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THE HONOURABLE DAN HAYS
SPEAKER

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THE SENATE

Wednesday, October 27, 2004

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

Prayers.

SENATORS' STATEMENTS

THE LATE TOM EARLE

Hon. Lowell Murray: Honourable senators, the death of radio and television journalist Tom Earle on October 19 was reported in the national media with proper attention to the highlights of his long and distinguished career. The appreciation of Mr. Earle's personal qualities and professional life offered by his peers, notably Douglas Fisher, Michael Enright, George Brimmel and former Parliamentary Librarian Erik Spicer, all of whom were quoted in the obituaries, happily did him justice. However, I would not want the end of his life to go unremarked in this chamber. He was as much respected among parliamentarians as he was by his colleagues in the media.

He was the first radio or TV reporter to be allowed into the Parliamentary Press Gallery and, as was noted, he covered Parliament through the governments of former Prime Ministers St. Laurent, Diefenbaker, Pearson and Trudeau. Day after day he rose to the daunting challenge of having to decide what was most newsworthy, and of reporting to his listeners almost immediately, but briefly, accurately, fully and fairly. After his retirement from the CBC he went to work for the Parliamentary Library, where he recorded hundreds of hours of interviews with serving and former parliamentarians. These interviews are an important historical record at the National Archives and a legacy for which Canadians can be grateful.

There was a time when one spoke of Parliament's fourth estate. The expression is believed to have originated with Edmund Burke. While it has been used half humorously, it conveyed the truth that the role of journalists in reporting our deliberations to the public is as vital to parliamentary democracy as that of the other estates — spiritual, temporal and commons — that together made up Parliament. In that tradition, Tom Earle was exemplary and he is completely deserving of the warm and respectful tributes made on the occasion of his passing.

[*Translation*]

MANITOBA

OPENING OF FRENCH SCHOOL

Hon. Maria Chaput: Honourable senators, today I would like to pay tribute to a tiny francophone community located in the region of Laurier and Ste. Rose du Lac, the birthplace of our late colleague Senator Molgat.

On October 14, 2004, I attended the official opening ceremonies of École Jours-de-Plaine, a French school in a little corner of my province, four hours by road from my village, and three from Winnipeg.

This project for a French school in the region dates back to 1993. Francophone parents there met numerous obstacles, but they continued to battle for a curriculum in French.

After a year, the French program started up, although without the benefit of shared premises in the existing English school, as required by law. So the first day of classes at École Laurier found students reporting to the Laurier Community Centre, after a lease was negotiated the night before school started.

During the summer of 1996, a provincial mediator and the Manitoba Minister of Education attempted to settle things with the English school division before classes started again, but unfortunately this was not possible. As a result, the students and staff ended up divided among three different parents' homes. The francophone parents initiated legal proceedings in order to obtain a French school in Laurier. They ended up not having to pursue them, because the provincial government agreed to fund temporary facilities and to ensure that the English division reached agreement with the French division on sharing land and premises.

After 10 years of constant struggle, the francophone parents at last obtained a parent-run French school in September of 2004.

With the permission of the author, the school has taken its name from the Daniel Lavoie song "Jours de Plaine." Children of the francophone residents of the Parcs region can now follow a French first-language curriculum from kindergarten to secondary school graduation.

The principal of Jours-de-Plaine, Mr. Denis Dragon, paid tribute to the tenacity of the community:

The opening of our school is proof that courage and perseverance cannot be silenced.

Mr. Paul Cenerini, former principal of this school, feels that the nature of the process itself will have a positive impact on the students. He said:

They know what it means to fight for their rights. They have developed an attitude about, and are truly proud of, their language and culture. They will be the leaders of tomorrow.

I would like to extend my sincerest congratulations to the francophone parents in Laurier.

[English]

2004 OLYMPIC SUMMER GAMES

CONGRATULATIONS TO ATHLETES

Hon. Gerry St. Germain: Honourable senators, I had hoped to make this statement at an earlier sitting. However, any time is the right time to pay tribute to and recognize the accomplishment of others.

I should like to congratulate all the athletes who competed for Canada in the 2004 Olympic Summer Games. Although Canada may not have placed as well in the medal standings as some of us had hoped, we can reflect with pride on the historic accomplishments of our athletes.

I should like to recognize the accomplishments of the British Columbians, Thomas Herschmiller and Barney Williams, who won silver in men's rowing, and Blythe Hartley, who won bronze in diving.

One of the most inspiring stories that came out of these Olympics received little mention. That being the case, I believe that it is my obligation to bring it to the attention of the Senate.

• (1410)

Monica Pinette of Langley, British Columbia, was one of the first Canadian females to participate in the modern pentathlon. Ranked twenty-sixth in the world before the Olympics, Ms. Pinette defied expectations and placed thirteenth overall. In the world championships in Germany last month, she placed tenth, officially earning her the best performance ever by a Canadian athlete in the modern pentathlon.

While this is a major feat in itself, Ms. Pinette, being of Metis descent, deserves further recognition because of her unique heritage and ancestry. According to the Aboriginal Peoples Network, she was the only Aboriginal to compete in the Athens Olympics. I feel honoured to acknowledge Monica Pinette, an outstanding Aboriginal Canadian and a contributor to Canadian athletics.

Honourable senators, please join me in congratulating all of Canada's athletes who gave their all for their country at the Games of the XXVIII Olympiad, the 2004 Olympic Summer Games, held in Athens, Greece.

Hon. Senators: Hear, hear!

[Translation]

GOVERNOR GENERAL'S AWARDS

IN COMMEMORATION OF THE PERSONS CASE

Hon. Lucie Pépin: Honourable senators, the month of October is an opportunity for us to celebrate the historical contributions of Canadian women who have stood out from the crowd and advanced women's rights. One of the highlights of Women's History Month is the awarding of the Governor General's Awards in Commemoration of the Persons Case.

Last Thursday, the Governor General presented the awards to seven women who have followed in the footsteps of the five famous Albertans and are leaders in contemporary Canada. Today I would like to introduce these seven women to you.

Allison Brewer is from Iqaluit. She has been recognized for her commitment to the promotion of equal rights and social justice in Nunavut. In particular, she has been active in seeking rights for same-sex partners. She fights for her causes through her work in journalism and her volunteer activities.

Léa Cousineau of Montreal was the first woman elected president of a municipal political party in Quebec. Ms. Cousineau has been a model for her peers; she has helped women recognize their potential and expertise in municipal politics. In addition, she has established programs that help women enter non-traditional occupations.

Huberte Gautreau is another recipient. She is well known in Moncton as a champion for disadvantaged women and families dealing with violence in the home and has played a large role in seeking pay equity in New Brunswick.

Producer Bonnie Sherr Klein of Vancouver has received the award in recognition of her films that give a voice to many under-represented social justice issues and encouragement to other people.

Rosemary Speirs of Toronto is a political journalist and leads a national advocacy group to get more women involved in all levels of politics and to eliminate the barriers that stand in their way.

Frances Wright is from Calgary. She has enlightened Canadians on the contributions of our foremothers, particularly the Famous Five, by establishing the Famous Five Foundation. The foundation has had two monuments erected in honour of the Famous Five, one in Calgary and the other here, on Parliament Hill.

Chi Nguyen, of Ottawa, is the recipient of the youth award. Ms. Nguyen has been very involved in community projects. She is the founder of Young Women Vote, a program at McGill University to enhance the political knowledge of young women, and is a peer voice on educating young women about their sexual health.

Please join me in paying tribute to these women whose efforts have been recognized. We can be sure that the Famous Five from Alberta, in whose name they have been given awards, would be proud of these outstanding women who have followed in their footsteps.

[English]

MS. JILLIAN KEILEY

CONGRATULATIONS ON RECEIVING THE ELINORE & LOU SIMINOVITCH PRIZE IN THEATRE

Hon. Donald H. Oliver: Honourable senators, I rise today to call your attention to a cultural event of national importance. Last night, I had the honour to attend in Toronto the fourth annual presentation of the Elinore & Lou Siminovitch Prize in Theatre at the University of Toronto's historic Hart House Theatre.

