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THE HONOURABLE DAN HAYS
SPEAKER

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THE SENATE

Thursday, March 27, 2003

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

[English]

Prayers.

Off-mike comments are not always clearly picked up. However, it is my assessment that Senator LaPierre did probably say, "So did the Americans."

POINT OF ORDER

At the same time, in reaching this conclusion, I do not wish to suggest in any way that the reporters behaved improperly in carrying out their work.

SPEAKER'S RULING

The Hon. the Speaker: Honourable senators, before proceeding with Senators' Statements, I should like to deal with questions raised yesterday in the context of the request of Senator LaPierre by making the following statement.

Faced with these facts, it seems only right to accept the word of Senator LaPierre, that in making this request the senator is seeking only to correct Hansard, not to change it. Based on the precedents that I have reviewed, this kind of request, as Senator Cools said, is usually done without any fuss. There is a request and the Senate approves it. This is our practice.

[Translation]

Honourable senators, yesterday afternoon before proceeding to Orders of the Day, Senator LaPierre rose to ask if he could correct the record of Senate Debates, our Hansard, with respect to a statement that was attributed to him during Senators' Statements on Tuesday, March 25. He explained that the record on page 1002 should read: "So did the Americans."

Therefore, I will ask again, honourable senators, if there is leave to correct the record of Hansard, as was requested by Senator LaPierre.

Hon. Senators: Agreed.

The Hon. the Speaker: Leave is granted. The record will be corrected as requested.

[English]

In English, "So did the Americans."

Following the normal practice of the Senate, I asked the Senate if leave was granted to allow this correction to be made. Leave was denied. At that point, Senator Robichaud rose to explain that Senator LaPierre had the right to request that Hansard be corrected so that it would faithfully reflect what was said. Other senators then rose to speak. The question that emerged from these exchanges was whether the request was to correct Hansard or to change it. The situation was summarized in the remarks of Senator Cools. As the senator said:

The substance of the issue is the question of correcting a mistake versus the phenomenon of altering the record. It seems to me that if a senator has made a mistake, or the reporter genuinely made a mistake as they took the record..., it should be corrected without any fuss.

The senator then proposed, as did others, that it would be a reasonable thing to listen to the tapes to determine if the record is being corrected or altered.

[Translation]

Honourable senators, I have taken the opportunity to listen to the tape. In fact, I listened to it very carefully several times. I must frankly admit that it is not easy for me to determine with any certainty what was said in the interventions by Senator LaPierre, and I do not have the means to enhance the recording to make a more definitive determination.

SENATORS' STATEMENTS

ESTEVAN BORDER TOWN BRUINS

CONGRATULATIONS TO DOUBLE "A" MIDGET CHAMPIONS

Hon. Leonard J. Gustafson: Honourable senators, I wish Senator Tkachuk were here, but he is not, at the moment. I will make sure he gets the Hansard.

Congratulations to the Estevan Border Town Double "A" Midget Bruins and their coach, Mr. Neil Kish, for winning the Saskatchewan Provincial Title Double "A" Midget Division in the Saskatchewan Hockey Association's provincial championship, defeating the Saskatoon Raiders in a two-game, total point series.

The first game, played in Saskatoon, was tied 2-2. The second game was played in Estevan, and the final game score was 2-1 for the Estevan Border Town Double "A" Midget Bruins.

This is the third year in a row that the Bruins have won the Saskatchewan title. As Wayne Gretzky says, "The game is not just hockey; it's our game."

Again, congratulations to coach Neil Kish and the Estevan Border Town Bruins.

I want to tell Senator Tkachuk that it is awful hard to beat those farm boys.

[Translation]

WORLD THEATRE DAY

Hon. Viola Léger: Honourable senators, today, March 27, is World Theatre Day. Performers throughout the world are showing their audience how this art form can contribute to understanding and peace among different peoples. War, in all forms, is nothing more than our dehumanization.

• (1340)

In my own way, I want to celebrate World Theatre Day through the voices of different stage characters. In these impossible times, here are a few excerpts from the *Hyme à l'Espoir*, a song by Edith Butler:

One day, one day perhaps,
True friends we will be.
I can already see the light
Coming from the night.

One day, one day perhaps,
United the world will be.
I can already feel the joy
Springing inside of me.

Hope at our windows,
Hope that one day perhaps,
The beautiful sun will rise
Shining freedom in our eyes.

One day, one day perhaps,
Soldiers and storms no more
And we will have true courage
As we ne'er did before.

One day, one day perhaps,
When our chains have fallen
I will say how much I love you
From my heart so smitten.

Hope at our windows
Hope that one day perhaps,
The sun will rise
In freedom at long last.

[English]

One of my favourite characters is Grace from the beautiful play *Grace and Gloria*. Grace is 90 years old and dying of cancer. Here is her last message:

Maybe it's like this...like this sweater. I mean the way everythin' in this whole world is, you know, connected. Like stitches in this sweater. See, each one, they ain't much by

themselves, but you break even one and the whole sweater falls apart... I think that's all God wants any of us to do, honey. Hold on. To each other and to this sweet earth He give us with all our might. Guess that's 'bout all I got to say. I love you.

INTERNATIONAL CONVENTIONS

Hon. Gérald-A. Beaudoin: I think I may be allowed to thank Senator Léger.

Honourable senators, yesterday, I referred in my statement to conventions and treaties signed by Canada and related to war. I mentioned specifically the convention on prisoners, but there are others, such as the one dealing with civilians.

In addition, since the Universal Declaration of Human Rights in 1948, Canada has signed many international documents on political and civil rights that have become a bible on rights and freedoms. We know that we have to implement those conventions to change the law of the land, as our court of last resort declared in 1937; but we have failed so far to modernize our system of implementing treaties. However, we must do so.

Treaties should not only be signed; they should also be implemented. Furthermore, they should not only be implemented; they should be seen to be implemented.

After the Easter break, I intend to return to this important question of the implementation of treaties in Canada. We must make progress in that field.

THE LATE UNITED STATES SENATOR DANIEL PATRICK MOYNIHAN

TRIBUTES

Hon. Lise Bacon: Honourable senators, I should like to say a few words to pay tribute to Daniel Patrick Moynihan, a former United States senator who died yesterday, at the age of 76.

Mr. Moynihan was both a respected scholar and a gifted politician, with a sense of the real world. An academic, he was Government Professor at Harvard University's Faculty of Arts and Sciences from 1966 to 1977, and also Director of the Joint Centre for Urban Studies at Harvard and Massachusetts Institute of Technology.

He was elected to the United States Senate as a New York senator in 1976 and was re-elected in 1982, 1988 and 1994. His career represented an extraordinary combination of intellectual distinction and devotion to public service.

Mr. Moynihan was always involved in national and international debates on issues of importance. We could say, in fair justice, that he made profound contributions to the life of the mind and the life of the nation.

Daniel Patrick Moynihan was born in Tulsa, Oklahoma, in 1927, the son of a newspaperman. He spent his childhood in New York, living in hard times with a lot of instability. Nevertheless, he graduated first in his class at Benjamin Franklin High School and went to Tufts University, earning a bachelor's degree, and a master's from Fletcher School of Law and Diplomacy. In 1950, he went to the London School of Economics as a Fulbright scholar.

Mr. Moynihan's career spanned more than four decades. After university, in 1954, he worked on Averell Harriman's successful campaign for New York governor and served on his staff until 1958.

He began working in the federal government in 1961 as an assistant to the Secretary of Labour in the Kennedy administration, rising to the position of Assistant Secretary of Labour for Policy Planning. Later, he served in the Johnson, Nixon and Ford administrations in cabinet-level positions.

While working in government, his interests in social issues began to rise. In a paper he wrote in 1965, he argued:

Despite the success in passing civil rights laws, statutes could not ensure equality after three centuries of deprivation.

In those years he wrote a lot about the African-American family.

After serving as the United States Ambassador to India and as representative to the United Nations, he entered politics, running for the New York Democratic nomination to the Senate and winning the general election easily. With his wife, Elizabeth Brennan, in charge of each campaign, he won three re-elections.

As a freshman senator, he got a seat on the prestigious Finance Committee — he would become chairman in 1993 — and on the Intelligence Committee.

During his legislative career, Mr. Moynihan focused his mind on an incredible array of complex questions, from poverty and family structure to secrecy in government, never neglecting international law issues, architectural preservation and tax policy. During the Cold War, he was very preoccupied with United States-Soviet Union relations.

In his book *On the Law of Nations*, he wrote:

The American legacy of international norms of state behaviour is a legacy not to be frittered away.

Last year, Mr. Moynihan was invited to speak at the Harvard University commencement ceremony. He was presented as:

A quintessential scholar-statesman whose capacious learning and independence of mind have shaped our national conversation; to complex questions of consequences his answers are never pat.

[Later]

Hon. Jeremiah S. Grafstein: Honourable senators, I did not mean to interject, but I had heard the very eloquent comments by our colleague Senator Bacon in tribute to the late Senator Moynihan. I had the pleasure of meeting him. I can say, to those senators who did not know him, that he was a great constitutionalist, a great moralist, a great social advocate and a great friend of Canada.

I commend his books to all senators. He wrote 19 books, I believe. The book that I have on my desk and commend to each and every senator, because it is most pertinent in our debates today, is the one to which Senator Bacon has just referred, entitled, *On The Law of Nations*. He wrote about just and unjust war. It would be instructive for every senator to read that book. It would help them understand the difference between international law and international politics.

CANADA WINTER GAMES 2003

Hon. Gerry St. Germain: Honourable senators, I rise today to pay tribute to all the athletes, volunteers, organizers and spectators who took part in the Canada Winter Games, held earlier this month in Campbellton, New Brunswick.

Honourable senators, once again, Canada's Winter Games were a huge success. The games showcased 3,200 young up-and-coming Canadian athletes from the 10 provinces and three territories, competing in 21 sports. These athletes showed their talent, energy and the healthy competitive spirit that exists in all corners of our great country.

British Columbia is known for its beautiful winters, and especially for its winter sports. Many athletes who have honed their skills at the B.C. Winter Games then go on to represent their province at the Canada Winter Games. In turn, they seek the gold in the international Olympic Games.

Honourable senators, a young British Columbian athlete went to the Canada Winter Games 2003 with one goal in mind: He wanted to bring a medal home. Fourteen-year-old Calvin Lefebvre of Surrey, B.C., rose to the occasion and skated on to the ice with all the confidence of a professional and proceeded to skate to a gold medal performance in the men's pre-novice singles figure skating competition. British Columbia finished the games in fourth place with 69 medals: 11 gold, 27 silver and 31 bronze.

Honourable senators, the spirit of competition is alive and well, and British Columbia is very hopeful that the IOC will soon award the 2010 Olympic Winter Games to Vancouver-Whistler.

TENTH ANNUAL ABORIGINAL ACHIEVEMENT AWARDS

Hon. Thelma J. Chalifoux: Honourable senators, today and tomorrow are very special days for showcasing Aboriginal communities and our people's achievements in Canada.

• (1350)

Suncor Energy, Syncrude, Petro-Canada, TransCanada PipeLines and Nexen are jointly hosting a reception this evening, from 5:30 to 7:30, in Room 160-S. Please join the industry leaders, the Aboriginal leaders and our young people this evening, in celebration of the Tenth Annual Aboriginal Achievement Awards, which are taking place tomorrow night at the National Arts Centre in Ottawa. The awards have become a Canadian showcase of talent and career achievements of our Aboriginal people.

Honourable senators, I hope that you will all join us this evening in Room 160-S.

[Translation]

VISITOR IN THE GALLERY

The Hon. the Speaker: Honourable senators, I wish to draw to your attention the presence in the gallery of a senator from the French community of Belgium, Paul Galand. We welcome you. Senator Galand is a guest of the Honourable Senator Losier-Cool.

