is a subcommittee of the Social Affairs Committee, has asked year after year for a reference from the Senate on that particular heading requesting that it be referred to their committee. They have examined Estimates in detail with officials, and perhaps the minister.

Any committee in this place is entitled to ask for a similar reference. That does not preclude the Finance Committee from examining the Estimates as a whole. It does not take any authority away from them or any individual department. Any committee that wants to examine a particular department in which it has a special interest could simply ask for a reference from the Senate.

Honourable senators, that also does not in any way detract from my thoughts about Committee of the Whole. A Committee of the Whole should involve any senator who is interested. There is plenty of room. It is an established forum. It is recognized in other legislatures. As a matter of fact, it is the custom in other legislatures in Canada, as elsewhere.

The House of Lords, for example, does all of its work in Committee of the Whole. The study of special subject is done in other committees.

That does not change the principle of having a Committee of the Whole, or interested senators, question officials and ministers. It would be a delight to have, say, the Minister of Health, the Minister of Fisheries and Oceans or any other minister defend his or her Estimates and explain all programs to committee. I think that you would find more sharp knives in the drawer when we were finished than before we started.

**The Hon. the Speaker:** Senator Kenny is rising to ask a question. However, I must inform the Honourable Senator Doody that his time has expired. Does the honourable senator wish to ask for leave to extend his time?

**Senator Doody:** Yes, please.

[ Senator Bryden ]

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

**Hon. Senators:** Agreed.

**The Hon. the Speaker:** Leave is granted.

**Senator Kenny:** Honourable senators, I am interested in the remarks of Senator Doody. Perhaps I did not understand them clearly. The role of National Finance is to do that which you suggested. You mentioned that the House of Lords reviews Estimates in Committee of the Whole.

Would it not be more effective to review Estimates in the relevant committee, where people have been looking at a particular department for a long time, rather than taking the time of the entire chamber? Why does the honourable senator prefer a Committee of the Whole examination of the Estimates rather than, say, National Finance or other individual committees studying the Estimates?

**Senator Doody:** Honourable senators, I like the fact that a Committee of the Whole review of the Estimates would involve many senators. There may be certain senators who have particular interest in a policy or program that may not surface in a particular committee.

It would not be compulsory that all senators attend, but it would be helpful. I would settle for a line-by-line examination. The Standing Senate Committee on National Finance does not have the time to review all Estimates line-by-line or department-by-department. I am not suggesting that the Estimates not be referred to an individual committee. I am simply saying that much of that work could be done here.

Honourable senators, I am not suggesting that the Senate should take over the authority for the finances of country from the House of Commons. Certainly, they are still the people who are primarily responsible for the protection of the public purse. I am not suggesting that we should cancel programs. I am simply suggesting that we examine all the Estimates and make recommendations and provide advice where we think that advice is necessary and would be helpful.

If the government wishes to accept our advice, that is fine. If not, then that is the prerogative of the government. My opinion is that more effective work could be done in Committee of the Whole on a subject like this than can be done in an isolated single committee.

**Hon. Tommy Banks:** Honourable senators, when I first came here, I assumed that I would have to leap into the role, which I often do, of proselytizing in the interests of the arts. I am delighted to have found myself among the hippest group of people that it has ever been my privilege to be a member. I thank you for that.

I am pleased to report to all honourable senators who are supporters of the arts that there is some news that is salutary to the arts in the Estimates. I shall be making this known shortly to all performing arts groups in the country.

Honourable senators, the Department of Industry, I believe, has made a grant in the amount of \$5 million to the endowment fund of the Montreal Symphony Orchestra. This is very good news, honourable senators, because that is a new place from which money seems to be available for good purposes in the arts. I am delighted to make that known to all of you, as I will shortly to all my colleagues in that business.

[Translation]

• (1610)

**Hon. Roch Bolduc:** Honourable senators, I should like to say a few words on the Governor General's Special Warrants.

As honourable senators are aware, these are authorized under three conditions. First, when Parliament has been dissolved and a 60-day deadline for the writs to be returned is then required. Second, when the payment is urgently needed and for the public good. This is the basic criterion for the use of special warrants, which means that we are authorizing expenditures via Governor General's Special Warrants even if the House is not sitting, and budgets have not been adopted or authorizations given. Third, when there is no other appropriation pursuant to which the payment may be made.

We have examined the situation in the Standing Senate Committee on Public Finance. The total allocated to departments was \$3.5 billion in all, and that is real money, not Monopoly money. In the fiscal year ending in March 2001, I note that outside of emergencies such as the one at Agriculture where the minister was authorized to inject \$155 million in disaster relief to farmers, there were special warrants for nearly all government departments and organizations within departments. We are speaking here of some 200 organizations in all: thirty or so departments plus another 150 organizations.

Take the example of Canadian Heritage Minister Copps. Expenditures total some \$200 million. That is a lot of money and a lot of emergencies.

Honourable senators, you will recall that we sat until the month of June 2000. We came back for September or October and sat until the election was called. We could have been back within 60 days of the election, but the government decided that we would start sitting only at the beginning of February.

Special warrants were issued for an amount of \$1.5 billion on January 23, that is one week before the House of Commons resumed sitting. This seems exaggerated to me. It means that public servants had to rush to get things through while the special warrants were still in effect. This is not right and it is not sound public management.

For example, in the case of the Department of Canadian Heritage, where Mrs. Copps is the minister — and I am not blaming her — the warrants total \$200 million, including \$150 million in the department and here and there \$2 million, \$3 million or \$5 million in 12 different organizations. I am not saying that it is not for good projects, but there is money for just about every museum. I realize that museums may face

emergencies, but I wonder if this could not have waited one week. What difference would it have made to wait from January 23 until February 4?

In my opinion, this reflects—and it is not necessarily a criticism against the government, because it applies to management as well — a certain mentality. I clearly remember the fifties and sixties — I lived that period like no one else — and I can tell you that special warrants were practically non-existent. Some were issued during the war, which is understandable, but there were few, for the simple reason that such warrants imply the existence of an emergency. I am convinced that emergencies do not arise every day at the Museum of Civilization or at the National Archives. The archives will not disappear if they do not get \$500,000 at this very moment.

I do not want to question the merit of these warrants. If I take the example of the Department of Foreign Affairs, which comprises competent individuals, and which I like, I note that they spent \$200 million in a variety of situations.

At the Department of Finance, it was not so bad, but I tell you it is everywhere, pretty well. At the Department of Human Resources, and if a department ended up in hot water last year, this was it, they found a way to come up with another \$45 million. This strikes me as excessive.

The Department of Health got another \$120 million. The Department of Justice got \$125 million. The Department of Public Works received \$135 million, which allowed it to acquire the former Ottawa city hall. I wonder just how pressing it was that they could not wait a week.

The same applies to Canada Place in Edmonton, which received \$100 million. I have nothing against this, but I think that Canada's public administration has lost the meaning of the special warrants, and this includes both ministers and officials.

It is not reasonable to issue special warrants for \$3.5 billion for this type of spending during an election period. I understand the government must still operate, but this is excessive.

The point of my remarks is to make people aware of these situations. These are not usual and this is not play money, Caouette money, as we say at home. These are real bucks. There are 3.5 billion of them, and that is a lot.

I mentioned this to the senior Treasury Board officials when they appeared before the Standing Senate Committee on National Finance, and they said that each expenditure was within the standards set. I said that the standards provided too much manoeuvring room. Honourable senators will understand surely that I speak simply as a guy with a lot of common sense. There is no expertise here, it is common sense that wins the day.

**Hon. Marisa Ferretti Barth:** Honourable senators, I should first like to thank the senior officials of the Treasury Board Secretariat, who kindly responded to many concerns expressed by the senators.

I will share one concern I have had for some time with you about the high cost of the recovery and the investigation associated with the Swissair flight that crashed off Peggy's Cove, Nova Scotia.

This was an investigation by the Transportation Safety Board of Canada, an independent body established on March 29, 1990, which reports to Parliament through the President of the Privy Council. Its mandate is to promote transportation safety.

You will no doubt recall that on September 2, 1998, 229 people died in the crash of Swissair Flight 111.

To my great surprise, I see that the spending associated with this disaster continues to climb and that the search is still going on nearly three years after the accident. Senior Treasury Board Secretariat officials have informed me that the total spent now stands at \$53.2 million.

The agreement now in effect, the 1944 convention on international civil aviation, is now over 50 years old. This convention provides that the total cost of such a recovery operation must be assumed by the country in which the accident took place.

The International Civil Aviation Organization has discussed the financing of investigations into major accidents on several occasions with a view to amending the convention's provisions on the sharing of costs between the governments taking part in the investigation. Despite all efforts to date, the issue has not been resolved.

• (1620)

Given the volume of traffic in Canadian airspace, the size of Canada, and the length of its coastline, it seems obvious that Canada will be called upon to assume an increasing share of the cost of recovery and investigation operations associated with aviation disasters.

Since 1976, there have been two serious accidents: the one in 1985 in Gander, Newfoundland, and the one in 1998 in Peggy's Cove, Nova Scotia. This number may perhaps not seem excessive right now, but it must be remembered that air transportation is far more common now than it was 50 years ago.

It is not fair to require Canadian taxpayers to assume such a financial burden because of a convention that is over 50 years old. Could the expenditures incurred for recovery and investigation operations not be split between the two governments? As for conventions in general, would it not be a good idea for them to be reviewed and updated every five years?

[English]

**Hon. Terry Stratton:** Honourable senators, my comments will deal with the Supplementary Estimates and the fact that through them the Estimates have grown. The original budget was \$156.2 billion for 2000-2001. That has grown to \$172.6 billion; in other words, an increase of \$16.4 billion. Think about that.

[ Senator Ferretti Barth ]

What happened? Did the money just roll in all of a sudden? I think so, and the government had to spend it. They could not keep their hands off it and pay the debt down. That \$16.4 billion represents a 10.6 per cent increase, and there have been no comments made as to the significance of its size. If the same should happen in the next fiscal year, we will have an absolute disaster.

Honourable senators, the question I must ultimately ask is: When you have this significant a margin of error, why was it not addressed earlier? Why must a Supplementary Estimates (A) be presented in March for that sum of money and nothing is to be done about it?