The Siminovitch Prize honours a professional director, playwright or designer who advances Canadian theatre through a body of work achieved in recent years, while influencing and inspiring younger theatre artists. The Siminovitch Prize was created in 2001 and dedicated to distinguished scientist Lou Siminovitch and his late wife Elinore, a playwright. The \$100,000 prize is designed to reward excellence and to inspire further exploration in Canadian theatre.

It was founded by a number of donors, including Tony Comper, President and CEO of BMO Financial Group, and his wife Elizabeth, who serves as chair of the prize's founders committee.

This year, the jury selected Ms. Jillian Keiley, of Newfoundland, from 59 directors nominated from every region in Canada. Ms. Keiley is the founding artistic director of Artistic Fraud of Newfoundland, where she has directed 14 new productions. She also teaches theatre with a specialization in chorus at Memorial University and the National Theatre School of Canada.

The jury, which was chaired by Mr. Leonard McHardy of Toronto and included Atlantic Canada's own Mary Walsh, described Ms. Keiley's work as "startlingly original and radically imaginative." According to the jury's citation, she is a:

...visionary, innovative artist whose experiments with form and content have magical results for audiences and performers alike. Simultaneously cerebral and visceral, her productions explore the parameters of theatre art, often with powerful effect.

Honourable senators, as a past chairman of the Neptune Theatre in Halifax and as an Atlantic Canadian, I am particularly delighted that the jury recognized Ms. Keiley for her contribution to our rich artistic community.

AUTISM AWARENESS MONTH

Hon. Vivienne Poy: Honourable senators, last week Senator Oliver brought it to our attention that October is Autism Awareness Month and referred to hopeful developments in science that are making treatment for autism possible. Those treatments, though, however effective, must be accessible and affordable. From letters I have received recently, this is not the case with autism or, for that matter, with other developmental disorders suffered by many children. The parents of these children are pleading with parliamentarians for our help.

Like Senator Munson, I am concerned that these treatments, particularly the intensive therapy that is required before the age of six, are not available to enough individuals. Those seeking help are forced to wade through a patchwork system, often being placed on long waiting lists, or going into debt, to pay for costly treatments themselves.

[Senator Oliver]

Children who suffer from autism and other developmental disabilities cannot wait for our help. If they are not treated at a very young age, society will pay for their support throughout their lives. As both Senators Oliver and Munson noted, the number of individuals who are diagnosed with autism is rising exponentially. We need a national autism strategy now.

Honourable senators, I have received many letters from constituents seeking help. One of them was from the public servant that Senator Munson mentioned in his statement, who spent his lunch hour marching on the Hill, calling for action on autism. He was there because he could see no other way to have an impact.

Some parents I know are fundraising for themselves; others are forming their own support networks, such as Giant Steps Toronto, which is part of a worldwide group of educational centres for children that aims to integrate autistic children into society.

I also know a woman whose own struggles to cope with her child's array of developmental disorders led her to found an organization called Spirit of Life. This organization reaches out to parents and provides networking and resources to those who feel isolated and alone.

These are brave and courageous parents doing their best in the face of very difficult circumstances.

It is important that the Standing Senate Committee on Social Affairs, Science and Technology, which is currently studying mental health and mental illness, look at the issues of autism and other developmental disorders and their treatment and that it make recommendations for action so that parents and their children do not have to cope alone.

VISITORS IN THE GALLERY

The Hon. the Speaker: Honourable senators, I draw your attention to the presence in our gallery of Chief Archie Catholique, Chief Robert Sayine and Chief Darrell Beaulieu, of the Akaitcho Territory Dene in the Northwest Territories.

Welcome to the Senate.

• (1420)

ROUTINE PROCEEDINGS

FIRST NATIONS GOVERNMENT RECOGNITION BILL

FIRST READING

Hon. Gerry St. Germain presented Bill S-16, providing for the Crown's recognition of self-governing First Nations of Canada.

Bill read first time.

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

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

[*Translation*]

**CANADA-UNITED STATES
INTER-PARLIAMENTARY GROUP**

VISIT TO UNITED STATES CONGRESS ON
NORTH AMERICAN MARKET FOR CATTLE, BEEF AND
ANIMAL FEED, MARCH 15-17, 2004—REPORT TABLED

MICROSOFT GOVERNMENT LEADERS
FORUM-AMERICAS, MAY 16-18, 2004—REPORT TABLED

FORTY-FIFTH ANNUAL MEETING,
JUNE 17-21, 2004—REPORT TABLED

2004 INTERNATIONAL ASSOCIATION OF GREAT LAKES
AND ST. LAWRENCE MAYORS' CONFERENCE,
JULY 14-16, 2004—REPORT TABLED

2004 ANNUAL MEETING OF THE NATIONAL
CONFERENCE OF STATE LEGISLATURES,
JULY 19-23, 2004—REPORT TABLED

2004 DEMOCRATIC NATIONAL CONVENTION,
JULY 26-29, 2004—REPORT TABLED

AUTO-TECH CONFERENCE OF THE AUTOMOTIVE
INDUSTRY ACTION GROUP, AUGUST 31,
2004—REPORT TABLED

CANADIAN/AMERICAN BORDER TRADE ALLIANCE
CONFERENCE, SEPTEMBER 12-14, 2004—
REPORT TABLED

Hon. Jerahmiel S. Grafstein: Honourable senators, I have the honour, on behalf of the Canada-U.S. Inter-Parliamentary Group, to table, in both official languages, eight reports: the report on a visit to the U.S. Congress on the North American market for cattle, beef and animal feed, held in Washington from March 15 to March 17, 2004; the report on the Microsoft Government Leaders Forum-Americas, held in Redmond, Washington, from May 16 to May 18, 2004; the report of the forty-fifth annual meeting of the Canada-U.S. Inter-Parliamentary Group, held in Idaho from June 17 to June 21, 2004; the report on the 2004 International Association of Great Lakes and St. Lawrence Mayors' Conference, held in Chicago, Illinois, from July 14 to July 16, 2004; the report of the 2004 annual meeting of the National Conference of State Legislatures: the New Legislative Reality, held in Salt Lake City, Utah, from July 19 to July 23, 2004; the report on the Democratic National Convention, held in Boston from July 26 to July 29, 2004; the report on the auto-tech conference of the Automotive Industry Action Group, AIAG, held in Detroit, Michigan, on August 31, 2004; and the report on the Canadian/American Border Trade Alliance Conference, held in Washington from September 12 to 14, 2004.

FISHERIES AND OCEANS

**NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO
STUDY GOVERNMENT POLICY FOR MANAGING
FISHERIES AND OCEANS**

Hon. Gerald J. Comeau: Honourable senators, I give notice that, at the next sitting of the Senate, I shall move:

That the Standing Senate Committee on Fisheries and Oceans be authorized to examine and report on issues relating to the federal government's new and evolving policy framework for managing Canada's fisheries and oceans; and

That the Committee submit its final report to the Senate no later than Friday, March 31, 2006.

[*English*]

STATUTES REPEAL BILL

**NOTICE OF MOTION TO REFER BILL S-5 TO LEGAL
AND CONSTITUTIONAL AFFAIRS COMMITTEE**

Hon. Tommy Banks: Honourable senators, I rise to apologize. Years ago in the music business, when telegrams were the way of doing business, we would occasionally drive our competitors nuts by sending a telegram out of the blue that said simply, "Ignore previous telegram." It drove them crazy. I am asking senators today to, "Ignore previous telegram," because yesterday I moved a motion that I did not intend to move. In yesterday's *Journals of the Senate*, you will see the motion to which I refer.

Therefore, honourable senators, with leave of the Senate and notwithstanding rule 58(1)(f), I move:

That Bill S-5, an act to repeal legislation that has not come into force within ten years of receiving Royal Assent, which was referred to the Standing Senate Committee on Transport and Communications, be withdrawn from the said Committee and referred to the Standing Senate Committee on Legal and Constitutional Affairs.

The motion is seconded by the Chairman of the Standing Senate Committee on Transport and Communications.