[English]

ROUTINE PROCEEDINGS

CANADA PENSION PLAN CANADA PENSION PLAN INVESTMENT BOARD ACT

BILL TO AMEND—REPORT OF COMMITTEE

Hon. E. Leo Kolber, Chairman of the Standing Senate Committee on Banking, Trade and Commerce, presented the following report:

Thursday, March 27, 2003

The Standing Senate Committee on Banking, Trade and Commerce has the honour to present its

NINTH REPORT

Your Committee, to which was referred Bill C-3, *An Act to amend the Canada Pension Plan and the Canada Pension Plan Investment Board Act*, has, in obedience to the Order of Reference of Tuesday, March 25, 2003, examined the said Bill and now reports the same without amendment.

Respectfully submitted,

E. LEO KOLBER
Chairman

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

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

[Translation]

STUDY ON MATTERS RELATING TO STRADDLING STOCKS AND TO FISH HABITAT

REPORT OF FISHERIES AND OCEANS COMMITTEE PRESENTED

Hon. Gerald J. Comeau, Chair of the Standing Senate Committee on Fisheries and Oceans, presented the following report:

Thursday, March 27, 2003

The Standing Senate Committee on Fisheries and Oceans has the honour to present its

THIRD REPORT

On November 6, 2002, your Committee was authorized by the Senate to examine and report from time to time upon the matters relating to straddling stocks and to fish habitat. This is the first report of your Committee under this Order of Reference.

On March 17, 2003, the Newfoundland and Labrador All-Party Committee on the 2J3KL and 3Pn4RS Cod Fisheries made public a Position Statement titled *Stability, Sustainability and Prosperity: Charting a Future for Northern and Gulf Cod Stocks*. That day, the All-Party Committee briefed members of your Committee on its Position Statement. On March 25, 2003, your Committee heard further testimony from the Government of the Province of Newfoundland and Labrador. As a result of these meetings, your Committee endorses the general principles of the Position Statement of the All-Party Committee.

Because stocks of northern (2J3KL) and Gulf (3Pn4RS) cod have been critical components of the modern fishery of Newfoundland and Labrador, your Committee is of the view that a closure of those two fisheries would create economic uncertainty and cast a shadow over the future of the Newfoundland and Labrador fishery.

Comprised of representatives of all political parties in the House of Assembly of the Province of Newfoundland and Labrador, members of the House of Commons and all six of the Province's Senators, the All-Party Committee was able to form a unanimous position on the actions necessary to aid the recovery of northern and Gulf cod stocks.

Lastly, your Committee notes that assessments indicate that the northern cod stock is at its lowest level in recorded history, and that assessments of other species of Atlantic groundfish show that they continue to be at, or very near, historically low levels.

Your Committee therefore recommends that the Government of Canada act immediately to implement a multi-faceted plan to rebuild the northern and Gulf cod stocks based on the All-Party Committee's Action Plan.

Your Committee further recommends that, in accordance with Point 4 of the Action Plan, the Government of Canada establish a Prime Minister's Task Force on the Atlantic Ground Fishery to identify the reasons why Atlantic groundfish stocks are not recovering, and to present solutions to ensure stock recovery and conservation.

Respectfully submitted,

GERALD J. COMEAU
Chair

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

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

BUSINESS OF THE SENATE

Hon. Fernand Robichaud (Deputy Leader of the Government): Honourable senators, I would ask for leave of the Senate to first discuss the adjournment motion, and then resume with government notices of motions, inquiries, and motions.

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

Senator Prud'homme: No.

The Hon. the Speaker: Permission denied.

HUMAN RIGHTS

NOTICE OF MOTION TO AUTHORIZE COMMITTEE TO STUDY LEGAL ISSUES AFFECTING ON-RESERVE MATRIMONIAL REAL PROPERTY ON BREAKDOWN OF MARRIAGE OR COMMON LAW RELATIONSHIP

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

That the Standing Senate Committee on Human Rights be authorized to examine and report upon key legal issues affecting the subject of on-reserve matrimonial real property on the breakdown of a marriage or common law relationship and the policy context in which they are situated.

In particular, the Committee shall be authorized to examine:

- The interplay between provincial and federal laws in addressing the division of matrimonial property (both personal and real) on-reserve and, in particular, enforcement of court decisions;
- The practice of land allotment on-reserve, in particular with respect to custom land allotment;
- In a case of marriage or common-law relationships, the status of spouses and how real property is divided on the breakdown of the relationship; and

- Possible solutions that would balance individual and community interest.

That the Committee report to the Senate no later than June 27, 2003.

CANADA-EUROPE TRADE RELATIONS

NOTICE OF INQUIRY

Hon. Raymond C. Setlakwe: Honourable senators, I give notice that on Tuesday, April 8, 2003:

I shall call the attention of the Senate to Canada-Europe trade relations.

[English]

QUESTION PERIOD

FOREIGN AFFAIRS

WAR WITH IRAQ—MONITORING OF VIOLATIONS OF INTERNATIONAL CONVENTIONS

Hon. Noël A. Kinsella (Deputy Leader of the Opposition): Honourable senators, the name Henry Dunant is associated not only with the founding of the International Red Cross but also with the development of international humanitarian law, including the Geneva Conventions.

My question to the Leader of the Government in the Senate is the following: Is the Government of Canada monitoring very closely the respect for international humanitarian law and the Geneva Conventions during the tragic conflict that is occurring in Iraq? In particular, is the Government of Canada monitoring the violations of the Geneva Conventions in terms of the treatment of prisoners of war and the use of civilians as human shields? If so, what action is the Government of Canada taking? Is it, for example, calling in the Iraqi envoy to Canada to express the concern of the Government of Canada?

Hon. Sharon Carstairs (Leader of the Government): Honourable senators, not only is the Government of Canada watching very closely the activities taking place in Iraq, but so, too, are the Canadian people. They find that violations of the Geneva Conventions with respect to prisoners of war and civilians being used as human shields are unacceptable. However, I think it is also clear that while we hear certain reports of certain activities taking place, we then frequently hear reports, some hours later, that those original reports were not, in fact, evidence of what has taken place.

• (1400)

We must be sure to watch very carefully, as the honourable senator has suggested, to find evidence, if such evidence exists, to ensure that we have a thorough picture before any judgments are made.

Senator Kinsella: Honourable senators, in regard to the continued presence in Canada of a consul for Iraq, has the Government of Canada summoned the consul to the Department of Foreign Affairs to let that envoy know, in very clear and certain terms, the Canadian government's position?

Senator Carstairs: Honourable senators, the Canadian government's position with respect to the Geneva Convention has been clear for a very long time. If the Government of Canada believes such violations are taking place, that will be the appropriate time to make those views known to the representatives of Iraq here in the country of Canada.

However, as I indicated in my first question, let us not be too quick to judge when we know that the so-called facts seem to be changing almost on an hourly basis.

Senator Kinsella: Honourable senators, could the minister simply tell us whether the Iraqi consul has been summoned by the Department of Foreign Affairs, yes or no?

Senator Carstairs: To the best of my knowledge, the Iraqi consul has not been called, and to the best of my knowledge to this point, there is no proof of any reason as to why he should have been called.

WAR WITH IRAQ—HUMANITARIAN AID

Hon. Noël A. Kinsella (Deputy Leader of the Opposition): Honourable senators, on a different topic but relating to the same theatre, is the Government of Canada looking into the possibility of deploying a field hospital unit to Northern Iraq or to some area near the Iraqi conflict so as to be of humanitarian assistance either to injured coalition troops or to injured Iraqis?

Hon. Sharon Carstairs (Leader of the Government): Honourable senators, as the honourable senator knows, yesterday the Government of Canada announced \$100 million to go to the United Nations, monies that will be used through such organizations as the Red Cross and Red Crescent, because they are on site at this time, in order to provide the humanitarian aid that is so necessary at this time.

In terms of the specific question of whether the Government of Canada is to set up a field hospital, they have not been requested to do so by the United Nations. The government was asked, at this time, by the United Nations, to provide dollars. They have provided those dollars so that aid can be delivered through programs that are close or on site at this time.

Senator Kinsella: Honourable senators, I have one final supplementary question. Often, we hear the Government of Canada saying, "Well, we will do things if the United Nations decides." Surely, the minister would agree, however, that the United Nations is an organization made up of sovereign states and what the United Nations decides is based upon what the member states of the United Nations decide. Therefore, the question becomes, "Will the Government of Canada offer to the United Nations a field hospital?" rather than sitting back passively and saying, "Oh, well, if they ask, we might consider it." Would the Government of Canada be a little more proactive?

Senator Carstairs: With the greatest respect, senator, how more proactive can \$100 million be?

Hon. A. Raynell Andreychuk: Honourable senators, I have a supplementary to that question. I commend the government for giving \$100 million to the United Nations and I hope that Canada will encourage the United Nations to move quickly. Does Canada have a plan, in addition to the United Nations' aid, for delivering aid immediately into the war zone? Has Canada given any thought to taking a lead in mediating corridors of peace, or even days of peace, for the delivery of aid, as was done effectively in El Salvador, in Ethiopia and in the Sudan in the 1980s?

Senator Carstairs: Honourable senators, with the greatest respect to the honourable senator, when we provided aid to Ethiopia we were not dealing with a war, we were dealing with a famine. There are significant differences in what is going on with respect to the situation at this time in the country of Iraq. They are at war. There are open hostilities there. We have committed ourselves to the United Nations process in this particular endeavour. We will provide the aid as requested by the United Nations and we will provide anything else that the United Nations, of which Canada is a member, in particular, a participating member in the organization and structure of the aid that is being provided.

Senator Andreychuk: Honourable senators, for the record, it was not a famine. Ethiopia has unfortunately suffered many famines and governments have used food as a weapon and redirected aid, but that was not the situation. It was a war between Eritrea and Ethiopia, and Canada was involved in negotiations, irrespective of the fact that the UN had its own program.

I take it from the minister's answer that Canada has no program of help, either during or after the war, that is independent of the United Nations or that would be complementary to the United Nations. Is that correct?

Senator Carstairs: Honourable senators, I must say I am astounded. I have heard the honourable senator, time and again, stand up in this chamber and convince us, I think, that we should be very much a part of internationalism and multilateralism, particularly as those concepts relate to the United Nations, whether it be treaties, planning conferences, or engaging in activity, and now she seems to be criticizing the very thing she has stood for, which is working with the United Nations.

Senator Andreychuk: Honourable senators, with respect, I am not criticizing the United Nations. I am criticizing the Canadian government's lack of initiative. I have been pleading that Canada become one of the initiators within the United Nations, other than giving money. I have not received a response or an indication that Canada has been an initiator within the UN. Then my next question is: Can we do something complementary?

Multilateralism is not just a United Nations' initiative; it is also working cooperatively within the UN and finding windows of opportunity for Canada. That is how we would support and reinforce internationalism. The United Nations often asks for people to work unilaterally, bilaterally and regionally with them. I am simply asking that Canada find a role to help the people of Iraq.

Senator Carstairs: Honourable senators, the United Nations came to Canada and said, "We need money for a plan." The United Nations got the following response: "Yes, we want to be part of that plan and here is our \$5.6 million in order to help you in your planning process, of which we are a part."

As a result of that planning process, the United Nations came back and said, "We need money now to put into place the plan that we have all worked on together," including Canada. Canada immediately announced that it would make a \$100-million contribution towards that plan. For the honourable senator to stand and argue that Canada has not been part of the planning, and therefore of the carrying out of humanitarian aid, is simply not true.

Hon. Douglas Roche: Honourable senators, I hope I will not be interpreted as being churlish when I ask where the \$100 million is coming from. I support the contribution, and I think many Canadians will support Canada doing everything it can do in the United Nations context to help alleviate the distress that is now being created in Iraq. However, I would like to know whether any of that \$100 million came from existing programs that CIDA is running in developing countries?

• (1410)

Senator Carstairs: Honourable senators, as I indicated to the honourable senator the other day, it is my understanding that this money will come from funds the department has to meet emergencies and specific events that occur and not to those lined programs to which funding has been attached.