Every year I ask the same question. Why do we have such large supplemental estimates? Why can we not at least make Parliament aware, when we are bringing the estimates down for the next fiscal year, of what is likely to come down? Even if it is a ballpark figure, at least we will know what we are faced with, for example, \$156.2 billion, as we were told at the beginning of this fiscal year, and that it is likely to grow due to such and such, and the amount could be around such and such. If that is not done, we are misleading Canadians. The money flows in, is thrown at spending, and we end up with a 10.5 per cent error.

Honourable senators, I believe we owe it to Canadians to try and keep track. Who knows what will happen next year when the money tap is turned off. What will be done then? Will we present a supplementary estimate and say, "Hold it, guys, we are going to now take money back from departments?" That is the other shoe that should drop. Hopefully, that will take place too, because we cannot go to Supplementary Estimates this time next year given what will be happening with the economy.

In answer Senator Bryden's question with regard to why can we not do more detailed estimates in this place, the Auditor General will attend the Finance Committee meeting tomorrow evening. That exact question will be asked of him; how can we more properly review Estimates in Parliament?

**Senator Banks:** Honourable senators, I have a question for Senator Stratton.

I am sure Senator Stratton has been involved in a number of enterprises, as have I. Not many of them are as big an enterprise as the Government of Canada. I am curious to know whether the honourable senator has been able, in the enterprises in which he has been involved, to get within 10.6 per cent of his annual spending budget. In the enterprises in which I am involved, if our forecasting and management is that good we are very proud.

**Senator Stratton:** Honourable senators, I was involved in the operation of a small chartered airline. We needed to keep extremely tight control because it was such a competitive business. If we did not know our mileage costs, or the operations and maintenance costs for aircraft, we could get into a great deal of trouble if business suddenly dropped. We constantly needed a plan whereby we could drop our expectations. If the business grew, on the other hand, we could meet that growth with a plan of a different kind. We needed to do that in order to survive.

Honourable senators, the situation exists here. When running a household budget, it should be looked at in the same way. If income diminishes all of a sudden, you need a plan to get it back. If income increases, there should be a plan of what can be done on the spending side. Above all, when there are surpluses, debt should be paid down.

**Hon. Anne C. Cools:** Honourable senators, I wish to add a few words to this debate on the second report of the Standing Senate Committee on National Finance on Supplementary Estimates (A). In particular, I wish to return to the questions that Senator Bolduc raised a few minutes ago on the use of Governor General Special Warrants by this government.

The question is articulated within the report of the National Finance Committee, of which I am a member, as recorded on March 22, 2001, in the Senate Journals, as follows:

Members of the Committee were concerned about the use of Governor General Special Warrants to obtain immediate funds to support the government's ongoing operations when Parliament was dissolved during the election period. Specifically, members were concerned about the level of financing obtained through Special Warrants. It seemed to go beyond any sense of urgency as prescribed by the legislation governing the use of these instruments.

Obviously this statement is recorded in the report of the committee in direct response to those concerns raised at committee level in respect of the government's use of these warrants during a period of dissolution, which I will come to in a moment.

Senator Bolduc was one of the senators who raised this question of the Governor General warrants. There are two issues here. One is the overriding concern that Parliament must express authority and approve all expenditures made by the government of the day. We could call that Parliament's control of the purse.

• (1630)

There is also the thorny question of what the government must do during periods when Parliament is not sitting, particularly when Parliament is dissolved, to meet its financial obligations and conduct business.

We have before us what I would consider to be the proper balance between emergency situations and ongoing operations. As Senator Bolduc said, there have been several Governor General's special warrants issued, and for substantial amounts of money. That must be placed properly on the record.

I believe that Parliament was dissolved on October 22, 2000, for a general election. Section 30(1) of the Financial Administration Act stipulates the three conditions that must be satisfied before a special warrant can be issued. Senator Bolduc has already referred to those. First, Parliament must be dissolved. Second, a payment must be urgent and for the public good.

Third, there must be no other appropriation pursuant to which the payment may be made.

Senator Bolduc argues that the Government of Canada had adequate time, prior to calling the election, to have brought forward a supply bill, which should have been Supplementary Estimates (A), and that Parliament could have given the bill its proper approval, allowing the government to conduct its business.

The particular special warrants to which Senator Bolduc refers are three in number. One special warrant was issued on December 13, 2000, for \$178 million; another was issued on January 9, 2001, for \$1.8 billion; and the third was issued on January 23, 2001, for \$1.6 billion.

The major question that Senator Bolduc raises concerns Parliament in a very profound way, and that is whether those sums of money were urgently required. I believe the committee is saying in this report that it appears that the government was using these warrants to fund ongoing operations rather than to finance urgent or emergency situations, which is the requirement of that section of the act.

The word I should like us to consider is "unforeseen." We had with us in this chamber for some years one of the finest minds on this subject matter, that being former Senator John Stewart. This particular question was a pet consideration of his.

I wish to remind honourable senators that this question has preoccupied this Senate and this committee on many occasions in the past, just as it is preoccupying the mind of the committee presently. I should like to refer senators to a study done in 1989 when Senator Murray, the current chairman of the committee, was sitting in a different position, as he was then on the government side. In May of 1989, the Standing Senate Committee on National Finance conducted a thorough study on the use of Governor General's special warrants. At that time, the minister, Mr. Robert de Cotret, appeared before the committee.

I refer honourable senators to Senator Stewart's speech made here in the Senate chamber on Tuesday, May 9, 1989. I believe that senators would find it insightful and helpful.

The third report of that committee, dated May 17, 1989, submitted under the chairmanship of former Senator Fernand-E. Leblanc, concludes with the following statement:

The Senate invites the House of Commons to join it in affirming that, subject to the *Constitution Acts, 1867 to 1982*, and except to meet unforeseen, urgent requirements touching the public good, no payment shall be made out of the Consolidated Revenue Fund without appropriation by Parliament.

That remains as true now as it was then. The question in the minds of members of the committee during the consideration of Supplementary Estimates (A) was whether the purpose for which those monies were spent could possibly be considered unforeseen or urgent. As far as I am concerned, that is the critical issue.

The Senate committee looked at this matter, being well aware that the government was faced with the problem of maintaining the operations of government, and it made the decisions it did with the best of intentions. The record should show clearly that that was the consensus of the committee.

However, many of us here in this chamber and on the committee are concerned that the government should give more attention and care to forecasting its financial needs and to bringing forward the appropriate appropriations bill rather than relying on provisions of the Financial Administration Act, which are intended for true emergencies and urgencies.

As a matter of fact, some years ago the Financial Administration Act was amended to eliminate the possibility of any government resorting to Governor General's special warrants during periods of the prorogation of Parliament. That amendment restricted the use of special warrants to periods of dissolution only. I believe that that amendment came about as a result of another government, of another political stripe, some years earlier using Governor General's special warrants during periods of prorogation.

To many senators sitting here, what we are discussing must sound like Greek. However, I assure them that these are very important matters worthy of their consideration. I commend Senator Bolduc and Senator Murray for bringing these discussions forward today. Many people find the subject matter boring, tedious and dry, and quite often these profound issues do not get the attention they deserve.

In closing, I wish to thank the members of the committee and our new deputy chairman, Senator Finnerty. I wish to impress upon honourable senators that nothing Parliament does is as important as superintending the business of the finances of the nation.

• (1640)

**Senator Murray:** Honourable senators, since the motion to adopt this report stands in my name, perhaps I might be permitted just a word or two before the question is put, as I hope His Honour will do shortly.

First, I would refer to the brief speech of Senator Banks. He drew our attention to the \$5 million grant by the Department of Industry to l'Orchestre Symphonique de Montréal. Senator Banks let us know that he will be advising his friends in the arts of this hitherto unsuspected source of funds for arts and culture. That is fair enough.

However, I should like to place his remarks in the context of the discussion that took place at the committee and, indeed, of our committee report. The concern that Senator Banks and others expressed is one that touches upon the ability of various groups, whether cultural, artistic or other, to tap various sources of public funds, and the obvious need for some coordination in matters of this kind so that the left hand may know what the right hand is doing.

[ Senator Cools ]

Senator Banks, and others at the committee, asked how such a grant had been provided by the economic development agency for the regions of Quebec rather than Heritage Canada. Our report then states that the official assured the committee that the grant was proper, and that it complied with the criteria set out by the development agency. The committee then expressed its concern that such a practice makes it difficult for government departments to keep track of overlapping expenditures.

The committee then made the point that orchestras and other cultural activities receive financial assistance from the Canada Council, which of course is an agency at arm's length from the government, from the Department of Canadian Heritage, sometimes from External Affairs and so forth. We have asked Treasury Board to provide further details on the program, specifically regarding the criteria used to approve this grant.

I just wanted to supplement the remarks of Senator Banks on this matter by referring to the concerns that had been expressed at the committee and in the committee's report.

Finally, honourable senators, let me thank very sincerely those who have taken part in this debate. All of the speeches made in the debate have been made by members of the Standing Senate Committee on National Finance. Their speeches reflect concerns that they themselves pursued very effectively at the committee. They reflect also the concerns that are contained in the report that is now before the house. I thank them for doing this. I think it makes much more sense and adds more coherence and content to the debate on this report than simply to have the chairman get up and give a narrative of what happened.

With those few remarks, honourable senators, I commend the report for your approval.

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

**Hon. Senators:** Agreed.

Motion agreed to and report adopted.

## THE ESTIMATES, 2001-2002

### REPORT OF NATIONAL FINANCE COMMITTEE ON ESTIMATES ADOPTED

The Senate proceeded to consideration of the third report (interim) of the Standing Senate Committee on National Finance (Estimates 2001-02), presented in the Senate on March 22, 2001.

**Hon. Lowell Murray** moved the adoption of the report.

He said: Honourable senators, you now have before you the third report of the Standing Senate Committee on National Finance. This report has to do with the Estimates for the fiscal year that begins on April 1 next. Honourable senators, I should like to take 60 seconds, more or less, to place this report in context.

The report speaks for itself. We have had one very good meeting with the officials from Treasury Board. We received their usual full and courteous replies where they had full replies to give us. Where they did not, they have agreed to obtain the information for the committee. Indeed, since our meeting with them, this information has started to come in and will be given to members of the committee.

Second, I should tell honourable senators that tomorrow, at 5:45 p.m., the committee will be meeting with the Auditor General of Canada.