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

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I realized yesterday something was going amiss. My recollection is this: When Senator Banks first stood with respect to the bill he asked to refer it to the Standing Senate Committee on Legal and Constitutional Affairs. Later the honourable senator withdrew that request and moved that the bill be referred to the Standing Senate Committee on Transport and Communications. As I understand it, he now asks for leave to withdraw that motion and refer the bill to the Standing Senate Committee on Legal and Constitutional Affairs.

I must, therefore, ask a question of His Honour. Is this the appropriate method by which to deal with this matter? In other words, if we agree to the motion, will we, in effect, be clawing it back from the Transport Committee now and be asked to reintroduce it later?

I ask that this matter be reviewed by His Honour because we do not want to set a precedent. This should be dealt with in a more routine way than under Notices of Motions. Surely there is a more appropriate heading under which this matter should fall.

I would also hope that we do not continue this practice. I appreciate that the bill was referred to the wrong committee by accident, so I would therefore suggest that closer attention be paid to detail. We are all guilty of being easily distracted.

I would request some interpretation by His Honour as to the appropriate place in our proceedings to deal with this matter.

The Hon. the Speaker: In response to Senator Stratton's request for advice from the chair on this proceeding, my understanding is that Senator Banks has, in effect, asked for leave to move a motion under Notices of Motions. Leave could be granted to do that; however, if leave is not granted, then what he has done will stand as a notice of motion and be dealt with, as are all other notices of motions, when the matter is reached on the Order Paper.

Therefore, I will put the question one more time. Senator Banks has read a motion for which he is asking leave to deal with now. If leave is not granted then it will simply stand as a notice of motion. Is leave granted, honourable senators?

Some Hon. Senators: Agreed.

Senator Stratton: I would ask that it be dealt with in the normal fashion, if we could, please.

The Hon. the Speaker: Leave is not granted. The notice of motion has been given.

WORLD TRADE NEGOTIATIONS ON DOHA ROUND

NOTICE OF INQUIRY

Hon. Peter A. Stollery: Honourable senators, I give notice that two days hence:

I will call the attention of the Senate to the World Trade Organization negotiations on the Doha Round.

STATE OF POST-SECONDARY EDUCATION

NOTICE OF INQUIRY

Hon. Catherine S. Callbeck: Honourable senators, pursuant to rule 57(2), I give notice that on November 2, 2004:

I will call the attention of my colleagues to the state of post-secondary education in Canada.

QUESTION PERIOD

PRIME MINISTER

EQUALIZATION PAYMENTS—NEWFOUNDLAND AND LABRADOR OFFSHORE OIL REVENUES— TERMS OF AGREEMENT

Hon. Ethel Cochrane: Honourable senators, presently Newfoundland and Labrador loses about 70 per cent of offshore oil revenues through clawbacks of its federal equalization payments. During the last federal election, equalization was arguably the biggest issue for the people of my province. Our premier, Danny Williams, demanded that the province receive 100 per cent of its royalty entitlements. Conservative leader Stephen Harper and NDP leader Jack Layton readily agreed that their governments would meet this demand.

Subsequently, while campaigning in the province, Mr. Martin also agreed. However, in recent weeks, the federal government added two caveats, being that the deal with Newfoundland and Labrador be reviewed in eight years and that a cap would kick in. That would change the terms of the agreement should the province ever reach the fiscal capacity of Ontario.

• (1430)

Senator St. Germain: Shame!

Senator Cochrane: My question is for the Leader of the Government in the Senate. Why did this Liberal minority government suddenly decide to introduce new terms to the agreement? Is it a coincidence that Mr. Martin has backed down from his agreement with the Province of Newfoundland and Labrador just as the price of oil reached an all-time high? Last week oil reached a price of \$55 a barrel.

Senator Tkachuk: Bring out that Dr. Seuss book!

Hon. Jack Austin (Leader of the Government): Ah, we have the first evidence that a senator on that side has heard of Dr. Seuss.

Some Hon. Senators: Oh, oh.

Senator Austin: Honourable senators, the question is a serious one and I wish to give it a serious response.

Senator St. Germain: Is it Pinocchio or Dr. Seuss?

Senator Austin: Senator St. Germain, as usual, if you leap to too many conclusions, you will often go over the edge.

Senator St. Germain: Senator Murray will bail you out.

Senator Austin: You are my colleague from British Columbia and I have a duty to look after you as best I can.

Does Senator Cochrane have any influence over her colleagues in terms of the interruptions?

An Hon. Senator: We will be quiet.

Senator Austin: Thank you. I see Senator Cochrane does have influence. My honourable friends opposite have quieted down.

In response to the honourable senator's question, the issue is a serious one. There is obviously a difference of opinion as to what was agreed to. We have two different parties who both believe they have come to a conclusion, but they had an inarticulate premise, or two, or three that were not expressed.

The lawyers in the chamber will be familiar with the case of *Smith v. Hughes*. It is an interesting examination of where two people thought they had entered into an agreement, were using the same words, but were thinking about quite different things.

My suggestion is that the best way for this matter to proceed is to allow for dialogue between the federal government and the Province of Newfoundland and Labrador. I do not think it is in the interests of national unity and the civility of Confederation for politicians to engage in an overly partisan dialogue or to attempt to take political advantage of a misunderstanding.

Senator Stratton: We have not brought in the kazoos yet.

Senator Austin: It is quite a lot of fun to see the energy that is put into this topic.

The people of Newfoundland and Labrador have a concern about their debt, their revenues and their capacity to provide services, all of which are most serious issues. I recognize without question that the people of that province are carrying severe economic burdens. The Government of Canada is seeking to alleviate those burdens in a way that is satisfactory to the people of Newfoundland and Labrador and that is consistent with the principles of equalization.

An Hon. Senator: Who signed that first agreement?

Senator Cochrane: The minister speaks about energy. He should see the energy in my province today. If the minister were able to look at our TV and read our papers, he would see energy of a kind that has never been expressed before.

The Prime Minister has said that his latest offer is substantially more generous. I find that comment to be an insult to Premier Williams and the people of my province. With the introduction of these new conditions, this government is essentially telling our province that it can only have its fair share of the money if it agrees to remain a have-not province.

Some Hon. Senators: Oh, oh.

Senator Cochrane: That is exactly how I feel. Can the Leader of the Government in the Senate tell me why this government wants to rein in the prosperity of my province and hold it back from making a greater contribution to the wealth of our country?

Senator LeBreton: Good question.

Senator Cochrane: Put another way, why is the federal government intent on keeping Newfoundland and Labrador in the position of a have-not province?

Senator Austin: The honourable senator can make political statements, but she is obviously reading something that she prepared before she heard my answer to her first question.

I wish to tell the honourable senator, with some energy on my own part, that I have said clearly that the Government of Canada has promised all of the offshore revenues to the Province of Newfoundland and Labrador with no deduction from the equalization formula to that province. We said in the proposal that we want Newfoundland and Labrador to become a "have" province. The standard of a have province is currently that of Ontario and Alberta. In this particular case, Alberta is somewhat too rich, so we went down to the second province, Ontario, to provide Newfoundland and Labrador with a new and I think equitable status.

There is no chance of anyone alleging that this government or the government of any province of this country wants Newfoundland and Labrador to be anything but a have province. The proposal to the Province of Newfoundland and Labrador, which was consistent with the Prime Minister's undertaking, is to provide Newfoundland and Labrador with untouched equalization and all of the offshore revenues.

EQUALIZATION PAYMENTS—NOVA SCOTIA OFFSHORE OIL REVENUES—TERMS OF AGREEMENT

Hon. Gerald J. Comeau: Honourable senators, I have listened carefully to the Leader of the Government in the Senate and wish to focus the discussion on another part of Atlantic Canada, that being Nova Scotia. On June 27, the day before the federal election, the Prime Minister told the people of Nova Scotia that they would receive 100 per cent of their offshore revenues. Today, the new deal only covers a period of production for the Sable Island project and excludes revenues produced by any future projects. Will the government commit to keeping the election promise, as made on June 27, that Nova Scotia will receive 100 per cent of its offshore revenues, or will we have to put up with the response given to my honourable friend that we will have to read the fine print of the Prime Minister's promises? Will we have to hire a lawyer to understand what the Prime Minister said?