Senator Roche: Honourable senators, perhaps there was a press release from CIDA and I did not see it this morning. It would help if an explanation were given. It is a significant amount of money.

Honourable senators, this morning at their joint press conference, President Bush and Prime Minister Blair said that they had agreed upon the reinstatement of the Oil-for-Food Program in Iraq under United Nations' supervision. Mention was also made, during the conference, that the question of the governance of Iraq after the war has not been settled. What is the position of the Government of Canada on who should be the governing authority in Iraq after the war and before a proper election can be organized? Should it be the United States or the United Nations?

Senator Carstairs: Honourable senators, the government's position has been very clear. It should be the United Nations.

The Hon. the Speaker: Honourable senators, I have a list of questioners. I will make the observation that we should respect the sequence of questions as being the main question and supplementaries. However, I would ask honourable senators to not rise on a supplementary and then ask a new question. Please wait the proper turn. I have honourable senators on the list so that a new question can be put in the proper order. There is a method to the way in which I recognize senators.

Hon. Pierre Claude Nolin: Honourable senators, I return to the question on field hospitals. Has the government been requested to provide such a service?

Senator Carstairs: Honourable senators, I am sorry, but we have had a number of questions. To which service is the honourable senator referring?

Senator Nolin: I am referring to the field hospital that Canada could provide and is very good at providing. Has Canada been asked by the UN to provide such a service?

Senator Carstairs: To my knowledge, we have not been asked.

Senator Nolin: Honourable senators, the minister said earlier that a plan was being drafted and established. According to that plan, which country will be asked to provide such a service?

Senator Carstairs: Honourable senators, I do not know. I do know, as was announced in the press release today or late yesterday, that the determination was made that there were NGOs on site that had the services available and that the funds would go to those services.

WAR WITH IRAQ—HUMANITARIAN AID— PRIME MINISTER'S COMMENT

Hon. A. Raynell Andreychuk: Honourable senators, yesterday, in response to a question about humanitarian aid to Iraq, the Prime Minister said, in the other place, that:

...we are well enough connected at the UN for people to be very aware of Canada's position.

Louise Fréchette, second-in-command at the United Nations, is a former deputy minister of the Canadian government. I am certain that once we want to discuss our plans with the United Nations, we will be in a very good position to do so.

Could the Leader of the Government in the Senate explain the Prime Minister's comments?

Hon. Sharon Carstairs (Leader of the Government): Honourable senators, it is very clear that our representation at the United Nations is of the highest professional level. Not only do we have Madam Fréchette there, but we also have our ambassador to the United Nations who, in my view and that of all in this chamber, I would hope, was quite remarkable in his presentations and speeches given to the United Nations leading up to the final lack of decision, if you will, as he tried over and over to provide compromises. I must say that I was struck with the dedication of effort of Mr. Heinbecker throughout that period of time.

Honourable senators, it is very clear that the Secretary-General of the United Nations knows that we have the expertise based on our contributions to date. The Secretary-General is also well aware of the generosity of the Canadian people. It is never the money of the government; it is always the money of the people of Canada.

I feel strongly that the people of Canada will very much support the \$100 million that the Government of Canada has pledged on their behalf to this humanitarian aid.

Senator Andreychuk: Honourable senators, on a supplementary, I want to go on record that I think Ambassador Heinbecker is one of the best diplomats that we have in the service. He has served Canada very well.

He has served us well before and during these discussions. I have the utmost confidence that he will continue to serve us well. He is obviously the correct person for Canada to put forward in any debate, whether on the reconstruction, aid or political plan. He is definitely the contact point.

Honourable senators, I would appreciate an answer to my question. I should like to know what the Prime Minister meant when he said:

Louise Fréchette, second-in-command at the United Nations, is a former deputy minister of the Canadian government. I am certain that once we want to discuss our plans with the United Nations, we will be in a very good position to do so.

Could I have an answer to that question? What did the Prime Minister mean by addressing Louise Fréchette in that manner?

Senator Carstairs: Honourable senators, clearly, the Prime Minister meant what he said.

Senator Andreychuk: Louise Fréchette is an international civil servant. Her position is extremely important. She must be extremely neutral as a United Nations international civil servant. Are we to read into this comment, in any way, that her neutrality will not be respected?

Senator Carstairs: Honourable senators, no, there is no need to read anything into the comment except that this is a distinguished Canadian citizen who now plays a role on the international stage but will not, in my view, forget her deep Canadian roots.

JUSTICE

FIREARMS CONTROL PROGRAM— LEGAL CHALLENGE—COST TO GOVERNMENT

Hon. Gerald J. Comeau: Honourable senators, for the past number of days, I have been asking questions on the backgrounder to Canada's gun control program. In the backgrounder, the Department of Justice refers to one of the court challenges that went to the Supreme Court of Canada as being one of the costs that added to the \$688 million spent to the end of 2002-03.

Would the Leader of the Government know the amount of the legal costs of the challenge faced by the government? Did the government engage outside legal firms to deal with this case? If so, which firms were hired? How much did each firm charge? Were any or all of these costs charged to the firearms program?

[Senator Carstairs]

Hon. Sharon Carstairs (Leader of the Government): Honourable senators, as the honourable senator knows, those are very specific questions. They would more appropriately be put to the representatives during the examination of the Estimates. However, I will try to obtain the information for the honourable senator.

• (1420)

FIREARMS REGISTRY—ACCESS OF FOREIGN LAW ENFORCEMENT AGENCIES

Hon. Gerald J. Comeau: Honourable senators, I will ask a specific question, the answer to which I am sure the leader will know. The backgrounder also refers to a National Weapons Enforcement Support Team and the great work this joint team does with U.S. enforcement authorities, which, as I understand it, led to the arrest of a Texas truck driver who was selling guns in Canada. I suppose we should all applaud this initiative. One thing that concerns me in this regard is that the Canadian government must share some of the private information that is given to the gun registry when Canadians apply for a gun registration. Canada provides access to the database. I am sure the minister would be aware of this.

Would the minister indicate whether foreign law enforcement officials are using the database on a regular basis? Is there any way to ensure that the information from the database that is being accessed by foreign police officials is being destroyed once it is used?

Hon. Sharon Carstairs (Leader of the Government): Honourable senators, there is no question that law enforcement agencies across Canada have made use of the registry. My figures on this issue indicate that they have done so 2.3 million times since December 1, 1998. In the past year, the National Weapons Enforcement Support Team has assisted with almost 3,000 police investigations, conducted more than 1,800 firearms traces and provided about 500 lectures to the policing community.

As to the specific question which the honourable senator asked about foreign governments and their access to the data bank, I do not have an answer for him, but I will inquire and provide that information to him.

CANADA-UNITED STATES RELATIONS

WAR WITH IRAQ

Hon. Gerry St. Germain: Honourable senators, my question is also to the Leader of the Government in the Senate. For weeks and months, I have been voicing the concern, on behalf of my constituents and I believe on behalf of all Canadians, over the erosion of our relationship with the United States. The answers and responses that have come forth have been fairly cavalier and the questions were dismissed as nonentities.

Would the minister not now agree that if there were not a breakdown in the relationship with our American friends, our largest trading partner, that at least the relationship is strained?

Hon. Sharon Carstairs (Leader of the Government): Honourable senators, the United States and Canada are both sovereign countries. As sovereign countries, there will be, on occasion, disagreements between them. There will also be occasion where there is no disagreement between them, when everything is sweetness and light. However, if anyone has done a study of Canada-United States relations within the past 40 years, it becomes apparent that various governments, whether Conservative or Liberal, have had moments of disagreement. Perhaps the exception to that was the time of former Prime Minister Brian Mulroney, but then he lost the support of the Canadian people.

Senator St. Germain: Honourable senators, I do not believe former Prime Minister Mulroney lost the support of the Canadian people, but I will not dispute that at this time. Prime Minister Brian Mulroney provided excellent leadership and a thriving economy for the Liberals to take over and run for the last ten years.

Honourable senators, my question is this: Yesterday, the minister lectured us on how we should conduct ourselves in regard to the situation that has arisen between the United States and Canada. Yet, today, I read again — and I hope I am correct and I am sure we can trust the press on something like this — that some Liberal backbenchers have called for the censure or expulsion of U.S. Ambassador Paul Cellucci for publicly denouncing the refusal of Canada to participate in the war in Iraq, when Ambassador Cellucci was simply citing what his country expects of us as neighbours and allies.

The other comment was from Liberal M.P. Alexander Shepherd, who said that Mr. Cellucci could use a wake-up call from history. If this is not an added problem and a further degeneration to the horrific situation that is developing between our two nations, what is?

Senator Carstairs: Honourable senators, it is very interesting that when the Honourable Senator Kinsella made exactly the same point before I made the point, yesterday, about using temperate language, it apparently was not a lecture. However, when I agree with the honourable senator opposite that we should use temperate language, somehow or other, to the honourable senator it becomes a lecture. That seems to be a double standard that I do not particularly like.

In regard to the comments of the Ambassador from the United States, there were several Liberal members who made comments. I was not one of them. I made comments in this chamber. I hope I am not lecturing, but once again I would be prepared to say, to each and every honourable senator gathered in this chamber, that I believe it behooves us all to use temperate language.

Senator St. Germain: Honourable senators, I agree with the minister. However, like two sovereign countries, we may disagree, and I disagree with her. My disagreement arises by virtue of comments by people from the government side. Those comments are not coming from people on this side or from anywhere else.

My final supplementary question is this: I am receiving calls from British Columbia, where many businesses export goods to the United States. Some of these businessmen are being asked

about what is going on in Canada. It is not that Americans cannot understand that the government perhaps has taken a position different from the United States, but they are concerned about the rhetoric and the abusive language that is being directed towards them as Americans. There have been cancellations of numerous orders. The manufacturers associations in this country are attempting to organize a meeting in Washington within the next month to deal with this issue.

Americans are just not accepting certain items made in Canada. What is the reaction of the minister to this situation?

Senator Carstairs: Honourable senators, it would be unfortunate if orders were cancelled by citizens of one sovereign country because they did not agree with the decision that another sovereign nation made in what it considered to be in the best interests of its citizens.

There are always a great number of reasons why companies cancel contracts, not the least of which, I would suggest, is that the economy of the United States is not very vibrant these days. That may well have much more to do with the cancellation of contracts than anything else.

OFFICIAL REPORT

CORRECTION

Hon. Marcel Prud'homme: Honourable senators, I do not wish to return to the events of yesterday; yesterday is yesterday. However, there is a matter of some embarrassment for me that I should like to address.

I spoke in English yesterday. For those who read our proceedings in French, they may not recognize my words. I do not wish to criticize our translators, because they do a remarkable job. To translate my speeches must be worth many medals sometimes. However, at the end of a vigorous exchange yesterday, I said:

However, we will get even. Do not worry.

There is an expression in French, "couramment." Instead, my words were translated in French as:

[Translation]

Ne vous en faites pas, nous nous vengerons.

Frankly, honourable senators, the wording is a bit extreme.

[English]

Given the intelligence of the translators, I would like them to see if they could find different words.

When I say that I will get even, it is somewhat like I did a moment ago when I refused my consent. Unintelligently, I said "no."

• (1430)

Now I know Senator Robichaud will ask for consent, and I will say “yes.” That means I am not a vengeful person. However, in French the phrase is extremely embarrassing. My sister called me and said, “Did you say you are going to seek revenge? Are you out of your mind?”

It is not in my style; it is not in the Senate style. That will be all as far as the incident of yesterday is concerned. I registered my position. I did not like very much being lectured by others, including Senator Kinsella, telling me that I can speak at third reading as if I am a child who does not know the rules. I know I can speak at third reading. I knew that a long time ago. I could have spoken also at second reading. I was waiting for the words of wisdom of Senator Atkins.

As I said last week, I wanted to speak after Senator Atkins because he is a man who is a little more calm than I am. Do not think all the French are getting wild. I have something in common with my dear friend Senator Buchanan. He and I had better watch our hearts. When we go, we go for real, but we back off in due time.