Third, a week from today, the committee will have an *in camera* meeting to discuss our future business. By future business, we mean what areas of government policy or what departments or agencies of government the committee may choose to focus on in the coming months. All this is by way of saying that we are just at the beginning of our examination of the Main Estimates for the next fiscal year.

This report is before honourable senators for your adoption so that the government may bring in its interim supply bill. However, the Main Estimates for the fiscal year 2001-02 will be in front of the Standing Senate Committee on National Finance for 12 months. We have all the authority and flexibility we need to zero in on particular aspects of government administration. We welcome helpful suggestions from senators.

**Hon. Terry Stratton:** Honourable senators, since I made a brief statement on the Supplementary Estimates for 2000-01 I thought it was appropriate to at least point out my concerns with the Estimates for 2001-02.

It would appear that the next fiscal year will not be as cash rich as the current one. My concern is that we have a budget that anticipates a certain growth in our economy, yet we have not heard a forecast by the Finance Minister as to where he thinks this is going, and we will not receive one for awhile.

If we look at the Estimates for 2001-02, we see that they are currently at \$163.4 billion, as compared with last year's initial Estimates of \$156.2 billion. There was not much growth. When you look at it, it was quite modest, except that, as honourable senators are aware, this current fiscal year's budget has grown by \$16.5 billion, from \$156.2 billion to \$180 billion.

That has an impact on one's thinking when one is looking at next year's Estimates of \$163.4 billion. By how much will it grow? I realize that the government can take steps to limit the spending on the other side as the economy slows down. Again, I think it is irresponsible to go into a fiscal year with a set of Estimates with no forecast of where we are going. It is like walking around with a blindfold on.

• (1650)

Honourable senators, imagine running a business that way. I think it is fundamentally wrong. We should have a statement by the Finance Minister telling us where he thinks the economy is going before we have such a thing as these Estimates.

As we are going through this year by year, I strongly believe that we should have a five-year track record of where our spending has taken place so that we can see the growth in that spending from year to year to year. The department has this information. It is not a large thing to ask for, and I have asked for it in other years. We in this place can then track how the growth in spending has taken place. It will give us an idea how well we have monitored the people's money not only in the current year or in the last year but also in previous years. Honourable senators, is that not what we are here for?

**Hon. John Lynch-Staunton (Leader of the Opposition):** Honourable senators, I wish to ask the Honourable Senator Stratton a question. Has the Finance Committee looked into a problem that I see, namely, that when we get the Main Estimates for the forthcoming fiscal year they are only compared with the Main Estimates of the previous year? Any Supplementary Estimates are not included for proper comparison. The comparisons are really not the whole story. We should be comparing the Main Estimates for the next fiscal year with the total estimates, that is, the actual expenditures. I am sure this has been mentioned before the committee.

Has either Treasury Board or the Department of Finance been sympathetic to having more accurate comparative figures presented to the committee for a better understanding?

**Senator Stratton:** They have done so in the past. However, for some reason, it takes a while. We need that information when we present our final annual reports on Supplementary Estimates.

That is a good question. It would help everyone here to understand where we are going down that track with respect to spending.

**Senator Murray:** Honourable senators, our own staff gives us the information on the comparative information between the Main Estimates for next year and the Main Estimates, plus Supplementary Estimates for last year, which is as close to "actual" as you can get at this stage of the game. The government itself cannot give us this information in that form because the Supplementary Estimates for the last fiscal year have not yet been approved by Parliament. Honourable senators will not find that kind of information in the documentation that the Department of Finance or the Treasury Board puts on the table.

**Senator Stratton:** We could do it for previous years, though.

**Senator Murray:** Yes.

**Senator Stratton:** I am looking at a five-year track record.

**Hon. Anne C. Cools:** Honourable senators, in support of the adoption of this report, I want to underscore what Senator Murray has said. This is, in point of fact, an interim report. The committee will be continuing its study on the Main Estimates over the next many months and probably into early next year. Quite often, it is not clear that it is only an interim report.

I should also like to underscore the fact that, as is our practice, in a few months the committee will be hearing from the President of the Treasury Board in person. The problem with both these reports and this particular time of year is that there are many reports and many bills dovetailing and colliding that must be passed by March 31.

Having said that, I urge all honourable senators to support this interim report and to adopt it readily because the adoption of this report, as a consideration of this first meeting on the consideration of the Main Estimates, is absolutely necessary and precursory to the moving ahead of the following supply bill, which Senator Finnerty is ready and willing to dive into.

Having said that, honourable senators, I believe we can go ahead and put the question.

**Hon. John G. Bryden:** Honourable senators, I understand what Senator Lynch-Staunton was alluding to, namely, that it is difficult, in a timely way, to get access to actual numbers in trying to judge the numbers for the upcoming year.

The running of government is a big business, one that is affected by significant issues. This comment is directed to the Honourable Senator Stratton: I have been in business for quite a long time, at various levels. The further out one goes with a business plan, the more guess work there is as one moves forward, because the less definite it can be. Similarly, if one looks back 5 or 10 years and uses that information to go forward, it is difficult to judge whether the cycle is an annual cycle, a 3-year cycle or a 10-year cycle.

Honourable senators, with respect to the additional 10 per cent of spending, because of the additional 10 per cent of revenue coming in, one only needs to look at what has happened over the last few years, in particular, over the last year, in terms of business planning and budget planning. People were saying, "Don't worry about the downturns; don't worry about the old concept of the business cycle. We are now in a new paradigm, where technology, the Information Age and all of these things are allowing productivity to grow so rapidly that it will be a continuous upswing." If that were true, I would not have said the unpleasant things that I said to my broker when some of those technology wonders went into the dumpster.

**Senator Stratton:** The bubble burst.

**Senator Bryden:** Exactly. However, it was not supposed to be a bubble. It was supposed to be the new paradigm.

As parliamentarians, we must be cautious. As appointed parliamentarians, we cannot put a fine edge on trying to predict what will happen based on the past. If things do not move less rapidly now, they can move dramatically. If one were to ask an economist today whether the downturn that we are in will be shaped like a V or a U — and by "V" I mean the V that happened in 1987 and the longer downturn — one would receive almost equal opinions on absolutely opposite sides.

[ Senator Cools ]

I mentioned philosophy the other day and my old philosophy professor's comment on why economists were constantly predicting the future of the economy on the radio and in the press. When he was asked that question, he said, "Well, it certainly is not because they know. I think it is because they are asked."

• (1700)

**Senator Stratton:** Surely to goodness, would the honourable senator not expect the Minister of Finance to look at what is likely to happen in the next fiscal year and to ask his economists to look into their crystal balls and to do various case scenarios about what happens if the economy does this or that? Would they not do that?

**Senator Bryden:** Yes, honourable senators, I would be very surprised if they did not do that. However, in a normal situation, a budget would be forthcoming in February. It is not sufficient for the Minister of Finance to give guidance to the country, as I understand it, by suggesting that the finance officials believe that we will likely be in a specific situation but for the "what ifs." Canada would demand of a minister of any political party that there be at least some definitive view on what will happen.

Some of that will occur when the financial update occurs, either next month or the month after. However, I would enjoy it if I could actually see the spreadsheets from those "what ifs" that were run in July 2000 and compare them to the spreadsheets that were run in March of this year. Senator Stratton and I would think that we were looking at the spreadsheets from two different countries because things have changed so rapidly. Those things should be prepared and presented. I am hopeful that the Minister of Finance will present his financial update as soon as possible on the best evidence that he has.

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

**Hon. Senators:** Agreed.

Motion agreed to and report adopted.

## PROCEEDS OF CRIME (MONEY LAUNDERING) ACT

BILL TO AMEND—THIRD READING—ORDER STANDS

On the Order:

Third reading of Bill S-16, to amend the Proceeds of Crime (Money Laundering) Act.

**The Hon. the Speaker:** Honourable senators, I request that this bill stand. As honourable senators know, a request was made by Senator Kinsella for a ruling on this bill, which I intend to make tomorrow.

Order stands.



**APPROPRIATION BILL NO. 3, 2000-01**

## SECOND READING

**Hon. Isobel Finnerty** moved the second reading of Bill C-20, for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2001.

She said: Honourable senators, this bill, Appropriation Act No. 3, 2000-01, provides for the release of the Supplementary Estimates (A) amounting to \$2.6 billion, which were tabled in the Senate on March 1, 2001, and referred to the Standing Senate Committee on National Finance. These are the final Supplementary Estimates for the fiscal year ending March 31, 2001.

The 2000-01 Supplementary Estimates (A) seek parliamentary approval to spend \$2.6 billion on expenditures that were provided for within the \$161.9 billion in overall planned spending announced in the October 2000 economic statement and budget update, but not included in the 2000-01 Main Estimates or the Governor General's special warrants. These Estimates were discussed in some detail with Treasury Board Secretariat officials before the National Finance Committee on March 13.

Major items in these Supplementary Estimates include \$195.4 million for funds to departments and agencies to compensate for the impact of collective agreements, and \$140.8 million for 25 departments and agencies for operational needs originally provided for in 1999-2000.

Items affecting a single organization are as follows: \$595.4 million additional funding for National Defence to support essential operating and capital requirements; \$206.7 million for three claim settlements to the Department of Indian and Northern Affairs for recently concluded negotiations; \$140 million for Industry Canada for genome centres to improve coordination of genomic research; \$116 million to the Canadian International Development Agency for assistance to developing countries; \$101 million for Treasury Board Secretariat for increased cost of public service insurance; \$71.3 million for enhancements to new the Canadian Institutes of Health Research; \$64.4 million for Health Canada for priority health initiatives announced in the 1999-2000 budgets.

Honourable senators, the above represents \$1.6 billion of the \$2.6 billion for which parliamentary approval is sought. The \$1-billion balance is spread among other departments and agencies. Details are included in the Supplementary Estimates.