The people of Nova Scotia have three things to say on this point: no cap, no limit, no exception.

Hon. Jack Austin (Leader of the Government): The honourable senator is on sandy ground here. Premier Hamm of the Province of Nova Scotia stayed at the table. He has entered into an agreement with respect to equalization. If the honourable senator wishes to attack Premier Hamm, that is his business.

The same offer was made to the Province of Nova Scotia as was made to the Province of Newfoundland and Labrador. There was a variation that the honourable senator may misunderstand, but the province was offered 100 per cent of the revenue. I am not at all aware that there was any limitation on what was produced within waters that are pertinent to Nova Scotia. I will check. The arrangement also offered Nova Scotia a specific sum, and my understanding is that Nova Scotia prefers the revenue agreement.

• (1440)

Senator Comeau: I want to be absolutely sure. Is the Leader of the Government saying that Nova Scotia has been offered a deal whereby any future projects other than Sable Island — and I refer to projects like Deep Panuke and others — will not become part of the exclusion?

Senator Austin: Honourable senators, as far as I am aware, Nova Scotia was offered the same arrangement, that being that it would receive 100 per cent of the natural resources revenue earned in lands appurtenant to Nova Scotia, which are well defined.

EQUALIZATION PAYMENTS—NEWFOUNDLAND AND
LABRADOR OFFSHORE OIL REVENUES—TERMS OF
AGREEMENT—STATEMENT BY PRIME MINISTER

Hon. Noël A. Kinsella (Leader of the Opposition): Honourable senators, we need clarity from the minister. The Prime Minister made the following statement while campaigning in St. John's on June 5:

I had a discussion...with the Premier this morning...and I have made it very clear that the proposal that he has put forth is a proposal that we accept.

Would the minister explain what, in his view, was the proposal the Prime Minister was accepting? To everyone in Newfoundland and Labrador, Premier Williams' proposal is very clear. As people went to the electoral urn, what they were voting for was clear in their minds.

Is the Prime Minister's view different? Has he changed his mind? Why did he change his mind? Can we accept his word? When the *St. John's Telegram* asked Mr. Martin on June 20 whether he would put his promise in writing, he told the newspaper, "I have given my word and my word has always been pretty good."

Hon. Jack Austin (Leader of the Government): That was very interesting, but my response to the question of Senator Cochrane also covers the question asked by Senator Kinsella.

EQUALIZATION PAYMENTS—OFFSHORE OIL
REVENUES—PROMISES MADE BY PRIME MINISTER

Hon. Gerry St. Germain: Honourable senators, British Columbia is on the brink of possibly going offshore for developments. If we go into another election campaign, what promises will be made by the Prime Minister that will be broken shortly thereafter?

Premier Williams is one of the most successful business people in Newfoundland and Labrador and on the East Coast. If it can be proven that the statements that Mr. Williams is making are correct, will the government change its position?

I believe that the Leader of the Government in the Senate has stated that Premier John Hamm has accepted the deal, whereas a Canadian Press news release states:

Nova Scotia Premier John Hamm says he will not accept an offshore royalty deal with Ottawa that includes a time limit.

The federal government is offering the province 640 (m) million dollars over eight years.

After that the agreement would be re-negotiated.

Hamm says there should not have to be a re-negotiation, since the province was promised that it would be the main beneficiary of its resources and the (b) billions of dollars that go with it.

There is obviously confusion on the government side. I do not think they know what they said, and if they do know what they said, they are trying to retract. Eastern Canadians and British Columbians who are negotiating resource agreements want to know exactly where the government stands. Possibly the Leader of the Government in the Senate can clarify this by stating that the Prime Minister was wrong.

Hon. Jack Austin (Leader of the Government): Honourable senators, let me read a statement made by Premier Williams on February 27, 2004 in discussing this particular issue. He said:

...we had an argument presented which deals with Newfoundland and Labrador getting 100 per cent of the royalty revenues....that doesn't mean 100 per cent of the royalty revenues that come from the project, that's 100 per cent of the royalty revenues, which we suggested...would in fact keep 100 per cent so it wouldn't have to be a shrinking or declining balance; it would in fact stay at 100 per cent until Newfoundland and Labrador achieved a fiscal capacity which would make it no longer entitled to equalization.

That is clear. He went on to say, on the same day:

In the first year we're estimating between \$100 and \$125 million....Then it goes to about \$150, then it goes to \$200, ultimately it goes up close to \$400 million. That's probably about a six or seven-year period.

As well, the government has offered 100 per cent of all the revenues for an eight-year period. The government has met the publicly-made request of the Premier of Newfoundland.

With respect to Nova Scotia and Senator St. Germain's position, I may be wrong, but I understood that the sum and the equalization arrangement are acceptable to Nova Scotia. If Premier Hamm is still arguing about the eight-year time limit, I will have to inform myself and inform my honourable friend further.

EQUALIZATION PAYMENTS—OIL REVENUES

Hon. Lowell Murray: Honourable senators, with regard to Nova Scotia, will the minister confirm, for the sake of clarity, that while Nova Scotia and eight other provinces accepted the federal proposal on equalization with varying degrees of satisfaction or disappointment — keen disappointment in Nova Scotia's case — the question of how to treat the revenues from offshore resources is a separate one and is being negotiated apart from the equalization program and that, with respect to Nova Scotia at least, those negotiations are continuing, and with respect to Newfoundland and Labrador they have been suspended?

While I am on my feet, I will ask the Leader of the Government, since he comes from British Columbia, whether he can confirm my impression that one of the effects of the equalization program, as amended by the Government of Canada, is that British Columbia's status as a recipient province will be extended rather longer than would otherwise have been the case. In other words, it would have ceased to be a recipient province earlier than will now be the case. Is that true?

Hon. Jack Austin (Leader of the Government): Honourable senators, with respect to Newfoundland and Labrador, on the one hand, and Nova Scotia, on the other, Senator Murray has said what I have been trying to say. I think everyone here understands that there is an agreement amongst nine provinces with respect to equalization. My understanding with respect to the special deal on the offshore to provide Newfoundland and Labrador, on the one hand, and Nova Scotia, on the other, with all of its resource revenues was understood to be separate and apart from the equalization agreement.

Senator Murray: Not concluded by either province.

Senator Austin: The honourable senator has said, "Not concluded." As I said, I may not have had the right information with respect to Nova Scotia and the eight-year term, and I will come back on that after I have informed myself.

With respect to British Columbia, I will study the consequences of the agreement that British Columbia has accepted and report further.

EQUALIZATION PAYMENTS—OFFSHORE OIL REVENUES—LENGTH OF AGREEMENT

Hon. Terry Stratton (Deputy Leader of the Opposition): Honourable senators, I may be expressing ignorance in asking this question, but I will ask it in any event. We are putting an eight-year time limit on revenues from offshore oil for Newfoundland and Nova Scotia. Could the Leader of the Government tell me why there must be a cap or time limit? The provinces of Saskatchewan and Alberta have oil revenues with no cap. They take whatever royalties they can, bill their provinces and make themselves wealthy as a result. Why would we not treat Newfoundland and Nova Scotia in a similar fashion? At first blush, it appears there are no equals here.

• (1450)

Hon. Jack Austin (Leader of the Government): Honourable senators, I am sure Senator Stratton knows the answer to the question he is asking. I also know he likes very short answers. I am not sure how to give him the answer he wants in the time frame he usually lays down for me.

As honourable senators know, constitutionally, offshore resources are those of the federal government. The federal government has entered into resource-sharing arrangements over time and is proposing to provide both Newfoundland and Labrador, on the one hand, and Nova Scotia, on the other hand, with 100 per cent of the revenues until their fiscal capacity brings them to "have" status.

Would the honourable senator please remind me of the other part of his question?

Senator Stratton: Why is there an eight-year time limit?

Senator Austin: Anyone who knows anything about the equalization program — and there are at least six experts in the entire country, including Senator Murray — knows that the entire program is reviewed on a five-year basis. In this case, the federal government, with the approval of other provinces, offered an eight-year term where their premiers had agreed to a six- or seven-year term.