The incident of yesterday, as sad as it is, is finished. It is registered. I know I can speak at third reading. I wanted to speak at second reading. Yesterday is yesterday. Now we live for today. Perhaps someone can help me out with this —

Nous nous vengerons...

I do not know how one can cope with that. I leave that in the good hands of the staff to see if they can come up with something that will make me look a little bit better in French.

[Translation]

BUSINESS OF THE SENATE

Hon. Fernand Robichaud (Deputy Leader of the Government): Honourable senators, without being absolutely certain of the response that will be forthcoming, but taking advantage of the invitation from the Honourable Senator Prud'homme, I seek leave of the Senate to revert to Government Notices of Motion, after Orders of the Day, Motions and Inquiries, in order to discuss the adjournment motion.

[English]

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

Hon. Senators: Agreed.

The Hon. the Speaker: Before the adjournment we will revert to Government Notices of Motion.

[Senator Prud'homme]

ORDERS OF THE DAY

APPROPRIATION BILL NO. 4, 2002-03

THIRD READING

Hon. Joseph A. Day moved the third reading of Bill C-29, for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2003.

He said: Honourable senators, we had full discussion at second reading of this particular bill, Appropriation Act No. 4, which is the final government appropriation bill, or supply bill, for the fiscal year ending March 31, 2003.

This bill is based on the Supplementary Estimates that have been considered by your Standing Senate Committee on National Finance. The report was presented by the committee chair, Honourable Senator Murray, and adopted by this chamber yesterday. I do not propose therefore to debate this particular bill any further at this stage. I would ask for the support of honourable senators for this supply bill.

Hon. Noël A. Kinsella (Deputy Leader of the Opposition): Honourable senators, I wish to ask a question of the Honourable Senator Day. Was the honourable senator able to determine, since our discussion at second reading, whether the \$59.4 million being sought in this bill for firearms registration is that vote that appears as vote 1b on page 16 or 17?

[Translation]

In the French version, it is Annexe 1, on page 17, under 1b), Justice — Dépenses de fonctionnement.

[English]

There it is saying \$68 million. Is that where the \$59 million is?

Senator Day: I thank the honourable senator for his question. My understanding today is as it was yesterday. The \$59 million is included in Justice vote 1 and vote 5.

Hon. Terry Stratton: Honourable senators, I am pleased to rise to speak at third reading of Bill C-29, Appropriation Act No. 4, for 2002-03.

The Estimates are part of the overall fiscal framework of the government. In this regard, I want to touch upon two things that I did not speak to at second reading of this bill. First, I will speak to some rather notable omissions from the two supply bills we are debating today. Second, I want to draw the attention of the Senate to the rather sharp increase in spending of the government generally over the past few years and, in particular, the massive increase in spending on the Canadian Firearms Program.

Honourable senators, on pages 224 to 227 of the budget plan, you will find 16 spending items that are being booked to this current fiscal year. These total some \$6.4 billion. There is also a non-budgetary equity infusion of \$102 million to the Business Development Bank of Canada.

Of these, only two items can be found in their entirety in Supplementary Estimates (B): \$113 million announced for veterinary colleges and \$270 million in new defence spending. There are also two items partially but not fully reflected in the Supplementary Estimates (B). These are \$308 million of the \$353 million promised for international assistance and \$2 million of the \$4 million promised to the World Summit on Sustainable Development. This accounts for less than \$700 million of the \$6.4 billion in the new spending program set out in the budget.

This leaves \$5.7 billion to be explained including, for example, \$2.5 billion CHST supplement; \$1.5 billion Diagnostic and Medical Equipment Fund; \$50 million to the Canadian Foundation for Climate and Atmospheric Sciences; \$600 million to Canada Health Infoway Inc.; \$25 million to the Canadian Health Services Research Foundation; \$70 million to the Canadian Institute for Health Information; \$500 million to the Canadian Foundation for Innovation; and \$75 million for Genome Canada.

However, the Estimates to date for fiscal year 2002-2003 total \$174.8 billion; that is \$1 billion shy of the outlined total spending of \$175.8 billion in the budget.

Add the \$5.7 billion that is missing from the Supplementary Estimates (B) to the \$174.8 billion and you get a total spending of \$180.5 billion and not the \$175.8 billion of the budget.

The difference is \$4.7 billion. The press release accompanying the Supplementary Estimates assures us that:

The amounts proposed in these Supplementary Estimates (B) are consistent with the total planned spending levels of \$175.8 billion for 2002-2003 set out in the federal budget of February 18, 2003.

If these figures are consistent, how does the government account for the missing \$4.7 billion? Presumably, accounting rules have something to do with this but nowhere does this government provide Parliament with an explanation.

• (1440)

The government has just introduced the Budget Implementation Act 2003 in the other place. It will, among other things, approve the payments to the foundations. These actually fall under a subheading in the bill that reads "Appropriations for Grants." Parliament is going to appropriate money next year, to be booked to this year, but not through the supply process. The budget was a few days too late for Supplementary Estimates (B), and rather than bring in Supplementary Estimates (C), they went another route.

The Budget Implementation Act 2003 runs some 139 pages and deals with not only the latest grants to foundations, but also with everything from GST on reserves to the way interest is calculated on overdue tax accounts. There is page after page of unrelated items — RRSPs, student loans, EI premiums the Canada Labour Code, tobacco taxes, the Debt Servicing and Reduction Act, the CHST — that we will be asked to pass as a single bill before the

end of June, leaving little room for scrutiny of the individual items.

Last April, the Auditor General reported on the various foundations that the government has set up in recent years. She found no end of problems, a few of which were addressed in the budget.

A key observation that the government has chosen to ignore concerns the way the government books its payments to these foundations. In her report, she wrote:

The government has treated the \$7.1 billion in transfers to foundations as an expenditure. At 31 March 2001, however, almost the entire amount was still in the bank accounts and other investments of the foundations. Very little of it had actually been received by the ultimate intended recipients, namely the innovators, students, and health care providers. In substance, then, the \$7.1 billion, or most of it, is not really an expenditure of the government.

She went on to say:

The recording of these transfers as expenditures is an accounting treatment that enables the government to report a lower annual surplus. On several occasions, this Office has stated its view that decisions to transfer such significant amounts of taxpayers' money should be based on sound economic and policy analysis; they should not be made to achieve a desired accounting result such as reducing the reported annual surplus. We have said that this accounting treatment compromises the integrity of the government's reported financial results.

Honourable senators, this brings me to my second point: the rather sharp increase in spending in recent years and the very real danger that the government may have to borrow more money in the future.

On the surface, the fiscal projections in the recent budget look good. Everything is in balance. However, there is another story if you look a little deeper. In its February 18 budget, the government changed its accounting rules and will now record its revenues and expenditures on a full accrual basis. One consequence of these new accounting rules is that an extra \$3.1 billion magically appeared in this year's ledger.

The Minister of Finance, of course, rushed out to spend it. The accountants waved a magic wand and made \$3.1 billion appear, and then "Manley the Magician" made it disappear.

The budget, after taking into account contingencies and a range of last minute spending initiatives, projects a balance of zero this year.

The basic arithmetic is simple: Subtract the \$3.1 billion gained from the new accounting rules from the projected zero budgetary balance and the result would have been a \$3.1 billion deficit this year if the government was still using the old accounting rules.

After reading the February 18 budget, Canadians could be forgiven if they forgot that a time warp had taken them back to the 1970s. Program spending over the last three years has climbed by 30 per cent, including an 11.5 per cent hike in the fiscal year that is now drawing to a close. I repeat, an 11.5 per cent increase!

The last time program spending rose by more than 10 per cent was in 1984, the year the P.C.s took over from the Liberals. That was two decades ago and, by the time Michael Wilson was sworn in as finance minister in mid-September 1984, it was too late to do much about the books for that year. The train had already left the station.

In the years that followed, annual program spending growth fell to a cumulative average of 3.6 per cent during the P.C. mandate — below the rate of growth in the economy, and well below the 13.6 per cent average of the Trudeau years.

This year, February 18 was budget day. In 1976, February 18 was the day when Jean Chrétien, as President of the Treasury Board, stood in the House of Commons to say that a 16 per cent hike in the Main Estimates reflected “great restraint on new expenditures.” A few months later, the Auditor General declared that Parliament had lost control of the public purse.

During his two-year stint as President of the Treasury Board, Jean Chrétien oversaw a 34 per cent increase in salaries and wages; a 28 per cent hike in transportation and communication costs; a 43 per cent jump in the government’s rent bill; a 53 per cent leap in machinery and equipment outlays; and, a 38 per cent rise in bills for professional and special services.

Can anyone on the government side assure the Senate that this 11.5 per cent program spending hike is not a precedent, and that we will not have this kind of spending increase year after year, and that Jean Chrétien or his likely successor Paul Martin will not soon be again telling Canadians that double-digit spending hikes represent great restraint?

The bottom line is that this year’s increase in program spending is the largest since the Trudeau era. If it becomes a precedent, then we may well be back to the days where the government had to borrow year after year. Part of this has been the escalating costs of the Canadian Firearms Program, now expected to reach \$1 billion by 2004-05. I am concerned that the overall spending habits of this government may well follow the pattern of the firearms program.

Honourable senators, the government is close to needing a bill to allow it to borrow money. Anyone who has ever run a business is familiar with the term “cash flow.” You can be making money on paper while bleeding hard, cold cash. I remember the days. For example, you may have sold a case of widgets but, until your customer pays, all you have to show for it on your balance sheet is an account receivable. You have to borrow money to pay your bills, even though you are reporting a profit to your shareholders.

In the case of the government, there are the financial requirements, a measure of the cash that actually goes in and out of government coffers. The government has booked about

\$6 billion to this current fiscal year that it does not expect to go out the door until the coming fiscal year. These are the transfers to the provinces and the payments to foundations. This affects next year’s financial requirements and not this year’s, despite the accounting treatment.

Subtract all the pre-booked spending from the projected zero balance for next year, make a few other adjustments, and the budget tells us that the net result is a financial requirement of some \$5.8 billion next year and \$2.1 billion in the subsequent year. Furthermore, in spite of the budget’s forecast of a financial source of \$3.4 billion in the year now ending, in the first 10 months of the fiscal year there was a financial requirement of \$3.8 billion.

The government does not have the ability to borrow \$4 billion left over from borrowing authority granted in 1996 and there is a fair bit of contingency built into the budget. Therefore, for the moment, they will sit tight.

However, there are three things that could force them to come to Parliament for more borrowing authority.

First, there are the foreign reserves. In recent months, the dollar has been rising. If the Bank of Canada feels that the dollar is rising too rapidly, it will try to slow that rise by selling Canadian dollars and buying U.S. dollars. The effect of selling those Canadian dollars is to increase the financial requirements as the money comes from Ottawa’s bank account.

Second, the economy could slow enough to eat up the contingency set out in the budget or interest rates could rise faster than assumed in the fiscal plan.

• (1450)

Third, there could be more legacy-inspired spending. In short, this year’s year-end spending blitz could be next year’s fiscal shortfall.

In his budget, the Minister of Finance talked about transparency. However, like his predecessor, he only gave us a two-year fiscal projection in his budget. Many of the spending promises set out in the budget extend over several years. Many of them, such as the health and social transfer, will rise in cost in future years. We were not told how the government would pay for them over the long run. We have a budget that makes multi-year legacy promises but fails to show us the underlying fiscal framework.

Last fall’s economic and fiscal update gave us a five-year projection as to spending and revenues. Why was the Minister of Finance unwilling to provide these same five-year projections in his budget? Was he hiding a deficit? Was he awash in funds he wanted to hide from the Prime Minister — heaven forbid?