As for statutory spending, major statutory items in projected spending amounts are as follows: \$3 billion for statutory payments for pay equity settlements reached with the Public Service Alliance of Canada; \$4 billion for the Department of Finance for health care, including \$2.5 billion to the Canada Health and Social Transfer announced in the February 2000 budget, \$1 billion to the provinces and territories for purchasing and installing medical diagnostic and treatment equipment, and \$500 million for health care requirements for information and

communications technology; a forecast increase of \$1.2 billion in equalization payments to the provinces; a \$200 million forecast increase in public debt charges; \$170 million for the Chief Electoral Officer for the last general election and by-election in 2000; \$145.5 million for the Canadian International Development Agency for Canada's commitment to replenish the African Development Fund; a forecast increase of \$79 million in payments for Old Age Security and the Guaranteed Income Supplement and Allowance; a forecast decrease of \$309 million for grants to the trustees of the Registered Education Savings Plan; a forecast decrease of \$87 million in expenditures for the Canada Student Loans Program; and a forecast increase of \$1.8 billion for loans disbursed under the Canada Student Loans Program. These major statutory items represent adjustments totalling \$10.2 billion. Details of the \$80.6-million balance spread among several departments are included in the Supplementary Estimates.

Honourable senators, should you require additional information, I would be pleased to provide it for you.

**The Hon. the Speaker:** If no other honourable senator wishes to speak, is it your pleasure, honourable senators, to adopt the motion?

**Hon. Senators:** Agreed.

Motion agreed to and bill read second time.

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

On motion of Senator Finnerty, bill placed on the Orders of the Day for third reading at the next sitting of the Senate.

**APPROPRIATION BILL NO. 1, 2001-02**

## SECOND READING

**Hon. Isobel Finnerty** moved the second reading of Bill C-21, for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2002.

She said: Honourable senators, this bill, Appropriation Act No. 1, 2001-02, provides for the release of interim supply for the Main Estimates of \$16.3 billion. These Main Estimates were tabled in the Senate and in the other place on February 27.

• (1710)

They total \$165.2 billion, an increase of \$9 billion, or 5.8 per cent, over the Main Estimates of the previous year. They reflect the expenditure plan in the Minister of Finance's October 2000 statement and budget update. These include provisions for further spending under statutory programs or for authorities that will be sought through Supplementary Estimates. The budget also provides for the re-evaluation of government assets and liabilities and makes allowance for the anticipated lapse of spending authority.

As all honourable senators know, the government asks Parliament to support its request for authority to spend public funds. Estimates include information on budgetary and non-budgetary spending authorities. Subsequently, Parliament will consider appropriation bills to authorize spending. Budgetary expenditures include the following: the cost of servicing the public debt; operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and the payments to Crown corporations.

Non-budgetary expenditures include loans, investments and advances representing changes in the composition of the financial assets of the Government of Canada.

These Main Estimates support the government's request for Parliament's authority to spend \$52.4 billion for which annual approval is required. The remaining \$112.8 billion, or 69 per cent of the total, is statutory. These Estimates were discussed with the Treasury Board Secretariat officials when they met the Senate National Finance Committee on March 14. Here is an overview of the major changes in the 2001-02 Main Estimates.

**Budgetary Main Estimates:** Some major increases are \$3.8 billion for Canada Health and Social Transfer payments to the provinces; \$1.4 billion for direct transfers to individuals, for example, Old Age Security, the guaranteed income supplements, et cetera; \$957 million in fiscal equalization payments to the provinces; \$596.1 million for National Defence spending; \$360.3 million for the new Infrastructure Canada Program; \$195.2 million for employee contributions to insurance plans for the public service employees; \$116.2 million for the 2001 census scheduled for May 15, 2001; \$114.9 million for the Indian and Inuit initiatives to help Indians and Inuit achieve self-government, and economic, social and cultural aspirations; \$100 million for transfer payments to the territorial governments; \$82.5 million relating to the establishment of the Canadian Tourism Commission as a Crown corporation on January 2, 2001; \$77.6 million in payments to the Jacques Cartier and Champlain Bridges Inc. primarily to cover necessary major maintenance work for the replacement of the deck on the Jacques Cartier Bridge; \$77.4 million in payments to VIA Rail Canada to revitalize its fleet; \$58.1 million in assessed contributions to the United Nations for new peacekeeping operations; \$56 million in payments under the Technology Partnerships Canada Program; \$55 million for the Canada Health Infrastructure initiatives; and \$50 million for the Canadian magazine industry initiative.

Some of the major decreases include the following: \$300 million for the reduction in the forecast of the public debt interest and servicing costs; \$265.7 million due to the decrease in resources related to assistance activities to Kosovo, as well as the termination of the Canadian Forces presence in Kosovo; \$245 million for the reduction in grants to the trustees of the Registered Educational Savings Program; \$204 million for the Canada Student Loans Program, due to changes in financing arrangements for student loans and student assistance as a result of the move to directly financed students loans; \$174.4 million

[ Senator Finnerty ]

for the decrease in repayment terms for loans advanced to departments and agencies to meet the government's wide priority of Year 2000 readiness; \$81.3 million in compensation for collective agreements; \$72.3 million for the decrease due to the budgetary transfer for the establishment of the Canadian Tourism Commission as a Crown corporation; \$67.1 million owing to the winding down of the Millennium Bureau's activities in 2000-2002 on millennium activities, projects and celebrations.

Non-budgetary Main Estimates, major increases, \$1.9 billion for estimated direct loans made to students under the new direct financing of the student loans program; major decreases, \$437.9 million in non-budgetary payments to a variety of international financial institutions.

Honourable senators, should you require additional information, I would be pleased to provide it for you.

**Hon. Shirley Maheu (The Hon. the Acting Speaker):** Is it your pleasure, honourable senators, to adopt the motion?

Motion agreed to and bill read second time.

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

On motion of Senator Finnerty, bill placed on Orders of the Day for third reading at the next sitting of the Senate.

[*Translation*]

## CUSTOMS ACT

BILL TO AMEND—SECOND READING  
DEBATE ADJOURNED

**Hon. Raymond C. Setlawa** moved the second reading of Bill S-23, to amend the Customs Act and to make related amendments to other Acts.

He said: Honourable senators, it is a pleasure to speak today on an innovative plan that will modernize our customs operations and, in the end, improve the safety of Canadians.

As honourable senators are aware, the Customs Action Plan, which has led to Bill S-23, will simplify our border operations and make a reality of our new vision of border and trade policy administration.

Thanks to the amendments proposed in Bill S-23, the government will combine modern advanced risk management techniques with the use of modern technology that will provide pre-arrival information and pre-authorization.

These methods will help the Canada Customs and Revenue Agency, the CCRA, to expedite the movement of low risk passengers and goods, while concentrating efforts on goods and passengers presenting high or unknown risks.

The Action Plan will make it possible for our customs activities to be more beneficial for all Canadians.

[*English*]

International trade and tourism are considered the lifeblood of the Canadian economy. Trade agreements with a number of our major trading partners — agreements such as NAFTA, the Canada-United States Accord on Our Shared Border and the Canada-United States Partnership — have all been very successful.

In order to support this government's trade agreements and its agenda for trade and tourism, we need to modernize the way we carry out our customs operations.

[*Translation*]

Today's context is characterized by globalization, the emergence and expansion of regional trade blocks, rapid technological development, and innovative business management. That is why we want to reduce as far as possible any needless interference in legitimate trade and tourism activities.

The elimination of custom duties between Canada and the United States has also helped stimulate trade exchanges and the productive strengths of both our economies. In fact, border activity is constantly expanding.

In 1999, Canadian customs authorities recorded half a million more customs releases than the year before. As well, we recorded more than \$300 billion in imports, according to trade declarations.

In excess of 108 million travellers cross our borders every year, more than 80 per cent of these from the United States.

Not surprisingly in the least, all of this economic activity has had considerable impact on customs operations on both sides of the border.

[*English*]

- (1720)

Over the five past years, the volumes of trade and travel have steadily increased while our resources have declined. The CCRA's dual mandate of trade and travel facilitation and protection have been seriously put to the test.

The customs action plan is a critical investment in the future and will allow us to become one of the most modern border agencies in the world. By providing innovative solutions to the problems we face today, it ensures that our customs processes will not be an impediment to Canadian prosperity.

The approach outlined in the action plan — and which the provisions of Bill S-23 put into place — features a

comprehensive risk management system incorporating principles of self-assessment, advance information and pre-approval, all supported by technology.

In the past, we have changed business practices and embraced advancing technology, both of which have helped us keep pace with import traffic. Our vast range of services and enforcement initiatives support the competitiveness of business while still ensuring the protection of Canadians. We have learned through experience that the smart way to do business is to electronically obtain release for shipments before they arrive at the border. Similarly, in a traveller environment, it would be wise to learn more about passengers before they arrive to help mitigate risk.

[*Translation*]

Honourable senators, this approach based on risk management will be supported by a system of effective and equitable sanctions reflecting the type and gravity of the contravention.

Bill S-23 provides specific intervention measures — from warnings to fines — that leave those who decide not to abide by the rules to face serious consequences.

Another provision of S-23 will permit a less official administrative examination and the extension of certain time limits out of a concern for fairness and harmonization with other tax legislation. It will permit clients to appeal penalties or CCRA decisions, in certain circumstances.

It also contains a provision allowing for third parties to request remedy in the context of a simple examination process before the matter is taken to court. Advance rulings on the tariff classification of merchandise, currently based on the law, will now inform importers of certain situations and give them broader appeal rights.

Bill S-23 will harmonize the mechanisms for collection and restrictions with respect to the amounts due to customs, since garnishment will be possible and the shared responsibility of associates may be cited.

Another provision provides for the harmonization of deadlines for payments and the date the interest provided in the Special Import Measures Act with provisions of the Customs Act respecting payment, reimbursement and interest.

Essentially, businesses and individuals with a good record of being law abiding should benefit. They will be offered options that will make it easier to cross the border.

[*English*]

Part of the action plan involves the introduction of the Customs Self-Assessment program. This program is a direct result of consultations with the trade community and was highlighted as its number one priority.

The CSA is based on the principles of risk management and partnerships — partnerships with those clients who have proven track records. Approved importers will be able to use their own business systems to meet their trade data and revenue requirements, a complete self-assessment environment supported by audit activities.

The benefits of the CSA program are not just limited to the accounting and payment aspects of the customs program. CSA also streamlines the customs clearance process, bringing greater speed and certainty to importing goods.

Honourable senators, traders will welcome the provisions for advance information and pre-approval programs contained in Bill S-23.

The CSA eliminates the need for any transactional information related to eligible goods. All that is needed is the identity of the approved importer, the approved carrier and the registered driver when CSA goods arrive.