Senator Stratton: Honourable senators, were I a citizen of either Newfoundland and Labrador or Nova Scotia, I would feel particularly second class. While Saskatchewan and Alberta are obtaining a large number of dollars from oil, the folks down east are not treated in the same fashion. I would be upset with that, particularly when a time frame is applied to the situation. Surely, hope could be held out that there would be something further down the road.

How can a province, if it crawls out of a negative position, get itself into a positive position? From my understanding, Newfoundland and Labrador is in very difficult shape financially.

How will this government hold out hope to the citizens of that province, to say that they have a future, that they will be able to get out of the hole and that their population will grow, that they will be bringing people back home instead of exporting them?

Senator Austin: Honourable senators, we have said two things in this regard, and I am happy to repeat them.

First, 100 per cent of these revenues will be dedicated to the revenue base of the two provinces for an eight-year period. If these two provinces have not received equal status with Ontario in fiscal capacity, which means they would be as wealthy as Ontario today in terms of their own *fiscus*, then no doubt the matter will be reviewed and may well be continued by the government of the time.

On behalf of all Canadians, it is reasonable to want to review our existing policies. This is a very normal process in public policy.

NATURAL RESOURCES

RIGHTS TO OFFSHORE RESOURCES— REVENUE-SHARING AGREEMENT

Hon. A. Raynell Andreychuk: Honourable senators, I am curious to understand why mineral, oil or other natural resource rights adjacent to a province — rights that we have agreed belong to the province — are any different from the rights to mineral or oil found below the surface of any province. When Saskatchewan became a province, we did not have the rights to our resources. Those rights were transferred to us without time limits. Why is it different today, when value is placed on resources under the ocean?

Hon. Jack Austin (Leader of the Government): Senator Andreychuk is a lawyer and knows a great deal about the British North America Act and how it sets the constitutional division of powers and authorities.

Senator Andreychuk well knows that her statement is incorrect. Offshore resources are the constitutional property of all the people of Canada, through the federal government. Thus, there is a constitutional difference that must be followed.

Senator Andreychuk: Honourable senators, once I have all my research, I will follow up on this matter. However, at the moment, my memory fails me as to the details but not as to the fact that they were seen to be resources of the federal government for everyone, until we began to look differently at rights to minerals found below the surface. Consequently, there was a transfer at least for two provinces of which I am aware. I leave that for the minister to think about.

Why would we say that a delegation done today by the federal government is any different from a delegation done in the 1930s?

Senator Austin: There was no transfer of authority over the offshore. There was an agreement with respect to regulation and revenue sharing by the federal government. Senator Andreychuk is also aware that the resources that are now the property of the Provinces of Alberta and Saskatchewan are theirs as a result of a constitutional decision by the Judicial Committee of the Privy Council.

Senator Andreychuk: Honourable senators, I am suggesting there is a parallel that should be considered.

Senator Austin: Anything can be considered. The facts are one thing, consideration is another.

THE SENATE

STANDING SENATE COMMITTEE ON NATIONAL FINANCE—COMMENT BY CHAIRMAN

Hon. John G. Bryden: Honourable senators, my question is addressed to the new Chairman of the Standing Senate Committee on National Finance. My question was stimulated by the interview our new chairman gave to *The Globe and Mail Report on Business* on Monday.

Honourable senators can imagine my reaction when I went to the *Report on Business* and found that we in the Senate now have a new poster senator. There is a new gunslinger in town. I could not help but think, Senators Kirby and Kenny, eat your hearts out.

Hon. Senators: Hear, hear!

Senator Bryden: I did not realize that the honourable senator was so photogenic.

According to *The Globe and Mail*:

Senator Donald Oliver says he aims to ensure his 12-person committee pays a lot more attention to the \$180-billion or so that Ottawa is expected to spend this year — and the paper trail left in its wake. “I think we can

literally save billions for Canadians because billions have been wasted.”

Some Hon. Senators: Hear, hear!

Senator Bryden: My questions for the honourable senator are these: How will he do that? Will he be staffing his committee with accountants and forensic auditors? Has the committee struck a budget yet? If the honourable senator is going to save billions, would it not be natural that he would have a very big budget? Would that not be in order?

Hon. Donald H. Oliver: Honourable senators, I take the honourable senator’s question as notice.

AGRICULTURE AND AGRI-FOOD

CROSS-BORDER MOVEMENT OF CATTLE

Hon. Leonard J. Gustafson: Honourable senators, my question is for the Leader of the Government in the Senate and concerns the agreement the U.S. has had with Japan, Korea and China, but more particularly Japan. Does Canada have the same agreement concerning cattle moving across the border? What is the understanding of cabinet in regard to what was accomplished by the Minister of Agriculture?

• (1500)

Hon. Jack Austin (Leader of the Government): The answer is yes; we have exactly the same agreement with Japan as does the United States.

TREASURY BOARD

AUDITOR GENERAL—TRANSFER OF ADVANCE FUNDS TO FOUNDATIONS—ACCOUNTABILITY TO PARLIAMENT

Hon. Donald H. Oliver: Honourable senators, my question is for the Leader of the Government in the Senate. In her observations to last week’s public accounts, the Auditor General continued to question the transfer of some \$9.1 billion to several foundations over the past eight years, well in advance of the need. The Auditor General in particular flags the way the government books funds that it advances to the foundations and the foundations’ general lack of accountability to Parliament. The Auditor General’s observations are not new. They have been raised in the past and repeatedly ignored. Is it the intention of the Government of Canada to continue to use foundations, in the words of the Auditor General, as a way of “achieving a desired accounting result”?

Hon. Jack Austin (Leader of the Government): I will take that question as notice.

ORDERS OF THE DAY

SPEECH FROM THE THRONE

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

On the Order:

Resuming debate on the motion of the Honourable Senator Munson, seconded by the Honourable Senator Chaput, 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-eighth Parliament,

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

“and we urge Your Excellency’s advisors, when implementing the details of their proposals, to review the Employment Insurance program to ensure that it remains well-suited to the needs of Canada’s workforce, to reduce and improve the fairness of taxes, to be unwavering in the application of fiscal discipline, to examine the need and options for reform of our democratic institutions, including electoral reform, and to rise above partisanship to address the public interest;

That Your Excellency’s advisors consider the advisability of the following:

1. an Order of Reference to the appropriate committee of each House of Parliament instructing the committee to recommend measures that would ensure that all future uses of the employment insurance program would only be for the benefit of workers and not for any other purpose;
2. opportunities to further reduce the tax burden on low and modest income families consistent with the government’s overall commitment to balanced budgets and sound fiscal management;
3. an Order of Reference to the appropriate committee of each House of Parliament instructing the committee to make recommendations relating to the provisions of independent fiscal forecasting advice for parliamentarians including the consideration of the recommendations of the external expert;
4. an Order of Reference to the appropriate committee of each House of Parliament instructing the committee to recommend a process that engages citizens and parliamentarians in an examination of our electoral system with a review of all options;
5. with respect to an agreement on ballistic missile defence, the assurance that Parliament will have an opportunity to consider all public information pertaining to the agreement and to vote prior to a government decision;

And we ask Your Excellency’s advisors to ensure that all measures brought forward to implement the Speech from the Throne, including those referred to above, fully respect the provinces’ areas of jurisdiction and that the financial pressures some call the fiscal imbalance be alleviated.”—(6th day of resuming debate)

Hon. Wilbert J. Keon: Honourable senators, I am pleased to offer my response to the Speech from the Throne that was delivered earlier this month.

As has been the case in the past, the Speech from the Throne spoke of the need to improve medicare to provide Canadians with a sustainable system that offers them the highest possible level of care. The Speech from the Throne reiterated the main points of the recent first ministers’ health accord, a 10-year plan to address the needs of our health care system. I would like to offer my thoughts on a few of the key details of this plan, some of its failings and some areas that will generate positive and lasting results.