It is time we sent the government a message that Canadians are concerned about out-of-control spending. It is also time to show Canadians that as responsible parliamentarians, we can and will respond to these concerns. It may be just a first step and it may be just a small step; however, it is a step that will convey a clear and

unmistakable message — both to the executive and to Canadians — that the Senate cannot be taken for granted. The Senate is a body fully prepared to protect taxpayers from the unconscionable waste of public funds. The Senate will be reasonable, but it will not put up with the kind of nonsensical funding approach through Supplementary Estimates taken by the Canadian Firearms Program.

Accordingly, I recommend that we remove from the Appropriation Act the monies allocated to the Canadian Firearms Program.

MOTION IN AMENDMENT

Hon. Terry Stratton: Honourable senators, I move:

That Bill C-29 be not now read a third time but that it be amended

(a) in clause 2, on page 1,

(i) by replacing lines 19 to 21 with the following:

“exceeding in the whole one billion, eight hundred and sixty-two million, six hundred and fifteen thousand, three hundred and thirty-four dollars towards”, and

(ii) by replacing line 29, with the following:

“Act \$1,862,615,334.00”; and

(b) in Schedule 1,

(i) on page 4, in the first line following the heading “SCHEDULE 1”, by replacing “\$1,882,904,747” with “\$1,823,457,377”,

(ii) on page 16, under “JUSTICE — DEPARTMENT”:

(A) by replacing the amount “68,457,029” opposite Vote No. 1b with “17,868,029”,

(B) by replacing the amount “9,048,840” opposite Vote No. 5b with “190,470”, and

(C) by replacing the total “77,505,869” with “18,058,499”, and

(iii) on page 24, in the last line, under the column entitled “Total (\$)”, by replacing “1,882,904,747” with “1,823,457,377”.

The Hon. the Speaker: Is the house ready for the question, or are there senators wishing to speak?

Hon. Ione Christensen: Honourable senators, I wish to address the amendment to Bill C-29.

Canadians know Bill C-68 as the “Gun Control Act,” an unfortunate name as the principal and major thrust is to promote safety and control. I have used firearms since I was six years old. My father, a member of the RCMP, was a strict and exacting

teacher. Under his tutelage, I acquired a great respect for the handling of guns. They are tools that are designed to kill. That is their one and only purpose. It is true they are often used as sporting equipment, but that is only a secondary use.

I was a founding, and for many years, active member of the Whitehorse Rifle and Pistol Club. I earned all my Canadian marksmanship pins and crests. I was on the competition team, and have a large number of firearms, all of which are registered.

It is essential that all persons who use firearms understand the responsibility that comes with such ownership. This brings me back to Bill C-68, a bill which is really an urban piece of legislation, rather than rural. In rural Canada, firearms are tools of trade. They are used to provide food and offer protection in wilderness situations. Most rural Canadians have used guns since childhood and often, one or two firearms will serve the needs of all family members.

There are four pillars in Bill C-68. The first is increased penalties for persons who commit offences using firearms. I support that pillar.

The second is a licence requirement for all persons who own or use firearms. As we are told, people, not guns, create the problems. As many people today have not had the benefit of rural upbringing, such a safety measure is good. I support that pillar.

The third is safe storage and handling of firearms. No responsible gun owner will argue with that. I support that pillar.

The fourth pillar is the registration of firearms. It is divided into two parts. The first part is the registration of handguns. We have had that requirement for more than 60 years. I support that half of the pillar.

The second part is the registration of non-restricted long guns. This is where I have a problem.

I want to see changes in that part of the bill. However, Bill C-29 will not allow me to make those changes. This is a money bill, part of which is to approve funds for the gun program. We are all shocked by the amount of funds that has been put into this program to date.

Yet, for those who have followed the life of this bill, it should not be such a surprise. This bill was to be user-pay. From day one, it ran into problems. The provinces and the territories, which were to help administer the program, withdrew. There were difficulties in the public use of those first forms. There was the deferral of fee deadlines and the extension of lower fees. There was the introduction of new forms and the major advertising campaign that accompanied those forms. There were refunds of the first registration fee. There was the extensive effort to send out teams to help people fill out those forms; in the North, this required persons with native language skills. There has been the constant upgrading to find a registration program that could meet the increasing demands. Finally, there was the deliberate overload of the system by those who were trying to sabotage the program. I do not excuse the astronomical amount that it has cost to date, but I do understand why it happened.

• (1500)

Due to all of the problems above, plus the fact that the program administration was left with the Department of Justice, which is poorly suited to manage such a program, one can begin to understand why the financial picture changed so quickly. The shame is that those problems were not recognized early and changed. Rather, it was allowed to grow and each new problem only exacerbated that which had gone before, and the Department of Justice seemed to have been just too stubborn to admit it.

My first inclination is to vote for this amendment. The region that I represent is rural, and many Yukoners find Bill C-68 offensive. My vote would be welcomed by some. Then I would ask myself: What would such a vote achieve? Would it change Bill C-68? Would it serve the needs of my area? Would it be the wise and reasonable thing to do? I am a legislator and when I disagree with a piece of proposed legislation, I must work to have that legislation changed through due process. Bill C-29 is not a vote on policy, nor will it change policy. It is only administrative in nature. Whether it is approved or not, the money has been spent and funds will be found to cover this cost overrun.

Supporting the amendment would ease my conscience and would give me a moment of glory in the eyes of those Yukoners who oppose Bill C-68. However, I would not have moved Yukoners any closer to the amendments on Bill C-68 that we all want to see. It could be argued that I would have made those amendments even harder to achieve.

The Honourable Leader of the Opposition is quoted as predicting that the support of this bill will guarantee goodies from on high, exotic trips and dinner parties. I have never had, nor do I want, exotic trips — except perhaps to the Yukon — and wonderful dinner parties are available to us each and every night if we have the strength and endurance to attend them all. No, I am sorry. My support would not be based on any favours or rewards, nor for fear of personal reprisal in being passed over for favoured appointments. I do not covet any favours. I will vote in a manner that will place me in the best position to achieve my end goal, which is to see changes to Bill C-68 so that it better meets rural needs and to see a registration process that is more in line with safety goals and not control.

For me, honourable senators, this is a beginning and not an end. I will vote against this amendment, for the bill, and move on to fight for changes to that one pillar — an amendment to the long gun registration.

Honourable senators, I would ask those of you who have concerns about Bill C-68 to join me in working for those changes. We have to pick our fights, and we should pick the fights that we think we can win. I feel that together we can win this one.

Hon. Anne C. Cools: Honourable senators, if so many of us in eight years have not been able to make any corrections and changes, what magic does the honourable senator possess to get those changes that we have all failed to obtain?

Senator Christensen: Honourable senators, the answer is this: persistence.

Hon. Gerry St. Germain: Honourable senators, persistence may be a great attribute, but I have heard that coercion may be a greater attribute in dealing with certain things on the Liberal side.

Some Hon. Senators: Oh, oh!

Senator St. Germain: I must have said the right thing. I hit a nerve.

Honourable senators, I rise to speak to Bill C-29 and will focus my remarks on one particular aspect of the bill — funding for the gun registry. The government is proposing to allot an additional \$68 million to the Department of Justice, including \$50 million for the Firearms Program for this fiscal year, along with another \$9 million for the gun registry.

Honourable senators, this gun registry — a major Crown project — has been the subject of intense debate since its inception through Bill C-68 in 1995. Honourable senators in this place have questioned it and possibly millions of Canadian taxpayers have protested against it. The costs have gone so far over the top that it makes no sense to throw more money at it. Ms. Wendy Cukier of the Coalition for Gun Control said, “You cannot evaluate the costs of the program without also seeing its benefits.” Well, I and many others would be only too pleased to know what those benefits are supposed to be.

I do know that taxpayers are quite interested in knowing that they are receiving good value for their tax dollars. Government projects are supposed to go through a cost-benefit analysis. The benefits must outweigh the costs.

In this case, the government took a public security matter and twisted it around existing and perfectly good gun control legislation to suit their partisan needs. Honourable senators will remember the government’s own briefing book on Bill C-68 and the minister’s letters. For example, on May 24, 1995, Minister Rock responded to questions raised about the costs of establishing the registration system. Mr. Rock said:

The administration will be fully funded by the federal government and cost recovered through fees. Our objective is to make the entire Firearms Program cost-neutral. Every effort is also being made in designing the registration system to achieve simplicity and cost efficiency.

The minister questioned those of us who said that the registry would cost \$500 million to \$1.5 billion. The government’s answer to that was:

No. Setting up the system will cost approximately \$85 million spread over five years, which will be recovered over time from the (collected) fees. The ongoing cost of issuing registration certificates will also be covered by fees. All fees will be reviewed by Parliament. None of these costs will be taken out of the provincial, municipal, or police budgets.

Looking at the costs of operating the Bill C-68 firearms control system clearly shows that planners who devised the scheme did not have the skills required to design a proper system.

Bill C-68 was passed in December 1995. The Canadian Firearms Centre was established in 1996 but took two years to have operational status. The legislative licensing deadline was December 2000, but that target is off by three years.

The government also said:

The firearms registration system will apply equally to all persons but implemented in a way that is sensible and sensitive to the Aboriginal way of life.

What a hoax; what a misrepresentation; what a sad story of how they have treated our Aboriginal people. Our Aboriginals have had to petition the courts to enforce and protect their treaty and constitutional rights, which seemingly are being infringed. There is currently an injunction in Nunavut.

I have voiced my objections to mandatory registration because this law makes criminals of those failing to register. I have opposed the registry because I believe that this was not a prudent expenditure of public funds; that the intended result of reducing gun crimes, improving public safety or saving lives would not be achieved, as supported by the Chief of the Metropolitan Toronto Police Force, the largest police department in the country; that it would not help police investigate and prosecute violent criminals; and that it would not reduce the use of firearms in violent crimes.

Many honourable senators and many knowledgeable Canadians have counselled the government that this registry would result in more bureaucracy; that it would increase tax expenditures and user fees, such as registration fees, permit fees and renewal fees; that it would target law-abiding, responsible gun owners and not real criminals; that tracing firearms would serve no useful purpose; and that it would undermine public respect for the law.

I oppose the expanded use of Orders in Council. I oppose the waste of valuable police time and scarce tax revenues on useless and ineffective gun controls. Just think of this: If the \$1 billion had been made available to police forces across this country, we may have been able to stem the horrific crime that took place in Vancouver where 69 known, and possibly more, citizens were lost to horrific murders in the Lower Mainland of British Columbia.

Honourable senators, my greatest fear on this issue has been realized: that the government would not listen to the people. The government has been told that parts of the Firearms Act would violate the Charter of Rights and Freedoms. This is a valid reason to repeal Bill C-68. The Senate must not adopt and pass these Estimates.

• (1510)

Honourable senators, approving these Estimates and budget perpetuates numerous Charter violations. To the extent that the Firearms Act restricts any of our rights, the burden of proof shifts to the government to prove such restrictions are "reasonable." To do this, the Supreme Court developed the Oakes test, which

requires the government to demonstrate that the act serves an important public policy objective, is rationally connected to that objective, impairs the right in issue as little as possible, and, proportionally, it does more good than harm.

While the purpose of the Firearms Act — to reduce illegal use of firearms and violence — easily qualifies as an important public policy objective, the means used to achieve this objective utterly fail the Oakes test.

The Auditor General's December 2002 report calculated that the gun registry would cost \$1 billion by 2005. However, it noted the Estimate was incomplete for a number of reasons, including the fact that the government failed to report the costs of enforcement and compliance.

If the Liberals plan to enforce the Firearms Act, they must tell Parliament what it will cost taxpayers. Hundreds of police officers could have been hired to enforce public safety on the streets for the amount that we have spent on this registry.

A Library of Parliament research paper further estimates that enforcing the Firearms Act could cost taxpayers another \$1 billion. In December, the Minister of Justice withdrew his request for \$72 million for the firearms registry because both he and the Prime Minister knew that Parliament was outraged at the cost overruns. Yet, the Minister of Justice used "cash management" and now these Estimates request \$59 million to make up the shortfall.