[*Translation*]

Travellers will benefit from the Customs Action Plan.

Many of you have heard of the CANPASS-Highway program that was tested in recent years at a number of locations. That program, which requires participants to get a permit, allows pre-authorized travellers to use reserved lanes to avoid usual customs procedures. The testing of this program and other components of the CANPASS program demonstrated their feasibility and effectiveness.

The amendments to the Customs Act proposed in Bill S-23 will allow us to implement these programs on a permanent basis, from coast to coast.

[*English*]

Another example, created jointly by the Government of Canada and the Canadian Airports Council, is the Expedited Passenger Processing System, EPPS. Under this new and innovative program, EPPS participants will be able to use an automated kiosk that will confirm their identity and membership in the program and facilitate entry into Canada.

Another exciting initiative is the harmonized highway pilot, also known as NEXUS, at the Blue Water Bridge between Sarnia, Ontario, and Port Huron, Michigan. NEXUS' goal is to provide a seamless service to pre-approved travellers entering Canada and the U.S. at these border points, using technology and a common card.

The Customs Action Plan will serve Canadians well by improving the flow of people and goods across the border and by strengthening our ability to protect them.

[ Senator Setlakwe ]

[*Translation*]

The CCRA's mandate is to ensure the implementation and enforcement of the laws governing the movement of people and goods entering and leaving the country.

Our new clearance system will allow us to get as much information as possible before the arrival of people and goods at the border. Getting this information in advance will allow our customs officers to make informed decisions before the arrival of goods and people, thus facilitating the movement of legitimate travellers and goods.

However, the CCRA will still conduct random customs searches and we will continue to rely on the intuition of its experienced and well trained customs officers. Another clause of Bill S-23 will improve existing legislative provisions to better protect personal information on travellers.

[*English*]

Honourable senators, Bill S-23 will prescribe specific circumstances for disclosure of information; when the information may be collected by customs officers; how the information is to be used; and under what circumstances, conditions and for what purposes it can be disclosed.

Compliance is the key to success. Bill S-23 is designed to improve compliance among travellers and traders. Higher compliance levels ultimately benefit our clients because they lead to fewer examinations and audits.

Improved service and streamlined processing will allow the CCRA to offer positive reinforcement of the benefits of voluntary compliance.

[*Translation*]

There will continue to be random checks to ensure compliance with Canada's customs laws and regulations.

Honourable senators, opposing Bill S-23 could have serious consequences. The government's program, which consists in promoting trade and investment in Canada, will only be successful if it is supported by the Customs Action Plan and by the amendments included in Bill S-23.

Honourable senators, Bill S-23 is, in my opinion, a daring and innovative step forward in our efforts to modernize Canada's border and customs procedures.

By working as a special partner with other departments and government organizations, the CCRA will have the power to streamline as much as possible customs procedures, as they apply to legitimate trade. The CCRA will also be in a better position to do what most Canadians feel is absolutely essential: to make our streets safe and to protect our communities by enforcing Canada's laws and sovereignty at the border.

On motion of Senator Kinsella, debate adjourned.

[English]

• (1730)

## RECOGNITION AND COMMEMORATION OF ARMENIAN GENOCIDE

### NOTICE OF MOTION

Leave having been given to revert to Notices of Motions:

**Hon. Shirley Maheu:** Honourable senators, I give notice that on Thursday, March 29, 2001, I will move:

That this house:

(a) Calls upon the Government of Canada to recognize the genocide of the Armenians and to condemn any attempt to deny or distort a historical truth as being anything less than genocide, a crime against humanity.

(b) Designates April 24 of every year hereafter throughout Canada as a day of remembrance of the 1.5 million Armenians who fell victim to the first genocide of the twentieth century.

## STATISTICS ACT NATIONAL ARCHIVES OF CANADA ACT

### BILL TO AMEND—SECOND READING

On the Order:

Resuming debate on the motion of the Honourable Senator Milne, seconded by the Honourable Senator Finnerty, for the second reading of Bill S-12, to amend the Statistics Act and the National Archives of Canada Act (census records).—(*Honourable Senator Murray, P.C.*)

**Hon. Lowell Murray:** Honourable senators, Bill S-12 is a Senate public bill brought forward by Senator Milne. I am speaking to it as a private member in that I have neither sought nor received authorization to speak on behalf of anyone but myself.

I will not support this bill without serious amendments to it having been first made. That being said, I cheerfully concede that there is a constituency of support for the bill in the country. That constituency consists primarily of genealogists or, more particularly, people who are interested in genealogy and in tracing their own family history. There is also some support for the bill among some historians, which support I cannot quantify.

The purpose of the bill is to allow the government to make public the individual census returns of Canadians 92 years after this personal information has been collected for census purposes. I would ask honourable senators to consider the merits of the bill in two phases. Obviously, if the bill became law it would apply to

individual census returns in all future censuses. Unusually, however, this bill would have retroactive effect. It would apply to all censuses since the year 1906.

To place that in some historical context, the first national census post-Confederation was conducted in 1871. National censuses were taken at 10-year intervals thereafter until 1956, when we started conducting them every five years. From 1906 until 1946, a mid-decade census was taken only in Western Canada.

All personal data from the censuses of 1871, 1881, 1891, and 1901 have been released by the government pursuant to the 1983 Privacy Act, which, through its regulations, has the 92-year rule.

A campaign started a few years ago to have the government release the personal data from the 1906 census in 1998, after 92 years, and to release the personal data from the 1911 census in the year 2003. This, the government has refused to do. The government has taken the legal position that it is constrained from doing so, that it is obliged to keep the personal data in these individual returns confidential because of regulations passed, first, under the 1905 and 1906 Census and Statistics Act and regulations that were passed in 1906 and 1911, and because of a provision that was actually written into the Statistics Act in 1918 that prevents the disclosure of personal information collected in the course of the census.

I will quote a brief excerpt from the regulations and from the 1918 act. Pursuant to the regulations under the 1905 and 1906 Census and Statistics Act, which regulations were promulgated in 1906 and again in 1911, officials were required to:

...keep inviolate the secrecy of the information gathered by enumerators and entered in the schedules or forms. An enumerator is not permitted to show his schedules to any other person, nor to make or keep a copy of them, not to answer any questions regarding their contents directly or indirectly, and the same obligation of secrecy is imposed to commissioners and other officers or employees of the outside service, as well as upon every officer, clerk or other employee of the Census and Statistics Offices at Ottawa. The facts and statistics of the census may not be used except for statistical compilation, and positive assurance should be given on this point if a fear is entertained by any person that they may be used for taxation or any other object.

I shall also read the relevant excerpts from the 1918 Statistics Act. Section 15(1) reads as follows:

No individual return, and no part of an individual return, made, and no answer to any question put, for the purposes of this Act, shall, without the previous consent of the person or of the owner for the time being of the undertaking in relation to which the return or answer was made or given, be published, nor, except for the purposes of a prosecution under this Act, shall any person not engaged in connection with the Census be permitted to see any such individual return or any part of any individual return.

• (1740)

Section 15(2) reads as follows:

No report, summary of statistics or other publication under this Act shall contain any of the particulars comprised in any individual return so arranged as to enable any person to identify any particulars so published as being particulars relating to any individual person or business.

As a layman, I think that those regulations from 1906 and 1911, and that provision of the 1918 act, are as clear as clear can be. I should add that I am informed, although I have not eyeballed it myself, that subsequent legislation in 1948, 1970, 1971 and 1972 specifically prohibits the disclosure of personal information collected in the course of all the censuses from 1921 right through to the census that will be taken later this year.

The position of the government, I think properly, in response to the campaign that was undertaken several years ago to have the government release the personal data starting with 1906 in 1998, and 1911 in 2003, has been that they are forbidden from doing so by the law, that those regulations, and obviously the provisions of the 1918 act, still have the force of law.

I should like to say a word about the arguments that are used by the people who want this information disclosed. If I do not do justice to them, I am sure Senator Milne will do so when she closes the debate.

First, there is, of course, an obvious interest on the part of many Canadians — and I do not know how many, but it seems to be a fairly important, shall I say, lobby — to trace family history. This is understandable and commendable. To add to this the fact that there is a potential need, perhaps even a pressing need, on the part of some people to obtain personal information about their families and family background that will be relevant in the light of modern advances in medical research and genetics, I say in parentheses that I do not understand quite how a lot of the census information, particularly that taken in earlier years, would be much help in the case of medical genetics.

However, let us accept the argument as being valid. I am of the view that, in the case of people who want to trace their own family histories, for whatever reason, it should be possible, even retroactively, to make some exceptions with proper safeguards for this activity. We are always talking about trying to strike the right balance between the right to privacy, which in this case I say is enshrined in the laws to which I have referred, and the right to or the need for access to information. The former commissioner of privacy, Mr. Phillips, suggested that it would be possible to make an exception for genealogical activity in such a way that the information on families could be segregated. In other words, if I wanted to trace, to pursue my own family

[ Senator Murray ]

history, I could do that without trolling through the family history of my colleagues, friends and neighbours. I put that out as being one possibility of an acceptable and honourable compromise which, in principle, I would certainly support.

I am not at all convinced by the arguments that are made by some historians for making public all of this personal census information. I understand the desire of historians to have as much information as they possibly can on any given subject. I think we know that to historians there is no detail, no matter how small, there is no scrap of paper, no matter how insignificant, that is irrelevant to their pursuits. Naturally, they like to know everything about everyone.

Nevertheless, I do not think that the understandable desire of these scholars for more and more information justifies the invasion of privacy that would be involved in acceding to their demands. I say that my opposition to doing so is reinforced by the fact that what we are being asked to do in this bill is to revoke retroactively a secrecy provision that has been in the law since 1906. My opposition to do so is also reinforced by the fact that personal census returns have become in recent years, certainly in the past let us say half century, increasingly intrusive, collecting much more in the way of personal, even intimate, information about individuals and their families. This information is collected from Canadians under the compulsion of law and the trade off is that of confidentiality.

In 1999, the government appointed an expert panel on access to historical research records. The mandate given to it was expressed in two questions. The first was: What are the elements of the difference of opinions between Canadians who would seek to maintain the protection of personal information and those who would like to examine personal or community histories? The second was: What options exist to provide access to historical census records?