The recent health accord does offer Canadians the promise of some improvements in the health care system. The most welcome aspect of the deal is the federal government’s increased financial commitment to the provinces, as the new accord is worth about \$41 billion over 10 years. That is a good investment and one that should go a long way to repair the damage that a decade of budget cuts has brought to the system. Certainly, in the short term, it should help to alleviate the shortage of doctors, nurses and other health professionals, and help to shore up some of the underfunded facilities. While I firmly believe that money alone is not a panacea, I recognize that significant injections of funds are needed in conjunction with structural changes and reforms.

The first ministers also agreed to a home care strategy that would have them provide first-dollar coverage by 2006 for certain short-term services, such as two weeks of post-acute care, mental health care and end-of-life care. A limited drug plan is included as part of the new home care strategy, with intravenous medications and palliative-specific pharmaceuticals covered. This strategy, combined with an additional \$500 million added to the Canada Health Transfer base for home care and catastrophic drug coverage, may alleviate some of the financial burden placed on families to look after their loved ones at home.

It is worth pointing out that the need to involve the federal government in providing Canadians with insurance against the cost of catastrophic prescription drug expenses was first raised in the 2002 report of the Standing Senate Committee on Social Affairs, Science and Technology. I was therefore pleased to see that the first ministers continue to recognize the importance of tracking the issue of the high cost of prescription drugs. However, I am at the same time quite disappointed that they will not even report back to Canadians on the progress they have made in designing a broader pharmaceutical insurance program until the middle of 2006.

Honourable senators, the health of Canada’s Aboriginal peoples has lagged behind that of the rest of the population for far too long. In its 2002 report, the Social Affairs Committee could find no other words to describe the situation than to call it a “national disgrace.” I note that last week Senator Christensen brought to our attention the many problems associated with fetal

alcohol syndrome, which has a high rate of incidence among Aboriginal communities. The announcement by the federal government that it will invest \$700 million over five years to improve the health of the First Nations, Inuit and Metis is therefore to be welcomed. This money will be used for such initiatives as a human resources strategy to increase the number of Aboriginal health care workers and for health promotion and disease prevention programs.

The Speech from the Throne also made reference to the “intolerable consequences” of inadequate housing and water supply for Aboriginal communities. I am hopeful that this is a sign of a renewed federal commitment to these particular problems, which have a serious impact on the overall health and well-being of these people. Action in this direction would concur with the recommendations of the 2002 report of the Social Affairs Committee that specifically pointed to the critical importance of comprehensively addressing all the determinants of the health of our First Nations, Inuit and Metis populations, including those that fall outside the health care system.

I am also pleased to note that as part of the new deal funding will finally be made available for the Health Council of Canada, which was created as part of the 2003 first ministers’ health accord. This year’s accord also compels the Health Council of Canada to prepare an annual report on health status and health outcomes. In my view, this represents a necessary step forward in ensuring that Canadians have the information they need to assess the performance of their health care system and of the governments that fund it. A separate arrangement for Quebec allows the province different terms for collecting and sharing health information, but Quebec must join the other provinces in reporting on its benchmarks for improvements by the end of 2005.

Honourable senators, there are several things to applaud in the new health accord, but I have two serious concerns. First, as I have already suggested, despite the fact that the first ministers do address a number of reforms crucial to the preservation of publicly funded health care in Canada, many of the concrete details are missing. This has led many commentators, including some prominent members of the previous Liberal government, to worry that this most recent health accord is simply another in a long line of deals that throws more money at the health care system without resolving its underlying problems. I, too, am troubled by this.

• (1510)

My second concern is that the accord did not go nearly far enough in order to deal meaningfully with the issue of access to care. Every survey of Canadians confirms the finding of the 2002 report of the Senate’s Social Affairs Committee that inability to access care and excessive waiting times are the most pressing concerns that Canadians have with regard to their health care system. The recently signed health accord does contain a targeted wait times reduction fund and holds the first ministers to achieve meaningful reductions in wait times by March 31, 2007,

in five priority areas: cancer care, joint replacements, diagnostic imaging, cardiac treatment and sight restoration. The commitment to establish evidence-based benchmarks for maximum waiting times is also a step forward, but I believe an opportunity to make even greater progress by introducing a binding care guarantee has been missed.

In a study published last month, Senator Kirby and I emphasized the need to assure timely access to high-quality care through the introduction of what, following the recommendations contained in the 2002 report of the Social Affairs Committee, we have called a “care guarantee.” Simply put, a care guarantee would legally oblige government to provide patient care within a reasonable period, based on clinically determined waiting times. If a patient is unable to receive care within the specified time, the government would be bound to ensure that the patient receive that care in another jurisdiction, whether it is in another city, another province or another country.

Honourable senators, the Province of Saskatchewan has already established clinical guidelines that allow them to set maximum surgical waiting time targets for all patients. Physicians assess patients using a common set of criteria, and they are then placed on one of six priority levels, each level having a target time frame that indicates how quickly surgery should take place. Saskatchewan’s guidelines for care are not legally binding, but the framework behind them is one that I believe could be translated into just such a legal commitment right across the country.

Until such a care guarantee is put in place, I fear the other accomplishments of the health deal will not have as much meaning or permanence. While the health care deal contains an attempt to incorporate greater accountability, nothing in the accord would accomplish this as well as a legal commitment to care that forces governments to make substantial changes to the health care systems or pay a penalty — in this case, the cost of paying for their citizens to receive services elsewhere.

Honourable senators, I have had the wonderful privilege of working in the Canadian health system for some 35 years. There was a time when I would boast proudly to my international friends that in Canada we had the best health care system in the world. I cannot — I repeat, cannot — boast that any more because it is simply not true. We no longer have the best health care system in the world.

What has gone wrong? In summary, in our collective thinking, we have failed to separate the three essential components of our health care system. We have not distinguished the payer from the provider and the evaluator. The single payer, ensuring that all Canadians are covered for essential health care services, continues to be a national icon and is respected the world over as the best way of doing things. Where we get into major trouble is when we look at the provider in our system. I am afraid that it has become the victim of paralyzing bureaucracy and inefficiency. We are building good evaluation systems, such as CIHI and ICIS, which are somewhat at arm’s length from direct government control, and I think these institutions and others will serve us well in the evaluation of the system on an ongoing basis.

[Senator Keon]

Let me come back to the collective providers. We are simply no longer getting the job done in the provision of health care. We are well behind countries such as Japan, Germany, Luxembourg, Switzerland, France, Belgium, Austria, and others that are providing a standard of care much higher than ours to their populations, and the patients have ready access. So what has gone wrong with our system to the point where it cannot compete with these countries? How did we slide so far back in areas such as mental health and Aboriginal health that they are now being referred to as a national disgrace, despite the fact that we spend more than any other developed nation — I repeat, more than any other developed nation — on universal health care, and this is before the \$42-billion injection?

Senator Kirby and I published a paper this summer, in keeping with the report of the Standing Senate Committee on Social Affairs, Science and Technology, to draw attention to the problems and to propose some solutions prior to the first ministers' health accord. Among the problems with the system now are the following: top-down command in control administration by central government bureaucracies excessively regulating local delivery mechanisms; monopoly powers of many sectors of the health care delivery system, including the various health care professionals who define their functions and hence prevent others from performing them; unions that define mechanisms of delivery of support services; monopoly powers of hospitals which, because they are essentially sole providers in their regions, have little incentive to fit into the overall picture of regional health services; and hospital funding that is based not on the amount or quality of work they do but according to global budgets determined largely by historical precedence. Consequently, the business of the health care system in Canada operates without the central driver of effectiveness and efficiency in any business, and that is competition. The missing factor is that competition between different ways of achieving the same goal is impossible in the present system.

Where do we go from here? I believe we must move to regional health authorities or similar organizations which can bring the system down to manageable geographic units. Institutions and individuals must be remunerated through service-based funding formulas that reward them for what they do in place of large global institutional budgets with no accountability.

We must build a primary care system, which I believe is the major missing link in our health care delivery system at the present time. This will have to be based on appropriate groupings of primary health care providers, housed in appropriate facilities that provide them with the tools they need to do their job and organized appropriate electronic record-keeping and information systems that will replace the obsolete paper documents and communication systems of the day.