Is the government intentionally keeping Parliament and the public in the dark, or is it incompetent?

Honourable senators, I would venture that Canadians believe in less government and bureaucracy. They believe in less government spending, lower taxes, personal freedom, and personal responsibility. Canadians believe in every citizen's right to private property. Fifty-three per cent of Canadians are saying that the major cost overruns show that the national gun registry is badly organized, not working properly and should be scrapped.

This vote is about reasserting Parliament's authority over the public purse. Honourable senators, these Estimates need to be sent back to the other place. I would urge all senators to support the amendment made by Senator Stratton.

Senator Cools: Honourable senators, I rise to speak in support of the amendment to this bill, to reduce the appropriations requested by the Department of Justice.

Yesterday, speaking on Supplementary Estimates (B), I chronicled the repeated assurances Minister Rock made in 1995 on Bill C-68, about the then low cost of the firearms bill. Today, I wish to chronicle some of the editorial and media commentary on this problem-prone firearms program, and some of the government's threats toward members of its Liberal caucus who questioned the propriety and wisdom of voting additional appropriations to the program.

On March 20, 2003, the *Ottawa Citizen* article by Tim Naumetz, headlined, "PM threatens to toss rebel M.P.s," subheaded, "Some M.P.s plan no-vote on funds for gun registry" reported that:

Government whip Marlene Catterall told reporters expulsion from caucus was “one of the possibilities” facing Liberal M.P.s who vote against the estimates and, if the estimates fail, an election would follow because it would be considered a vote of non-confidence.

On the same day, the *National Post* article by Bill Curry, headlined “Vote against registry at own risk: PM,” subheaded, “\$59M spending request, Chrétien threatens to expel M.P.s who oppose funding,” stated:

One Liberal M.P. also said officials from the Prime Minister’s Office reminded some dissidents an M.P. who is kicked out of caucus will not be able to run as a Liberal if there is a snap election.

On March 20, 2003, *The Toronto Star* article by Jim Brown headlined “PM warns Liberals to back more funds for gun registry” quoted Marlene Catterall:

“When Canadians elect a Liberal government they expect us to fulfil the policies on which we ran,” said Catterall. “This is a question of confidence in the government. That’s the way the Prime Minister sees it, and that’s what it is.”

The March 20, 2003 *The Globe and Mail* article by Kim Lunman and Jane Taber, headlined, “PM leans on caucus to fund firearms registry,” subheaded, “Threat of expulsion reduces M.P. to tears,” reported:

About 10 other M.P.s spoke of their concerns about the registry. But Mr. Chrétien remained unmoved: “I just want everybody to know this is a vote of confidence. So act accordingly,” he said, according to insiders.

“He means business,” an M.P. said about the Prime Minister’s intent to kick out M.P.s who don’t support the additional funding.

Honourable senators, these debates have been going on in this chamber, cloistered and sequestered from what the public is hearing and reading. I thought the record should reflect what is going on in the public’s mind. This is just a small hint of some of the news coverage on one day — the day of the vote on supply in the other place. This is a sample of what Canadians have been reading daily for months now.

Honourable senators, a few weeks ago, there was much coverage of the Auditor General’s report on the firearms program and its disastrous management. I will list a few of those articles, with the headlines as follows: on December 14, 2002, the *National Post* article by Christie Blatchford headlined “Rock’s billion-dollar gun registry disaster”; on December 19, 2002, the *National Post* article by Diane Francis headlined “Gun registry just a fourth-rate policy” subheaded “Liberals spend \$1B to avoid being politically incorrect”; on January 11, 2003, *The Globe and Mail* article by Margaret Wente headlined “Counterpoint” subheaded “Playing politics with guns.” In that particular article, Margaret Wente said that she does not like guns or hunting, and she does not like mismanagement either.

Honourable senators, public opinion is well informed of the Auditor General’s scathing report and the extravagant — still unexplained — overspending of the Firearms Program. The public is aware that Parliament and parliamentarians have been sidelined and excluded, and that the Prime Minister has threatened to expel members of Parliament who would vote “no” to more money for a demonstrated failure of management and accountability in the Firearms Program.

I shall chronicle now some of the media reports regarding a possible snap election. First is the December 30, 2002, *National Post* article by Anne Dawson, headlined “Chrétien was ready to call election” subheaded “Showdown over Kyoto.” This article reported that:

Jean Chrétien was ready to call a mid-January election ...

“He was very serious. We were discussing the potential of a mid-January election,” said a senior Liberal source. “Madame Chrétien was fully supportive of this scenario.”

Mr. Chrétien was most serious about using his power to refuse to sign M.P.s’ nomination papers as a way of punishing rebels, the sources said.

He intended to start with the 75 M.P.s who had refused to sign a loyalty pledge to him this summer.

The January 20, 2003 *National Post* article by Joan Bryden, was headlined “I don’t need anybody any more: PM” subheaded “Election remains trump.” This hurt a lot of people, honourable senators. The article quoted Prime Minister Chrétien saying:

I don’t need anybody any more. I did what was the right thing. I’m in a very good position. I never felt in a stronger position than I am right now. Because, you know, they can defeat me in the House and there’s an election. It’s the reality under our Constitution.

• (1520)

The article continued:

The spectre of an election is “not a threat” Mr. Chrétien insisted. “It’s a reality.”

The January 21, 2003 *National Post* article by Anne Dawson headlined, “Liberal M.P.s tell PM to ‘just relax’ on snap election” reported that:

This month, Mr. Chrétien was asked if he was planning a snap election. “I don’t know,” he told the *Post*. “I’m the Prime Minister. If I lose a vote in the House of Commons it’s necessarily an election.”

On January 24, 2003, the *National Post* article by Anne Dawson headlined “Copps says donations ‘obviously’ sway policy” quoted Mr. Chrétien, saying:

“For anybody who knows a bit about the Constitution...you know the Governor-General always takes the advice of the Prime Minister,” he said.

Honourable senators, I shall cite some more of the recent media headline coverage on the appropriation bill before us today, being: March 22, 2003, *The Edmonton Sun* article by Doug Beazley headlined "Chrétien hammers nail in coffin of democracy"; March 24, 2003, *The Ottawa Citizen* editorial headlined "M.P.s, unmuzzled" subheaded "Liberal opponents of the gun registry should keep speaking out"; March 25, 2003, *The National Post* editorial headlined "\$59-million more down the hole"; March 25, 2003, *National Post* article by Bill Curry headlined "Liberals confident in gun vote" subheaded "New report shows registry could cost \$1-billion more."

Honourable senators, this is what people out there are reading and hearing: on March 25, 2003, the *Ottawa Citizen* article by Tim Naumetz headlined "PM's threat keeps M.P.s on side for gun vote"; and on March 25, 2003, *The Toronto Star* article by Tonda MacCharles headlined "Toe the line on gun registry, Liberals warned."

Reading these articles pains me. It is a painful thing.

Honourable senators, I have been chronicling public opinion as reflected in the media commentary. Of importance is the fact that the entire debate —

Hon. Fernand Robichaud (Deputy Leader of the Government): Time.

The Hon the Speaker: There are six minutes left.

Senator Cools: I beg your pardon?

The Hon. the Speaker: There was a request to confirm that you still had time, Senator Cools. You have six minutes.

Senator Cools: I find what just happened extremely objectionable. I find it extremely objectionable. I would like to know what the justification was for that.

Senator Robichaud: Question!

The Hon. the Speaker: Senator Cools, you have the floor.

Senator Cools: No, Your Honour, I was speaking, and someone else got the floor. In this chamber, we can speak to each other. Someone did something. I would like to know why. I need an explanation.

The Hon. the Speaker: Well, I assume that the senator thought that your time had expired. I wanted to clarify that it has not and that you have time left, Senator Cools.

Senator Cools: Your Honour, I do not believe that it is in order to interrupt a person who is speaking, simply to determine my remaining speaking time. I think an apology is in order, Your Honour.

[Translation]

Senator Robichaud: Honourable senators, I apologize. I thought the honourable senator's time was up. We can continue.

[English]

Senator Cools: It is just the normal state of affairs here.

Honourable senators, as I said before, I have been chronicling public opinion. I was saying that public opinion has not been focused on the issue of gun control but, in actual fact, has been focusing on the issues of mismanagement and waste and, more recently, on the whole phenomenon of what I would describe as human relations between members of caucus, the Prime Minister, and members of Parliament and the government. I would add here, now that I have been provoked just a little bit, that the burning question of the next era will be human relations within party caucuses. It has to come forward for discussion.

Honourable senators, I turn now to the question of calling snap elections, and the questions of dissolution of Parliament, money bills, votes of confidence, and the principles therein. Yesterday, speaking on Supplementary Estimates (B), I read to the chamber the Common's December motion to amend the Estimates by reducing them by \$72 million, the amount of the Department of Justice appropriations for the Firearms Program. I also said at the time that a motion to reduce the Estimates is a serious parliamentary matter. *The Parliamentary Dictionary*, a reference book on Parliament authored by L.A. Abraham and S.C. Hawtrey, tells us about the parliamentary significance of motions of reduction to Estimates, saying:

An amendment to reduce the amount of a vote is nowadays seldom, if ever, agreed to. A reduction would obviously be highly inconvenient, since money would probably have been spent already and work done in anticipation of the sanction of the House. If it were carried against the Government's wish, it would amount to a severe defeat for them, and might be expected to lead to the resignation of the responsible minister, if not of the Government as a whole.

En passant, honourable senators, I note that in December the Minister of Justice did not resign. I further note that on December 5, on the heels of the Auditor General's scorching report, the government did not declare that that particular vote was a confidence vote, and that motion having carried brought no election call because of the defeat. Rather, the government affected a posture and spin that the government had withdrawn the \$72-million amount. Further, the snap election spins appeared only after December 5 and during Christmas recess in the December 30, 2002 *National Post* article by Anne Dawson. I ask senators to contemplate why Supplementary Estimates (A) in December was not a confidence vote and Supplementary Estimates (B) now in March is a confidence vote. They are exactly the same votes. One carried; one obviously did not. I submit that the answer is to be found not in any principles of responsible government but rather in the impulses of human ambition, what St. Augustine called the *libido dominandi*, the libido or lust for power.

Honourable senators, there are no principles that can found an excess of power. Principles cannot found threats to members of Parliament to obtain a desired outcome of members' votes in Parliament and in parliamentary proceedings. A member's vote is a sacred trust, born and fought for in bloodshed and constitutionally protected for hundreds of years. Perhaps some people here think I am naive, but I believe in these principles very strongly. The sacred trust is the trust of the citizens of this realm.

Honourable senators, the principle of confidence is the exact opposite of what the government and government whip Marlene Catterall have said. The principle of confidence is that members express dissatisfaction with the ministry. The principle is that members express parliamentary dissatisfaction with the government, not that the government expresses dissatisfaction with members. The principle is that members censure the government, not that the government censures members, particularly its own party members. Confidence is Parliament's peculiar tool to obtain responsible government from ministers. It is not a tool of government to be used to obtain weakness and obedience from members of Parliament. The notion of confidence replaced impeachment and attainder as a means of holding ministers accountable to Parliament. It cannot be transformed into a coercive tool to punish members who simply want better accountability and performance from their own government — hard-working, Liberal members who support their side under really adverse conditions. The notion is that ministers hold office on the sufferance of members, not vice versa. Members do not hold their seats on the sufferance of leadership; it is the reverse.

Honourable senators, I move now to defeated prime ministers' requests for dissolution and election calls.

The Hon. the Speaker: Senator Cools, I regret to advise that your 15 minutes have expired.

Senator Prud'homme: Let her continue.

Senator Robichaud: No.

Senator Cools: I want the record to clearly show —

The Hon. the Speaker: Is leave granted for Senator Cools to continue?

Some Hon. Senators: Yes.

Some Hon. Senators: No.

The Hon. the Speaker: Leave is required —

Senator Cools: I thank my leadership for their magnanimity, or rather, lack of magnanimity. We need not fear, because the next bill will be called, and I will speak again then. It is not a problem.