I think I detect a slight bias in the way the mandate was phrased. There is no lack of access to historical census records in the aggregate. What we are talking about here is access to personal information, to individual returns. I get the impression that Mr. Manley, who was then the minister responsible for Statistics Canada, was tilting a bit toward the campaign that was then underway to have this material released. In any case, he asked for options, and the panel did not disappoint him.

In its report, the panel said that the government could go ahead right now and release the personal data from the 1906 and 1911 censuses. The panel clearly disagrees with the legal position of the government to the effect that the regulations of 1906 and 1911 prevent that from happening.

• (1750)

With respect to the personal data collected in censuses after 1918, the panel seems to think that legislation would probably be necessary. This distinction need not concern us for the moment because Senator Milne, out of an abundance of caution and prudence, has made her bill retroactive to everything from 1906 on.

What should concern us, however, are the reasons advanced by the panel for this retroactive action. First, the panel points out that nowhere in the regulations of 1906 and 1911, nowhere in the law of 1918 and nowhere in the parliamentary debates on those matters do they find the words “perpetual,” “eternal,” “forever.” On that basis, they say, “If words like ‘perpetual,’ ‘eternal’ and ‘forever’ are not in the statute, then surely it must have been intended at some point to release the information.”

Honourable senators, I have read you both the regulations and the statute from 1918. I believe those are clear. The idea that the absence in those laws of words like “perpetual,” “eternal” and “forever” could justify legally, politically or morally the retroactive annulment of a confidentiality provision seems to me to be a very flimsy pretext by this panel to justify the conclusion and the recommendation they are making.

Their second argument is that it should be possible to infer from the fact that at some point a few generations ago it was decided that all the information would be transferred to the National Archives there is some intention, implicit, to release the information down the road. There, again, I do not think this follows at all. The fact that the information was being transferred to the archives “for future reference” does not imply an intention to release that personal information publicly. In any case, the law is well understood by the government, by Statistics Canada, by the public, by the National Archives of Canada and by the sponsor of this bill. The law prevents the retroactive release of this information. My friend has brought in a bill to have the law changed retroactively.

The third argument that the panel has advanced is international comparisons. They point out that in the United States there is a 72-year rule, that in Great Britain there is a 100-year rule, and that in Australia, starting now, they will have a 99-year rule in respect of personal data, provided that the individual respondent has given his or her consent to the eventual release of the data. Until very recently, it was the custom and the law in Australia to destroy all of this information, for cultural and historic reasons that concern Australia and need not detain us.

Honourable senators, I believe that none of these three arguments put forward justifies this retroactive legislation. Furthermore, no convincing argument has been put forward that the national interest would require this retroactive action by Parliament. If an argument of pressing national interest had been put forward, we would have to weigh it because there are no absolutes in this business. The only compromise that would be justifiable in terms of personal information relating to individuals is a compromise, an exception, for people wanting to trace their own family history, with safeguards written into it.

As far as the future is concerned, I point out that approximately 20 per cent of all respondents are required to answer the long form of the census. The long form is getting to be quite a long form and the information demanded of you is, in some cases, quite intrusive. It is taken under compulsion of law, with the guarantee of confidentiality. Therefore, if the

government, or Statistics Canada, or whomever, wants to release this personal information taken in future censuses, it is a very simple matter. There should be a place on the form whereby an individual respondent who wishes to give his or her consent to the eventual release of personal information could so indicate. This, as I pointed out, is done in Australia. For whatever reason, the expert panel of the government also rejected this idea of a consent being required by individual respondents.

Honourable senators, this question of privacy is a very important one. My bias in weighing balance is always in favour of privacy. I acknowledge that. We must be conscious and vigilant on the question of privacy. I congratulate our friend Senator Finestone, who has brought forward, in the form of a private member’s bill last week, a proposed federal privacy charter.

Let me say a word now about the context in which this bill is coming forward. In 1983, we passed legislation, the Privacy Act, to protect personal information that is collected by the government for official purposes. I think it is a pretty good act. When I came to look at it more closely in recent days, however, I found that some of the key issues are dealt with not in the act itself but in regulations passed under the act. Those issues include the length of time the government may hold this personal information in its possession, the circumstances under which this personal information may be released publicly, and so forth. These are issues central to the issue of privacy and we should never have let them get out of our hands. These are issues that should form part of the act and should be debated in Parliament and not left to a committee of ministers to pass them into law in the form of regulations, which is what happened. That is one problem that I want to flag for you.

Second, we passed Bill C-6 late in the last Parliament. That legislation protects the privacy of personal information collected on you for commercial reasons, for example, information collected by your credit card company, your insurance company, your bank or whatever. I thought it was a terrific bill and as such gave it my complete support, as we did on this side of the house. There are some problems about the health sector, but these are being resolved as we speak. There was also an element in that bill that got away from us. At the last minute, I attempted to have a subclause excised from the proposed legislation. My attempt was unsuccessful, but I intend to come back to it. It permits the disclosure 20 years after the death of an individual of personal information collected on that individual for commercial purposes.

This is not tombstone information collected by the government. This is information collected by your credit card company or your mortgage company or your insurance company, or whatever. I cannot see for the life of me why we should permit, under any circumstances, that information to be disclosed. I intend to —

**The Hon. the Speaker:** Honourable Senator Murray, I must interrupt now to observe that it is six o’clock.

**Senator Murray:** I will wind up immediately.

**The Hon. the Speaker:** Is it your wish, honourable senators, that the clock not be seen?

**Hon. Senators:** Agreed.

**Senator Murray:** Honourable senators, the philosophy seems to be that the passage of time diminishes the concerns about individual privacy. The philosophy seems to be that your right to privacy dies with you. In fact, I am informed by some legal experts we had before the committee that this is the case, that in fact your right to privacy dies with you. I do not think that is a view Parliament should take. I do not think it is the right view.

In my opinion on this bill, we could properly provide access to personal census information in the future by giving the individual respondent the right to consent or not to its disclosure. As for past censuses, I am opposed to retroactive legislation. I would compromise only to the extent of permitting exceptions with careful safeguards in the case of those who wish to do research on their own family histories.

• (1800)

**The Hon. the Speaker:** Honourable senators, I wish to clarify that it is our agreement that I not see the clock and, accordingly, we will proceed with the next speaker. I must advise that if Senator Milne speaks now, her speech will have the effect of closing the debate on the motion for second reading of this bill.

**Hon. Lorna Milne:** Honourable senators, I am sure that some of my colleagues in this chamber will be delighted to have the debate closed on this particular issue.

Before I begin, rather than leave unaddressed some of the statements that Senator Murray has made on the record, I should make a few factual corrections. The first comprehensive census that was made in Canada, or in the area that is now known as Canada, was not in 1871. The first census in Quebec was in the 1600s. The first census taken from the Maritime region of Canada was in the early 1800s. The first comprehensive census for all of the regions that would become Canada was made in 1841.

**Senator Murray:** I said post-Confederation.

**Senator Milne:** Yes, now you have said it, Senator Murray.

In 1851, the first comprehensive census was taken in Canada and the questions were almost identical to the ones taken in 1861, 1871, 1881, 1891, 1901, 1911 and from then on right through until the time of the Second World War. The questions varied in only minor respects.

The regulations for the census were also identical. The wording for the regulations in the 1901 census, and I believe also in the 1891 census, was the same, word-for-word, as the ones for the 1906 census and the 1911 census, which are the ones we are quibbling about releasing. Those censuses were released with

absolutely no adverse effect to anyone. There never has been a complaint about the release of historic census data.

I believe, and Canadians obviously believed at that time, that the regulations were intended to apply to the people who were employed at that time by Census Canada, or its predecessors, to take the census. They were not intended to apply to future census takers 92 years from now. They were intended for the contemporary census takers. When anyone is hired by Census Canada to take the census, they swear an oath that they will not run down the road and reveal to all their neighbours what they have learned from another neighbour. The point was that this data would be kept secret from their contemporary friends and neighbours, as Senator Murray has pointed out.

I wonder if, 92 years hence, Senator Murray would object to the senators sitting around him knowing his answers to the census. I suspect that neither he nor other honourable senators will be around.

Canadian history is more than stories about Canadian politicians, scientists, leaders and authors. It is about our own personal histories as well. Canadian history has a story to tell about how each one of us got where we are today. It is about our personal culture, our families and about the lives our ancestors lived. Indeed, there is as much value in learning about our families as there is in learning about the great and powerful people who lead our country. In order to know who we are as individuals, as well as citizens of Canada, I believe it is crucial to know where we have been.

Honourable senators, census records are the most accurate, complete and trustworthy source of information on the history of individual Canadian families. They are the only records that tie people together in families. Any genealogist will tell you, as Senator Murray has pointed out, that these records form the backbone of much of the research genealogists do about our past. These records are, in a sense, the keys that unlock the millions of individual histories of all Canadians.

Unfortunately, those Canadians who wish to study their family's personal histories will no longer be able to use the census records for their research. As a result of the modern interpretation of regulations that were put in place over a century ago and because of the legislation that was enacted in 1918, as Senator Murray has pointed out, these records have been deemed private and will never be released to the public. This bill is intended to correct that error.

Honourable senators, the effect of this bill is straightforward and, in fact, balances the interests of those who wish to study their own history and those who are concerned about privacy. The bill requires Statistics Canada to transfer census records to the National Archives within 30 years of the date of the census. The National Archives is then required to store and preserve this fundamental part of Canadian history and may release the information 92 years after the date of the census. In order to maintain the privacy of those who want it, any person may request that their records not be released, so long as the request comes during the last year before the scheduled 92-year release of the census.



Honourable senators, I believe this bill is well balanced and considered. It is the product of many consultations with many stakeholders, including the Chief Statistician, the National Archivist, the Privacy Commissioner and others, to try and arrive at a workable solution.

Honourable senators, I urge you to keep the history of individual Canadians alive by passing this bill in due course. I look forward to discussing it in committee and to hearing Senator Murray's amendments.

**The Hon. the Speaker:** It was moved by the Honourable Senator Milne, seconded by the Senator Finnerty, that this bill be read a second time.

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

**Hon. Senators:** Agreed.

Motion agreed to and bill read second time.