At the present time in Canada, there are almost three times as many hospitals as there are primary care and community clinics. Can you believe that? There are three times as many hospitals as there are primary care and community care clinics, which are the gateways for the patients who access care. We must find a way to produce rapid proliferation of these 24-hour, seven-day-a-week clinics, which from the outset must be appropriately equipped, including electronic record capability and electronic communication systems.

It goes without saying that we must preserve and support our great academic institutions. We must continue to support our medical research institutions — indeed at a level beyond where they are being supported now, because they are, frankly, only supported at one eighth the level of their American sister institutions. The role for teaching hospitals, specialty hospitals and community hospitals will continue. However, throughout the great mosaic of our health care delivery system, largely under provincial jurisdiction, we must introduce a component of competitiveness —

The Hon. the Speaker: I am sorry to interrupt, Senator Keon, but your time has expired. Are you asking for more time?

Senator Keon: Yes.

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

Hon. Senators: Agreed.

Senator Keon: Thank you very much, honourable senators.

We must introduce a component of competitiveness, of freedom, that will allow the intellectual wealth of our health care profession itself to be innovative, to be creative, and to solve the problems that are paralyzing the system at the present time. We must dare to look at some of the options being pursued by countries that have better systems than we have. We must dare to look at private delivery of health care in some areas if it is more efficient than the public institutions. We must rid ourselves of the paranoia associated with the word “private,” and the fear mongers who point south, saying, the minute you mention the word, you are going to slide into a situation comparable to that of the United States, where 40 million people are uninsured and many individuals and families are being wiped out financially because of medical debt. That situation simply does not apply in Canada. It will never be tolerated. Our health care system began as a national insurance program that assured every Canadian that this would never be their fate. Collectively, we will preserve this, but in doing so we must provide a delivery system that all of us as Canadians can again view with pride.

Hon. Senators: Hear, hear!

Hon. Wilfred P. Moore: Honourable senators, I rise today to speak in reply to the Speech from the Throne of October 5, 2004. It is my distinct pleasure to add my voice to those of other parliamentarians who have contributed their thoughts, whether in this chamber or in the other place.

This particular Parliament, Canada's thirty-eighth, will be markedly different for many of us in this chamber. A minority government has not occurred in this country since 1979, when Joe Clark's Progressive Conservative Party defeated Pierre Trudeau's Liberals 136 seats to 114 seats, with the New Democratic Party holding the balance of power with 26 seats. The Social Credit Party held six seats.

Times have changed dramatically since then. Not only is this the first minority government in 25 years, but the parties involved have also changed markedly. We no longer have a Progressive Conservative Party on the other side; we have the Conservative Party of Canada. There are no Cr ditistes; we now have the Bloc Qu b cois. The Liberal Party and the New Democrats remain. I mention these differences not because I long for another time, but because Canada has changed over the years.

• (1520)

The significance of this new minority Parliament is this: The three major parties in this Parliament are regional in nature. The Conservatives are largely concentrated in the West; the Bloc Qu b cois are obviously dominant in Quebec; and the Liberal Party is the most national with seats across the nation but predominantly in Ontario and Atlantic Canada.

The Speech from the Throne we heard two weeks ago reflects this reality. The predominant theme of the speech is the need for this government to be inclusive, that in order for this particular minority government to function, each region of Canada must be taken into consideration when decisions are made regarding the future of this country.

Let me quote the seven commitments made in the Speech from the Throne:

- to be unwavering in the application of fiscal discipline, the foundation of so much of Canada's success over the past decade;
- to promote the national interest by setting the nation's objectives and building a consensus toward achieving them;
- to pursue these objectives in a manner that recognizes Canada's diversity as a source of strength and innovation;
- to aim for tangible, practical results for Canadians and report to them so that they can hold their governments to account;
- to defend the Charter of Rights and Freedoms and to be a steadfast advocate of inclusion;
- to demand equality of opportunity so that prosperity can be shared by all Canadians; and
- to assert Canada's interests and project our values in the world.

Here we stand with seven commitments laid out by this government before this session starts. It is by its adherence to these commitments that Canadians will judge the performance of this minority government, "so that they can hold their governments to account."

I wish to draw specifically on the two themes of inclusion and the regional nature of this Parliament's makeup. They are to me very important factors in how we will perceive this government's actions over the next period of time. As a senator from Nova Scotia, it is incumbent upon me to represent my region to the best

of my abilities. I am pleased to take up that challenge when faced with such matters. However, it gives me greater pleasure when an intervention from me is not required because the federal government has taken the concerns of my province into account.

Unfortunately, this is not usually the case, and one need only look at the historical records since 1940 to understand. As World War II escalated, the federal government eventually made an investment in Maritime plants and equipment. It was modest and involved industries with poor prospects for post-war continuation. None of the 28 federal Crown corporations that existed at that time had its head office in the region. Of the \$823 million of Ottawa wartime spending on industrial expansion which could be identified on a provincial basis, the Maritimes' share was a pitiful 3.7 per cent. Prince Edward Island did not receive a dime; Nova Scotia received \$20.8 million; and New Brunswick received \$6.5 million.

After the war, Canada started allocating money to enable industries to make the transition to peacetime production. By mid-1945, 48 per cent of the funds went to Ontario, 32 per cent to Quebec, 15 per cent to British Columbia, and the remaining 5 per cent was divided among the remaining six provinces under the assistance formula used. The Ministry of Reconstruction officials justified this grossly discriminatory approach with gibberish and doubletalk. The problem of transition, gushed one, would be most acute in the Maritimes where wartime dislocations had been superimposed on the special programs of a depressed area. That post-war reconstruction policy reinforced the dreadful economic status quo for Maritime Canada.

Why discuss attitudes of post-war Canadian government? It is my submission that things have not changed very much.

As my fellow senators well know, I have been pursuing one government after another with regard to our federal policy on university funding. This government has already made an announcement on university research funding that indicates a lack of commitment to change. On October 21, just last week, the New Opportunities Fund, which operates under the umbrella of the Canadian Foundation for Innovation, announced funding for university researchers in Canada. To refresh your memories, the New Opportunities Fund focuses on younger, less experienced researchers, and intends to provide funding without the need of a competition between them and more experienced academics.

This fund is available to those who are taking up their first full-time position with a Canadian university. Last week 135 projects were announced. Thirty-two universities were recipients. The total cost was \$18.2 million. How do these numbers break down? At this point, I have to report that the post-secondary institutions in Atlantic Canada received nine projects of the 135 awarded, which amounts to 6.6 per cent.

Hon. Senators: Shame.

Senator Moore: These nine projects were worth \$1,020,765, out of a total of \$18,201,600, which is 5.6 per cent of the total funding awarded. Atlantic Canada, with 16 per cent of Canada's universities, 12 per cent of Canada's full-time teaching faculty, and 9.5 of Canada's full-time students, received 5.6 per cent of the funding awarded under this announcement.

[Senator Moore]

As a further example of this lack of commitment to Atlantic Canada's post-secondary institutions, I would draw your attention to the last announcement made under the Canada Research Chairs Program. This program began in the year 2000, with an original funding total of \$900 million and a mandate to create 2,000 research chairs by the year 2005. In April 2004, an announcement of 137 research chairs was made under this program. The total amount was \$121,600,000. Of this total, Atlantic Canada universities received 13 chairs, or 9.4 per cent, which resulted in funding of \$11 million, or 9 per cent of the total. Once again, when we consider the number of universities, 16 per cent, and full-time faculty, 12 per cent, in Atlantic Canada's post-secondary institutions as compared to the rest of the country, this funding falls short.

Unfortunately, as my research numbers have shown, the spirit in which these programs were founded and the intent that was envisioned at the time has not been realized. Instead, we have now witnessed the lion's share of these national research dollars being distributed to a handful of larger Canadian universities, while our so-called small universities received a mere pittance. This is not the vision that will create a knowledge-based economy across Canada.

I wish to acknowledge with sincere appreciation the fact that, since 1997, the Government of Canada has invested more than \$13 billion in basic science and technology. A National Science Advisor has recently been appointed to assist the government to ensure that these investments are strategic, focused and delivering results.