• (1530)

The Hon. the Speaker: The question is on the motion in amendment of the Honourable Senator Stratton.

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

Some Hon. Senators: No.

Some Hon. Senators: Yes.

The Hon. the Speaker: All those in favour of the motion in amendment will please say "yea."

Some Hon. Senators: Yea.

[Senator Cools]

The Hon. the Speaker: All those opposed to the motion in amendment will please say "nay."

Some Hon. Senators: Nay.

The Hon. the Speaker: I believe the "nays" have it.

Senator Stratton: On division.

The Hon. the Speaker: On division?

Some Hon. Senators: On division.

The Hon. the Speaker: We will now resume debate on the main motion. Is the house ready for the question on the main motion?

Senator Cools: No.

I would like to begin by saying, honourable senators, that I found what my deputy leader on the other side — on my side just did to be quite objectionable and I would like the record to show that it was an unpleasant act and totally unnecessary.

The Hon. the Speaker: Are you rising on a point of order, Senator Robichaud?

Senator Robichaud: I thought Senator Cools was right in the first place when she said "my deputy leader on the other side."

Senator Cools: I do not understand what he is talking about. It is a common problem.

Honourable senators, I had been speaking to Bill C-29, and it had been my plan to speak to one bill and not to speak to the second bill.

To the extent that the notion of freedom of speech is so well respected here, I find myself standing to continue the same speech that I was making on Bill C-29, because the issues are related, after all.

Hon. Sharon Carstairs (Leader of the Government): I rise on a point of order. I think it should be clear to the honourable senator that we are still speaking on Bill C-29.

The Hon. the Speaker: Just to clarify, honourable senators, the motion in amendment was defeated. We are now on the main motion, which is the motion on Bill C-29. It is debatable.

Senator Cools: That also means that I can speak again on Bill C-30.

Honourable senators, as I was saying before, I had been trying to put on record here a chronicle of what we are all hearing out there as we go home to the parts of the country from which we come.

It used to be a common practice in this chamber that the debate here would reflect the reality out there. In recent years, that practice has fallen away. It seems to be that if scholars wish to know what is going on in the country, they no longer look to the debates of Parliament to find out. I suppose they now look to the newspapers. I can tell honourable senators — and I am quite a reader of history — that if they wanted to know what was going on in 1880 or 1890, it used to be that they would look at the parliamentary debates to get an inkling of what members were saying and thinking and what was being reflected in the public domain.

As I had been saying, it was my wish and intention that the record here should be a reflection and mirror of what is going on out there in the community because I, like many, have a fair number of supporters. I have been getting countless letters and phone calls. I would say to honourable senators that in the last many months I cannot even walk 10 feet, for example, in the supermarket, without people walking up to me and asking me about this billion dollar — I do not like the expression “boondoggle.” Speaking in clichés is not part of my way. That language seems to have caught on. I have had question after question from people who cannot comprehend that any government can just simply dismiss an over-expenditure of that magnitude.

Honourable senators, with working on the Hill, Ottawa can be a little bit of a cocoon. Being in the chambers and walking these halls provides insulation from the reality that a billion dollars to most people sounds like an incomprehensible amount of money.

Honourable senators, one of the things that has bothered me about Bill C-68 is that these bills and these actions are so elitist and anti-labour classes. The majority of people in this country are in the labour classes. The majority of men, for example — and I quarrel with the feminists all the time — are blue-collar workers: truck drivers, construction workers, loggers, carpenters. They are labourers.

Senator LeBreton: Mechanics.

Senator Cools: Mechanics, plumbers and welders. It goes on. My dear mother, Methodist that she was, taught me to have great respect for the labouring classes. That is what is wrong with Bill C-68, honourable senators, because it discriminates against ordinary people, many ordinary men who subsidize their income by hunting every fall and filling up their fridges and freezers with venison and moose and whatever they are able to get — part of what I would describe as God's bounty. I have supported them before and I shall continue to support them.

As I was saying before, honourable senators, the press coverage has been profound and enormous. I want the record here to reflect that.

In particular, I move now to the question of the accountability of ministers, prime ministers, and the question of requests for dissolution, election calls and threats of elections, et cetera.

Honourable senators, the principle of confidence is that defeated ministers retire from office and resign, not that defeated ministers retire members whom they do not like or

who are inconvenient to them. The first point on the business of calling elections is that prime ministers do not call elections — Governors General do. The Constitution is clear that the grant of dissolution of Parliament to a defeated prime minister is the sole unquestioned prerogative of the Governor General. Further, the Governor General, when faced with a request from a prime minister to dissolve Parliament and to call an election, is constitutionally bound to exercise his or her own considered judgment in accordance with well-established principles and with regard to all the circumstances. This is the law of the land.

Honourable senators, the principle is that ministers and prime ministers defeated in votes of confidence resign. That is the rule. The rule is not that ministers and prime ministers when defeated can call an election. The rule is that ministers and prime ministers, when defeated, should resign.

Constitutionally, a defeated prime minister's request for a dissolution of Parliament is a prime minister's appeal to the Governor General to issue two royal commands. The first is to discharge and disband Parliament. The second is to call an election. Such appeal by any defeated prime minister is the alternative to that prime minister's resignation and the disbanding of that prime minister's own cabinet.

The constitutional question then before any Governor General would consist of making the choice between disbanding Parliament and disbanding the cabinet. In this contest involving prime minister versus Parliament, a prime minister seeking dissolution must prove to the Governor General that the public good and the national interest are best served politically, legally and morally by disbanding Parliament and not by disbanding that prime minister's cabinet. Remember, the rule is that ministers, when defeated, must resign.

• (1540)

Therefore, that prime minister must prove to the Governor General that the public good is best served by that prime minister not following the usual rules and resigning but, rather, by following the exceptional act of being allowed to continue in office as prime minister despite defeat and therein to go into an election as prime minister. The calling of an election is the exception, not the rule. The rule is resignation. That prime minister must prove to the Governor General that the problems causing the parliamentary defeat rest within the Parliament and not within the cabinet or with the Prime Minister.

Honourable senators, such a defeated prime minister's appeal is a circle. It is a cyclic appeal. In addition, such a defeated prime minister's appeal engages the Governor General's prerogative to appeal to Parliament. The Prime Minister appeals to the Governor General, and the Governor General must appeal back to Parliament. Such appeal to Parliament would then determine whether a new government and a cabinet could be formed from the same Parliament. In short, the Governor General must appeal to Parliament and must uphold the principles of the viability and stability of Parliament because the Governor General through Her Majesty has the duty to Parliament as well as to her ministers.

Honourable senators, the position of the Prime Minister is a high office in which the Prime Minister is expected to uphold both the Governor General and Parliament. The Queen, in the person of the Governor General, is the actuating power of the country, the moving power of the Constitution. A Prime Minister is expected to uphold the Queen, Parliament and the Constitution. These institutions are not mere tools of political ambition. They are sound principles, and I think we should cherish them.

The Constitution is clear that a request for dissolution is not a sole decision to be taken by a prime minister acting alone but is a decision of cabinet. The Constitution is equally clear that a prime minister defeated in the Commons has no right to an election, or a right to advise the Governor General to dissolve Parliament, because such a defeat in the House of Commons immediately confers a constitutional impairment to advising a Governor General. Such a defeat in the lower House is a constitutional signal that something is very wrong.

Honourable senators know that I am a great believer in the monarchy, the monarchy and our constitutional system. I believe it is the crowning achievement of what I would consider to be constitutionalism. I am pained and deeply troubled by the Prime Minister's statements about the Governor General always taking the Prime Minister's advice. I am pained because these statements are not statements about principles of law but, rather, his personal certainty or sentiment that the Governor General will oblige and comply with his request. Such certainty is deeply disturbing and even precipitous of a constitutional crisis. No one here could know how these situations pain me.

Honourable senators, I close by citing William Gladstone, Prime Minister of the United Kingdom in the 19th century. I quote him on the question of the control of the public purse. Yesterday, honourable senators will recall that I talked about Mr. Gladstone and the great reforms that he and his supporters brought about in the 19th century. More important than that is the fact that Mr. Gladstone was called the "great commoner." He probably more than any other the single human being was one of the greatest contributors to the notion of responsible government and Parliament's control of the public purse. As a matter of fact — I am speaking off the top of my head — I believe it was on his motion in England that the Public Accounts Committee was first created donkey's years ago.

In any event, known as the "great commoner," he had a lot to say on the notion of the control of the public purse. I would like to close by citing a speech that Mr. Gladstone made in Hastings in 1891. It is a very beautiful speech, and it outlines some of the principles very clearly. He said:

...the finance of the country is intimately associated with the liberties of the country. It is a powerful leverage by which English liberty has been gradually acquired. Running back into the depths of antiquities for many centuries, it lies at the root of English liberty, and if the House of Commons can by any possibility lose the power of the control of the grants of public money, depend upon it your very liberty will be worth very little in comparison. That power can never be wrenched out of your hands. That powerful leverage has been what is commonly known as the power of the purse — the control of the House of Commons over public expenditure...

[Senator Cools]

Honourable senators, this entire debate has not been about who is for gun control and who is not for gun control. Quite often these debates are cast in such a manner that if you disagree with the government somehow or other you support wife beating or something or other. This debate has been about accountability and the use of taxpayers' dollars, which is, after all, what Parliament is about.

Having said that, honourable senators —

The Hon. the Speaker: Senator Cools, I regret to advise that your 15 minutes have expired.

Senator Cools: I was just closing anyway. I said this debate —

The Hon. the Speaker: Are you asking for leave?

Senator Cools: I am finished.

An Hon. Senator: No.

Senator Cools: Point of order.

The Hon. the Speaker: Point of order, Senator Cools.

Senator Cools: Honourable senators, I think at some point in time we should have a debate here about arbitrariness, excess of power and abuse of privileges.

An Hon. Senator: It is not a point of order.

Senator Cools: It is a point of order.

I think we should have a debate about proper relationships between leaders and their followers and proper relationships between prime ministers and their supporters.

I will not bother to ask His Honour to rule, but rest assured, with all the public commentary that has gone on about this excess of power, we can be sure that these issues will be the initiatives of the next few years.

Honourable senators, I thank you all for listening, and we shall soldier on.

The Hon. the Speaker: Is the house ready for the question on the motion of Senator Day to give third reading to Bill C-29?

Some Hon. Senators: Question!

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

Some Hon. Senators: Yes.

Some Hon. Senators: No.

The Hon. the Speaker: I will put the question more formally.

Will those in favour of the motion please say “yea”?

Some Hon. Senators: Yea.

The Hon. the Speaker: Will those opposed to the motion please say “nay”?

Some Hon. Senators: Nay.

The Hon. the Speaker: I believe the “yeas” have it.

Senator Stratton: On division.

Motion agreed to and bill read the third time and passed, on division.

• (1550)

APPROPRIATION BILL NO. 1, 2003-04

THIRD READING

Hon. Joseph A. Day moved the third reading of Bill C-30, for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2004.

He said: Honourable senators, my remarks will be brief. This bill is for interim supply for the first three months of the fiscal year beginning April 1. We have debated this at length. The amount that the government is requesting is \$17.8 billion, leading into the end of June. I would respectfully request the support of honourable senators for this bill.

Hon. Terry Stratton: Honourable senators, I rose to speak to this bill at second reading yesterday and I made most of my points at that time. However, I would like to reinforce two issues that need to be watched during this coming fiscal year. The first is the ever-increasing cost of gun registration, for which next fiscal year the government is requesting \$113 million. It will be interesting to watch and see how many Supplementary Estimates there are that add to this number.

Second, in this current fiscal year the government has an 11.5 per cent program spending hike. I said earlier in my speech on Bill C-29 that this is something with which we need to be concerned. Is this setting a trend? Is this something that will happen in the next fiscal year and thereafter? I would ask every honourable senator in this chamber to watch for those two issues, watch for the increase and out-of-control spending on gun registration, and watch for the increase in double digits in our spending for the next fiscal year.