REFERRED TO COMMITTEE

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

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

• (1810)

## FOOD AND DRUGS ACT

BILL TO AMEND—SECOND READING—DEBATE CONTINUED

On the Order:

Resuming debate on the motion of the Honourable Senator Grafstein, seconded by the Honourable Senator Corbin, for the second reading of Bill S-18, to amend the Food and Drugs Act (clean drinking water).—(*Honourable Senator Kinsella*).

**Hon. Noël A. Kinsella (Deputy Leader of the Opposition):** Honourable senators, I will give the abbreviated form of my second reading speech on this bill. I am mindful of the time and of your indulgence.

The point I should like to underscore is that last Thursday we marked World Water Day. I think the issue of clean water has become something that not only we in Canada but, indeed, people around the world are moving to the front burner of pressing issues. This is why we had provided, in our alternative speech in reply to the Address to the Speech from the Throne, that there ought to be, as a matter of policy in this Parliament, an undertaking to introduce clean water legislation.

We note that this was the explicit undertaking that the Progressive Conservative Party of Canada made. I should like to simply place on the record that our platform states that a

Progressive Conservative government would introduce a safe water act, legislating and ensuring safe drinking water and quality standards for Canadians that would be harmonized with the provinces and the territories. Everyone across Canada should have the same security in knowing their water is safe.

A Progressive Conservative government would enshrine into law and harmonize with the provinces and the territories Health Canada's guidelines for drinking water. As a result, any municipal water source in non-compliance would be immediately disclosed to the public. Transparency concerning the water supply will build the confidence that Canadians deserve.

A Progressive Conservative government would ensure that investment is channelled into a green municipal infrastructure to ensure safe drinking water and more effective waste management systems.

Finally, a Progressive Conservative government would seek to harmonize with the provincial and the territorial governments standards on the storage of products and activities that are permitted near municipal water wells as well as surface-based water supplies.

Honourable senators, it is easy for me to rise and enthusiastically embrace the principle of Senator Grafstein's bill because that is exactly what we undertook to do. It was clearly articulated in our platform, unlike some other platforms. Indeed, regrettably, we must note that the present government is not only refusing to implement promises made in their platform, but they are seen in some instances to be directly opposing measures to implement Red Book commitments, such as that dealing with the Ethics Counsellor being responsible to Parliament, something which was explicitly provided for in the Red Book and supported by some members of the government and those on the other side in the other place.

In bringing this bill forward, I concur directly with the initiative undertaken by Senator Grafstein. I am mindful of the hour. I think I have made my point.

On motion of Senator Robichaud, debate adjourned.

## QUESTION OF PRIVILEGE

UNEQUAL TREATMENT OF SENATORS

**Hon. Pat Carney:** Honourable senators, I rise on a question of privilege today concerning the unequal treatment of senators, by senators, under the *Rules of the Senate*. The specific rule to which I am referring to is rule 37(4), which states:

37. Except as otherwise provided in these rules, or as otherwise ordered by the Senate:

(4) Except as provided in sections (2) and (3) above, no Senator shall speak for more than fifteen minutes, inclusive of any question or comments from other Senators which the Senator may permit in the course of his or her remarks.

Section 5 notes that the Clerk of the Senate shall keep a record of the time taken by each senator in the debate. The clerk shall inform the Speaker whenever a senator is about to exceed the time limits. The Speaker then calls the matter to the attention of the senator. When the senator's time has expired, the Speaker shall call that senator to order.

If the senator is in mid-sentence or clearly near the end of his or her speech, according to custom, the Speaker asks leave of the Senate to permit the senator to continue. According to precedent, the Senate agrees, and the senator is allowed to conclude his or her remarks and have them duly recorded in Hansard.

That rule and that custom and that precedent were unequally applied on Thursday, March 15, and that is the essence of my claim that my privileges as a senator have been breached.

On March 15, my colleague, Senator Nolin, a Quebec senator, spoke on the important question of the growth and the protection of francophone communities outside Quebec and federal government inaction on the issue. When Senator Nolin reached the time limit for his speech, he asked leave to continue. The Speaker put the question to the Senate and leave was granted. Senator Nolin continued for at least another three minutes, according to the Hansard report of his remarks.

Subsequently, on the same afternoon, I made a speech reporting on my letter to the Premier of British Columbia, in which I noted the existence of the Senatorial Selection Act which is still on the books of the B.C. legislature and which sets out the procedure for the election of senators in that province. I noted that the two important preconditions for an election of a senator — a Senate vacancy and an imminent provincial election — currently exist. In my speech, I recounted my offer to vacate my seat to an elected senator from B.C. if the Prime Minister would agree to appoint elected senators to fill my seat and that of Senator Ray Perrault. I think that many senators might agree that the issue and my offer was a matter of some significance.

When I was only three sentences from the end of my speech, I asked leave of the Senate to complete it. The time involved would have been about 25 seconds; I have timed them. Yet when the Speaker asked if leave was granted, two senators, Senator Finestone from Quebec and Deputy Leader of the Government Senator Robichaud, a francophone from New Brunswick, denied my request, emphatically answering in the negative. Hansard reports only Senator Robichaud, but his fellow Liberal Senator Finestone was even louder in her denial.

Honourable senators, we are all considered equal in this place. I maintain that refusing me the same courtesy to finish my speech as was extended to my colleague from Quebec constitutes unequal treatment that breached my privileges.

[ Senator Carney ]

This inequality is exacerbated by the inequality that exists in the Senate in terms of representation from the regions of Canada which the Senate is supposed to reflect. There are only six senators at any time appointed from British Columbia, and only five seats are presently filled; yet, New Brunswick, with only 20 per cent of B.C.'s population, has 10 senators to represent the interests of the province. One of those 10 senators is Senator Robichaud. Senator Finestone is one of the 24 senators from Quebec, which is overrepresented in this chamber compared to B.C. Quebec interests should include the treatment of francophones in other Canadian provinces, as my colleague Senator Nolin pointed out in his speech, but equally important to Canada and to this chamber should be the respect accorded to the wishes of British Columbians on who should represent them in the Parliament of Canada. Clearly, B.C. does not have equal opportunity to have its rights, views and interests represented in this chamber at the best of times. It is also extremely difficult for B.C. senators to make the journey to Ottawa across a continent and through three time zones to attend sessions of this Senate and its committees. Surely, given these difficulties, British Columbian senators should be treated as equal to colleagues from other parts of the country.

• (1820)

While the election of senators might not be of interest to appointed senators from regions outside the West, this issue and others dealing with the reform of Parliament are of importance to British Columbians and other western provinces. Alberta already has two elected senators in waiting. My remarks were widely broadcast in that province. The concept of an appointed senator giving up her seat for an elected one was also well received in British Columbia, both in the media and by the public. My leader, Joe Clark, publicly supported my offer. Alliance leader Stockwell Day, whose party represents the majority of the voters in the West, called it courageous. The media, without exception, gave it a "thumbs up." Even the *Ottawa Citizen*, some distance from B.C., offered kudos to the concept.

Only the Prime Minister and his two Liberal senators opposite have given it a "thumbs down." Voter reaction, judging from my appearance on the province-wide Rafe Mair radio show, indicates there is more support in British Columbia for an elected Senate than for an appointed one. There is even stronger support for a wholesale reform of the Senate and impatience with the argument that Quebec, which enjoys an advantage over B.C., is unlikely to agree to levelling the playing field.

I should like to read into the record those missing sentences from my speech, sentences the two senators opposite refused to hear. Those sentences are as follows, honourable senators: The time frame, both for the introduction and the passing of Bill 65, as amended, and for the nomination process to take place represents an enormous challenge for British Columbians, but we are faced with the rare opportunity to take responsibility for determining who shall represent our province in the Senate of Canada. I am prepared to bet my Senate seat that British Columbians are ready for that challenge.

In his claim of a breach of privilege, my Alliance senatorial colleague Gerry St. Germain from B.C. noted that parliamentary authority Joseph Maingot states that to constitute privilege generally there must be some improper obstruction to the member performing his or her parliamentary work in either a direct or constructive way. The refusal by Senators Finestone and Robichaud to accord me equal treatment to that accorded a Quebec senator constitutes, in my view, an improper obstruction.

I note that there are no criteria for the granting of leave to finish a senatorial speech. I move, seconded by Senator Kinsella:

That my breach of privilege be referred to the Standing Committee on Privileges, Standing Rules and Orders for investigation and report and the development of specific criteria for the granting of leave to conclude senatorial speeches.

**The Hon. the Speaker:** Honourable senators, before a motion can be put to the chamber such as the one the Honourable Senator Carney has read from her notes, there must be a prima facie finding of breach of privilege.

Perhaps the honourable senator could reserve her motion until I hear from other senators on this question of privilege.

**Hon. Sharon Carstairs (Leader of the Government):** Honourable senators, the raising of a question of privilege is an extremely serious occasion in any legislative institution. It should be the most serious debate that takes place at any time, because a senator's privilege, or indeed that of a member of the House of Commons, is a very important democratic right and freedom that we should do everything possible to protect at all times.

Let us examine whether in fact there has been a breach of privilege.

First, rule 43(1)(a) of the *Rules of the Senate of Canada* requires that a question of privilege be raised at the earliest opportunity. The abuse of privilege alleged by Senator Carney took place on March 15. There have been three full sitting days since March 15. Therefore, the provision in rule 43(1)(a) that this matter be raised at the earliest opportunity has not been respected with respect to this question of privilege.

Second, it is hard to argue that a breach of privilege has occurred when the Senate, as an institution, has made the decision to observe the letter of the *Rules of the Senate of Canada*. The *Rules of the Senate of Canada*, in section 37(4), cited by Senator Carney, provides that a senator can speak for only 15 minutes. Senator Carney goes further to argue that one senator that afternoon was given unanimous consent — which is what is required — to continue his speech. Senator Carney does not make reference the fact that she had already been given unanimous consent to advance the item on which she wished to

speak. Therefore, she was asking for unanimous consent twice within a 15-minute period.

The item to which Senator Finestone wished to speak was ahead of Senator Carney's item on the Order Paper. Senator Finestone graciously acceded to Senator Carney's original request for unanimous consent. However, Senator Finestone also wanted to make a speech that afternoon; she, too, had plans that required her to leave the chamber, so she was unwilling at that moment to give unanimous consent a second time.