Our universities in Atlantic Canada form the backbone of research initiatives in our region. It is therefore of utmost importance that these institutions receive their fair share of government funding for research. Thus, I emphatically urge the National Science Advisor to review the guidelines for research funding awards and to make the necessary changes that will correct the existing vast regional imbalance in the distribution of those funds. Only then will Atlantic Canada's universities receive an increase in their research capacities to the same level currently enjoyed by other regions of Canada.

In the June 28, 2004 general election, 22 Liberal members were elected to the House of Commons from Atlantic Canada, and they comprise a large part of our current minority government. The Atlantic provinces provided the largest regional increase in support for our Liberal Party in that election. These constituents believe in this government and its mandate.

Two issues that our candidates in the Atlantic provinces heard from the electorate were the matter of accessibility to post-secondary education and the burden of student debts upon graduation. If our Atlantic universities continue to receive such minute funds from these national programs, they will not experience the much-needed enhancement of their teaching and research capacities and facilities.

The continuation of that cycle of bias causes the operating costs of our universities to grow, which only results exponentially in a continuing decrease in accessibility and an increase in student debt.

• (1530)

In closing, I note that five of the seven commitments made by our government in the Speech from the Throne revolve around including all Canadians, and all regions, in an inclusive style of consensus that promotes Canada's objectives as a nation.

Positive action on these themes will, I believe, be the hallmark of this government's policies and performance. That is all that I ask.

If this government is able to be inclusive, to build consensus and leave no region behind, all provinces will benefit from our national post-secondary research dollars and Canada will be the better country for it.

On motion of Senator Stratton, debate adjourned.

HERITAGE LIGHTHOUSE PROTECTION BILL

SECOND READING—DEBATE ADJOURNED

Hon. J. Michael Forrestall moved the second reading of Bill S-14, to protect heritage lighthouses.

He said: May I congratulate Senator Moore for bringing to our attention a vital matter. I am pleased that Senator Callbeck is in the chamber; I wish my colleague from British Columbia were here as well.

Honourable senators, I rise to speak to Bill S-14, to protect heritage lighthouses. This is neither a partisan nor a money issue. Steps must be taken to preserve and protect Canadian heritage for future generations, whether that be railway property, lighthouses or, perhaps in the not-too-distant future, grain elevators in Saskatchewan. These are monuments to the Canadian way of life.

We have been over this ground three times. Predecessors to this bill have been here and gone through all stages, have been sent to the other place, gone through most of the stages over there, only to die because of prorogation. Twice before, this bill was fast-tracked, and I would hope that we see that possibility again — however, not because I anticipate an early return to the campaign trail.

Honourable senators, there is no question of the place of the lighthouse in the human heart and its simplistic beauty set against the rugged, dark sea and coast. One does not have to be from the shores of the Atlantic to be attracted to lighthouses.

Clause 3 of Bill S-14 states that:

The purpose of this Act is to preserve and protect heritage lighthouses by

(a) providing for the selection and designation of heritage lighthouses;

(b) preventing the unauthorized alteration or disposition of heritage lighthouses; and

(c) requiring that heritage lighthouses be reasonably maintained.

The bill defines heritage lighthouses as:

...a lighthouse designated as a heritage lighthouse under section 6, and includes any related site or structure that is included in the designation.

The bill defines “alter” as:

...to restore or renovate, but does not include to perform routine maintenance and repairs.

“Board” simply means:

...the Historic Sites and Monuments Board of Canada...

The minister responsible for this bill — and this, some senators will note, reflects an item of business that is currently before Parliament — is defined in the bill as:

...the member of the Queen’s Privy Council of Canada who is designated by the Governor in Council as the Minister for the purposes of this Act.

I call to the attention of honourable senators that this represents the only change from the previous bill, which stipulated the Minister of Canadian Heritage.

Clause 4 states:

This Act applies to lighthouses within the legislative authority of the Parliament of Canada.

Clauses 6 through 10 of Bill S-14 enable the Governor-in-Council, on the recommendation of the minister, to designate lighthouses and their related properties as heritage lighthouses and to set out a process for their designation as heritage structures.

Clauses 11 through 16 protect heritages lighthouses. I draw the attention of honourable senators to clause 11(1), in particular:

No person shall remove, alter, destroy, sell, assign, transfer or otherwise dispose of a heritage lighthouse or any part of it, unless authorization to do so has been given by the Minister under this Act.

Clauses 11 through 16 also lay out a process for public consultations with regard to the disposition of heritage lighthouses.

Clause 17 simply requires that the owner of a heritage lighthouse maintain it in the condition in keeping with its heritage character. This requirement does not require the expenditure of monies, in the sense that it is nothing more than the municipalities require of homeowners — in other words, the requirement to keep the property looking decent. Who wants an eyesore next door? Thus, heritage lighthouses must be maintained.

Clause 18 empowers the Governor-in-Council to make regulations over heritage lighthouses.

This bill will enhance the powers of the minister, designated by the Governor-in-Council, to protect heritage lighthouses and will allow for the designation, preservation, public consultation and general upkeep of such lighthouses.

[Senator Forrestall]

Honourable senators, I ask for your support. I could go on, but the matter has been before you.

On motion of Senator Forrestall, debate adjourned.

• (1540)

FOREIGN AFFAIRS

COMMITTEE AUTHORIZED TO HOLD JOINT SESSION WITH HOUSE OF COMMONS STANDING COMMITTEE ON FOREIGN AFFAIRS AND INTERNATIONAL TRADE TO MEET WITH GERMAN PARLIAMENTARIANS

Hon. Peter A. Stollery, pursuant to notice of October 26, 2004, moved:

That the Standing Senate Committee on Foreign Affairs be authorized to join the Standing Committee on Foreign Affairs and International Trade of the House of Commons for a joint meeting in order to meet with a delegation of German parliamentarians; and

That the Committee be authorized to meet at 4 p.m. on Wednesday November 3, 2004, even though the Senate may then be sitting, and that rule 95(4) be suspended in relation thereto.

Motion agreed to.

SCRUTINY OF REGULATIONS

JOINT COMMITTEE AUTHORIZED TO PERMIT ELECTRONIC COVERAGE

Hon. John G. Bryden, pursuant to notice of October 26, 2004, moved:

That the Standing Joint Committee for the Scrutiny of Regulations be authorized to permit coverage by electronic media of its public proceedings with the least possible disruption of its hearings.

Motion agreed to.

RULES, PROCEDURES AND THE RIGHTS OF PARLIAMENT

COMMITTEE AUTHORIZED TO ENGAGE SERVICES

Hon. David P. Smith, pursuant to notice of October 26, 2004, moved:

That the Standing Senate Committee on Rules, Procedure and the Rights of Parliament have power to engage the services of such counsel and technical, clerical, and other personnel as may be necessary for the purpose of its examination and consideration of such bills, subject matters of bills and estimates as are referred to it.

Motion agreed to.

COMMITTEE AUTHORIZED
TO PERMIT ELECTRONIC COVERAGE

Hon. David P. Smith, pursuant to notice of October 26, 2004, moved:

That the Standing Senate Committee on Rules, Procedure and the Rights of Parliament be empowered to permit coverage by electronic media of its public proceedings with the least possible disruption of its hearings.

Motion agreed to.

HUMAN RIGHTS

COMMITTEE AUTHORIZED TO ENGAGE SERVICES

Hon. Terry Stratton (Deputy Leader of the Opposition), for Senator Andreychuk, pursuant to notice of October 26, 2004, moved:

That the Standing Senate Committee on Human Rights have power to engage the services of such counsel and

technical, clerical, and other personnel as may be necessary for the purpose of its examination and consideration of such bills, subject matters of bills and estimates as are referred to it.

Motion agreed to.

COMMITTEE AUTHORIZED
TO PERMIT ELECTRONIC COVERAGE

Hon. Terry Stratton (Deputy Leader of the Opposition), for Senator Andreychuk, pursuant to notice of October 26, 2004, moved:

That the Standing Senate Committee on Human Rights be authorized to permit coverage by electronic media of its public proceedings with the least possible disruption of its hearings.

Motion agreed to.

The Senate adjourned until tomorrow at 2 p.m.

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