I believe that Senator Carney was treated quite generously on March 15 by members of the chamber by being allowed to jump the queue and give her speech earlier than would have otherwise been possible. I do not think that she has raised a prima facie question of privilege because Senator Finestone and Senator Robichaud simply observed the letter of rule 37(4) of the *Rules of the Senate of Canada*. There is no precedent that says that leave should be granted to continue a speech. It is only with the agreement of every person in this chamber that a speech may be continued. Above all, this matter of privilege was not raised in this chamber at the earliest possible opportunity.

**Senator Carney:** Honourable senators, allow me to explain to the senator opposite why I was not in the chamber for the three full sitting days between March 15 and today.

One of the difficulties with travelling the long distance from British Columbia is that it results in health problems. In addition to the health problem of arthritis that I have incurred over 20 years in this place and the other place, I have now developed a new problem. My eyes bleed as a result of travelling from British Columbia to this place. The eye specialist to whom I have been referred tells me that, due to exposure to the dehydrated air in airplanes, the veins in my eyeballs burst, which is why I was not in the chamber on the three intervening days.

On the other point raised by Senator Carstairs, I think it is a spurious argument to say that, if an honourable senator is granted leave to advance the agenda, the rules of normal courtesy in the Senate do not apply. It is a constant practice in this Senate, as happened today, to be given leave to alter the order of items on the Order Paper. The suggestion that under those conditions other rules should apply is nowhere in the rules or in the precedents of the Senate.

Senator Carstairs says that there is no precedent to allow senators to finish their speeches. I argue that there is every precedent. In the more than 10 years that I have been a member of the Senate, I have never witnessed a senator being denied leave to finish a speech. If the honourable senator can supply this chamber with other examples under the same circumstances, I suggest that she do so.

- (1830)

I argue that I have made a case of unequal treatment of senators in this place. I am in the hands of His Honour.

[Translation]

**Hon. Fernand Robichaud (Deputy Leader of the Government):** Honourable senators, I do not see how the matter raised would constitute a breach of the privileges in question. One Thursday, late in the afternoon, Senator Carney sought permission to proceed to Inquiries, when other business had yet to be concluded. Consent was given. Her request was motivated by time constraints and, in fact, all senators have schedules they must observe. She then made her points and presented her arguments with respect to the election of senators in British Columbia. I believe that the 15 minutes she was given were sufficient. However, another honourable senator also wished to present his views that same afternoon, but he was not given permission to do so.

I find it hard to believe that the senator thinks that consent was refused for reasons of language. That is to impute very bad intentions to me. I do not understand that part of Senator Carney's argument. It should be completely retracted. We are here to represent all Canadians, regardless of their language.

[English]

**Hon. Jeremiah S. Grafstein:** Honourable senators, obviously, I am sympathetic to the case that Senator Carney puts forward. However, we are bound by rules. I want to draw to the attention of honourable senators my understanding of the importance of sustaining an individual veto by each senator on a matter dealing with unanimous consent. It goes to the very heart of equality.

It is my understanding that in this chamber each senator has equal power to either give or withdraw consent. This is one of the most powerful tools that each senator in this chamber has, and it speaks to the equality of each senator's powers, privileges and immunities.

I thank Senator Carney for bringing to our attention an important issue, as Senator Carstairs has said, which deals with the general principle but also the rule. I refer to the definition of the words "unanimous consent." No one can quarrel with the fact that the rule is clear; it states that the allotted time is 15 minutes. No one can quarrel with the fact that after 15 minutes senators must ask for the unanimous consent of each other senator to continue. The rules are clear. There is no dispute about that.

Having said that, honourable senators, let us together take a look at what the Oxford Dictionary says about consent. First, under "consent" it states, "voluntary agreement," and then it states "or acquiescence in what another proposes or desires." In other words, it is up to each individual senator to either grant his or her consent or to withhold it. However, to take the rule to the position that the exercise of each individual's unilateral assent or consent is somehow impinging on the equality rule is to my mind stretching the principle. Having been sympathetic, and I was not here to hear what the senator said, I think the rule is very

clear — I think it is absolutely clear. It states that a senator has 15 minutes, following which unanimous consent is required, which means that each senator must decide for himself or herself whether to grant it.

Whether it is kind or gentle or there will be reciprocity by refusing to do so is another question. In any way, shape or form to limit by a *prima facie* case of privilege the right of each senator to voluntarily grant consent is to my mind diminishing the powers, the privileges and the immunity of the Senate.

I want to make it clear to Senator Carney that I am sympathetic to her case. I cannot recall a time when I withdrew consent myself, so I do not want to speak for Senator Robichaud or other senators. It is important for all senators to stand up and support the principle underlying the rule, which is that each senator is equal. Therefore, each senator voluntarily can either grant or withhold consent. It is an individual matter of discretion. It is one of the powerful tools that each senator has. To diminish that right in any way, shape or form by a ruling of the Speaker might diminish the power of the Senate.

**Hon. Noël A. Kinsella (Deputy Leader of the Opposition):** Honourable senators, in order to attempt to be helpful to His Honour in ascertaining whether or not we are dealing with a *prima facie* case of privilege, I wish to direct His Honour's attention to some of the procedural literature.

First, I refer honourable senators to *House of Commons Procedure and Practice* by Robert Marleau and Camille Montpetit. On page 51, the authors point out the categories of privilege that are privileges of members individually. They state that members' individual privileges are generally categorized under certain headings. The very first heading is freedom of speech.

My analysis of the situation, starting from the principle of freedom of speech, is that this freedom gets impeded. It is impeded by things like the rules. The serious issue that is before us is: Are our rules flexible enough to allow for the fulsome exercise of freedom of speech of the members?

Last year, we went through a period of time when leave was requested to continue beyond 15 minutes and some argued, "Well, we will give you three more minutes." Someone else would receive five minutes more. That plays right into the point that Senator Carney is making. Where is the equality of this, which was raised by Senator Grafstein?

• (1840)

Honourable senators, I accept rule 37, which states, "Except as otherwise provided in these rules, or as otherwise ordered by the Senate..." The leave not to follow the 15-minute rule is ordered by the Senate. Senator Carney drew our attention in her opening remarks to the practice and the courtesy here. That courtesy, notwithstanding its long history in our Westminster system, does rest on some Canadian values.

For example, I look at the issue of privileges since Confederation. Since Confederation, our privileges flowed in part from section 18 of the British North America Act. However, since 1982, the British North America Act has been subject to the Canadian Charter of Rights and Freedoms. The Parliament of Canada Act, at sections 4 and 5, speaks to privilege. Is not the Parliament of Canada Act subject to the Canadian Charter of Rights and Freedoms? What does section 15 of the Canadian Charter of Rights and Freedoms tell us? It tells us that everyone is equal before and under the law and has the equal benefit of the law without discrimination and, in particular, without discrimination on the basis of certain grounds. Our values in our country are clear both in terms of how Parliament operates and as underscored by the principle of our Charter of Rights and Freedoms.

When Senator Carney was speaking, she drew a reference to Maingot. His Honour might want to look at chapter 3, "Privileges and Immunities," in Marleau's book, specifically, the footnote on page 76. The reference is to Maingot's article, where he talks about the relationship *de jure* and custom between privilege and the Charter. Perhaps His Honour might want to have a look at that as well.

**The Hon. the Speaker:** I wish to point out to honourable senators that the procedure here is that the Speaker must determine when he or she has heard enough to determine whether or not a *prima facie* case of privilege has been made. I must advise honourable senators that I am getting close to a point where I believe I have heard enough. It is a matter of debate; it is a matter of advising the Speaker, to assist him or her — in this case a him — on what his ruling should be.

Having made that observation, I will hear Senator Grafstein and Senator Bryden, and then I should like to wind up.

**Senator Grafstein:** Honourable senators, I am trying to follow Senator Kinsella's argument. He is trying to make a very important case about courtesy and convention. I do not take it that that is the subject matter of a *prima facie* case of privilege. Convention and courtesy are separate matters.

When the honourable senator looks at the question of the Charter and prohibition of freedom of speech or obfuscation of freedom of speech, no one can quarrel with that in principle. However, honourable senators have all the opportunities in the world, if they are foreclosed from speaking at one moment, on another occasion to continue their speech. For instance, some senators will find that they have extended their period and they speak the following day on another topic, but dealing with the same subject matter. Both sides have done that. I am addressing this question to the Honourable Senator Kinsella: How can you then equivocate the flexibility of the *Rules of the Senate of*

*Canada* with the notion that somehow freedom of speech has been impeded? I do not follow that logically, when there has been no prevention from continuous speech or an idea that is very important on another occasion or even later in the day.

**Senator Kinsella:** If it is helpful to His Honour, the situation begins when an honourable senator gets up to exercise his or her freedom of speech in open debate. It is limited by the rules. Our practice and convention for the years that I have been here is that, out of a courtesy, senators provide an extension. The concern that is raised is this: In the exercise of a parliamentary convention or practice, what norm will guide honourable senators in the exercise of the judgment to withhold or to grant leave?

I am simply arguing that the value or the norm must be the norm that is Canadian, which is that everyone is to be treated equally. The case I heard being made is that all honourable senators are not treated fairly or equally. To that extent, we have a problem that should be addressed by the rules. That constitutes the breach of privilege that is personal in that first category, as I pointed out, to which Marleau speaks.

The issue there was, are we dealing with something that is really privilege? Yes, freedom of speech is a personal privilege issue.

**Hon. John G. Bryden:** Honourable senators, I have not been here 10 years, but I have been here six years. I have heard the unanimous consent to continue denied a number of times. Indeed, the last time that it happened to me was not last week but the week before, when a friend of mine on this side of the house and from my own province denied me the right to continue. He had a right to do that and I sat down. I did something later, however, but not at that time.

**The Hon. the Speaker:** Honourable senators, I thank you for your helpful comments. I am very conscious of rule 43(12) as I stand before you now, which states the following:

43(12) The Speaker shall determine whether a *prima facie* case of privilege has been made out. In making a ruling, the Speaker shall state the reasons for that ruling, together with references to any rule or other written authority relevant to the case.

We have taken some time to consider this important matter and, to do justice to the provisions of our rule, I shall reserve. I shall bring back a ruling at the earliest possible date.

The Senate adjourned until Wednesday, March 28, 2001, at 1:30 p.m.

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