Some Hon. Senators: Question!

Hon. Anne C. Cools: Honourable senators, I feel compelled to speak.

Honourable senators, I rise to make a few remarks on third reading of this bill. There are many issues that have been mentioned, debated and spoken about. There are a couple of

outstanding issues that still have not made their way into what I would consider to be a fulsome and wholesome debate. Since it concerns the Firearms Program, I would like to touch on one important issue in this speech on third reading.

The particular issue — and I think other honourable senators have alluded to it — is this whole question of a major Crown project and the designation of the Firearms Program as a “Major Crown Project.” I am sure that those of us who have been following the subject matter are aware of the disagreement between the Department of Justice and the Auditor General as to whether or not the Firearms Program was designated a Major Crown Project. The Standing Senate Committee on National Finance has done some probing on that issue.

It seems that the Auditor General says clearly that the Canadian Firearms Program was to be managed under established and stringent guidelines. This stringent regimen is called Major Crown Projects. The rules are recorded in Treasury Board Secretariat policies and guidelines and, in particular, it is Chapter 2 and 3, called Management of Major Crown Project. At page 1 these policy guidelines give the following definition:

A project is deemed to be a Major Crown Project when its estimated cost will exceed \$100 million, and the Treasury Board (TB) would assess the project as high risk.

About this fact, the Auditor General in her report, chapter 10, paragraph 10.39, stated the following:

Furthermore, the entire program was designated as a Major Crown Project.

In paragraph 10.73, she stated:

As previously noted, to control the development of the Program, the Treasury Board designated the entire Program as a Major Crown Project.

Now, honourable senators, Treasury Board Secretariat and Department of Justice documents describe the Firearms Program as a Major Crown Project. As a matter of fact, on March 7, 2003, in a letter sent to the Standing Senate Committee on National Finance by the Auditor General, the Auditor General gave to the senators other compelling reasons for this classification. The Auditor General wrote:

In its March 1998 submission to the Treasury Board seeking Preliminary Project Approval, the Department of Justice stated that the federal government classified the Canadian Firearms Program as a Major Crown Project because its political, technical and organizational complexities presented a significant project management challenge.

In other words, under the best of conditions the Firearms Program would have been a difficult challenge. The Auditor General basically tells us here that if the project exceeds \$100 million and then is deemed to be very complex and sensitive politically, and on and on, that it is designated that way. She also cites the fact that Department of Justice documents actually narrated and related this fact.

It is interesting to know because if we continue to probe a little bit more deeply, we will find that the management of Major Crown Projects dictates many stringent accountability features. For example, a Major Crown Project must be headed by a project leader. Treasury Board Secretariat policies and guidelines state:

...that the project leader must be a senior manager within the sponsoring department accountable directly to the deputy minister;

And also,

...that the project leader be viewed as personally and visibly accountable for all aspects of the project;

Interestingly enough, honourable senators, Minister Cauchon and his Deputy Minister, Morris Rosenberg, appeared on February 24 before the Public Accounts Committee of the House of Commons. It would appear that they seemed to have some confusion or some uncertainty as to whether or not these guidelines apply to them. In fact, at the Public Accounts Committee meeting on February 24 Deputy Minister Morris Rosenberg said:

But I don't believe that the Treasury Board ever designated the program as a major crown project.

Interestingly enough, a member of Parliament, Val Meredith, inquired whether any due diligence study had been conducted by the department. Deputy Minister Rosenberg responded saying:

I am not aware.

It seems that there is a difference of opinion as between the deputy minister and the minister and their own documentation, and Treasury Board's policy and guidelines. To my mind, the matter still has not been sorted out satisfactorily and is one certainly that I think is still going to be unfolding because it seems incredible that the contrariness could be so enormous. It seems incredible that Deputy Minister Rosenberg would not know that the project leader was supposed to be directly responsible to him.

In any event, this still remains a matter of some uncertainty and a matter that needs some clarification. I have no doubt that it will be returning to us at some point.

Coming back to this particular bill and this particular request for additional funds for money, the problem that we all have is the sense of shame that so many of us have felt, particularly when it was broadcast, that most members of Parliament knew nothing of what was going on. It is important to understand, however, that the Standing Senate Committee on National Finance, from about 1995 or 1996, has actually known that something was wrong and has raised questions again and again. To date none of those questions have been answered.

• (1600)

I just want to, in a way, congratulate many of the senators for exercising due diligence and doing their jobs as committee members, actually probing into the details of government expenditure. I know that I take my job very seriously and I know that many do, too.

I would submit that this issue is a returning one. It is a dynamic, living issue. This particular appropriation today will not settle the

problems. It is crystal clear that the problems with this firearms program are not going away. One could say it was a difference of opinion between rural and urban Canada. However, I am from Toronto and I want to inform honourable senators that the distress among Torontonians is great. Many Torontonians feel that, urban or rural, the question at the end of the day is one of accountability and the management of taxpayers' dollars.

The Hon. the Speaker: Is the house ready for the question?

Some Hon. Senators: Question!

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

Some Hon. Senators: Yes.

Some Hon. Senators: No.

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

Some Hon. Senators: Yea.

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

Some Hon. Senators: Nay.

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

An Hon. Senator: On division.

Motion agreed to and bill read third time and passed, on division.

[Translation]

ROYAL ASSENT

NOTICE

The Hon. the Speaker informed the Senate that the following communication had been received:

RIDEAU HALL

March 27, 2003

Sir,

I have the honour to inform you that the Honourable Louise Arbour, Puisne Judge of the Supreme Court of Canada, in her capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 27th day of March, 2003 at 5:00 p.m., for the purpose of giving Royal Assent to certain bills.

Yours sincerely,

Barbara Uteck

Secretary to the Governor General and Herald Chancellor

The Honourable
The Speaker of the Senate
Ottawa

**CANADIAN INTERNATIONAL
DEVELOPMENT AGENCY BILL**

SECOND READING—DEBATE ADJOURNED

Hon. Roch Bolduc moved the second reading of Bill S-17, respecting the Canadian International Development Agency, to provide in particular for its continuation, governance, administration and accountability.

He said: Honourable senators, it is my great pleasure today to introduce a bill designed to create a legislative framework for the Canadian International Development Agency.

Although CIDA has been in existence for 35 years, it is one of the few major government bodies not governed by a statutory instrument specific to it. The bill is designed to make up for this shortcoming. I realize that the Department of Foreign Affairs and International Trade Act refers to CIDA, as do a number of other statutes. I will explain why this is insufficient.

Before discussing the bill per se, I would like to give you an overview of the events that, since 1950, have led to Canadian government involvement in international development. Following that, my presentation covers the Canadian experience over the past half-century in providing assistance to developing countries and assessing the results thereof. It goes on to describe necessary reforms, including a legislative framework that will entrench the principles and criteria that must be respected in designing and delivering aid programs.

On May 27, 1941, President Roosevelt, in one of his well-known radio fireside chats, said that the world of the future would not be a world dominated by dictatorship, but a world in which four freedoms would reign supreme:

[*English*]

We will accept only a world consecrated to freedom of speech and expression — freedom of every person to worship God in his own way — freedom from want — and freedom from terror.

[*Translation*]

This was America's promise to build a world of economic and social progress. Roosevelt wanted to create hope for those suffering the darkest moments of the Second World War, as he had done with a series of dramatic measures during the Great Depression of the 1930s. In August of 1941, Roosevelt and Churchill jointly proclaimed the Atlantic Charter containing a set of common principles that incorporated the four freedoms and invited international cooperation to improve social conditions throughout the world.

Soon after the Second World War, the key directions were translated into a series of major interventions that fashioned the second half of the 20th century and resulted in a half-century of relative peace and the economic progress of OECD countries.

To summarize: reconversion of the American economy to a peace economy, for example, production of cars instead of tanks, refrigerators instead of rifles; introduction of sweeping social measures in England under Clement Attlee's Labour Party; the generous but unrealistic intentions were later corrected by the government of Margaret Thatcher; Canada's reconstruction plan of 1944 based on social security and some income redistribution; establishment of the United Nations to promote dialogue between nations; the Marshall Plan for rebuilding a devastated Europe; a new constitution in Japan and American aid to that country; creation of NATO for the defence of freedoms in Atlantic countries; GATT to liberalize international trade; the Colombo Plan to aid underdeveloped countries in Asia. Canada was a participant; for the first time in history, our country committed to a policy of international development.

Pursuant to the Colombo Plan, in 1960 a Department of External Affairs External Aid Office was established to assist the most disadvantaged countries. In 1967, its budget was increased from \$11 million to \$280 million.

Responsibility for foreign policy formulation and implementation, inspired by the British model and thus a prerogative of the Crown, is the responsibility of the executive power, that is, government. In post-war years, Parliament's role was restricted to voting on the budget and the legislation necessary to ensure implementation of treaties to which the government was a party. As a result, in 1968 it seemed perfectly normal to create the Canadian International Development Agency (CIDA) by a simple administrative measure. Aid policy was defined by the Department of External Affairs and confirmed by the cabinet, making the agency responsible for defining its program of activities and management.

We were entering a new field of activity and everyone agreed that we should help mitigate poverty on continents devastated by war, misery, famine, and disease, even though the most effective ways and means were not apparent. Nonetheless, the aid budget was 10 times larger 20 years later. In 1987, the Mulroney government contributed one half of 1 per cent of its GDP to international aid. This translates into a little more than 2 per cent of federal government expenditures. We seemed to be heading toward the 0.7 per cent GDP objective proposed by the Pearson commission for industrialized countries.

However, the recession of the early 1990s and budget deficits led to a significant reduction in international aid until the year 2000. Since that time, the aid budget has risen, although it is still 20 per cent below what it was 10 years ago. In 2000, we ranked eighth among global economies but only seventeenth among the 22 contributing OECD countries; in 1995, we were sixth. This clearly demonstrates the extent of government cuts over those five years.

The budget changes are more easily understood in light of the aid program structure. Distinction must be made between bilateral aid — \$800 million in 2003 — allocated by the government to a recipient country, and multilateral aid — \$400 million in 2003 — to various United Nations agencies for distribution under a UN program, for example, UNICEF, WFP, and regional development banks administered by the World Bank.

• (1610)

Bilateral aid — geographic programs — accounts for 37 per cent of the total, is usually administered by CIDA, and includes a multitude of projects that vary by country. The 2003 aid budget includes \$250 million in partnership programs delegated to non-government organizations — NGOs — educational missions run by educational institutions, and co-op projects run by business interests. In 2003, those account for over 10 per cent of the aid envelope. CIDA and its contractors are not the only ones covered by the international aid budget envelope. A further 20 per cent of the aid budget is administered by various other organizations. For 2003, the Finance Department has committed over \$230 million — 10 per cent of the aid envelope — to such international financial institutions as the IMF and development banks. The Department of Foreign Affairs and International Trade is contributing approximately \$100 million this year to operations of the World Health Organization — I am not referring to the \$100 million that has just been announced today — FAO and other international agencies. I want to mention the World Health Organization. A bursary program for students in underdeveloped countries is also on the agenda.

The 2003 aid envelope incorporates over \$90 million allocated to the International Development Research Centre founded in 1970 for research and technical cooperation in developing regions.

The International Centre for Human Rights and Democratic Development, established in 1988, and the International Centre for Sustainable Development, established in 1991, are also included in the aid envelope.

Finally, the provincial governments are adding \$25 million in 2003 to assist NGOs in the third world.

Development assistance obviously covers a broad range of projects implemented by a multitude of participants under the umbrella of many Canadian and foreign organizations.

The budget-weighting of program elements has varied widely over the years, for example, the relative proportions of bilateral aid and multilateral aid, the proportions of partnerships and bilateral aid managed by CIDA and the percentage of conditional aid — that is, requiring a specific Canadian content.

The range of methods also reflects aid policy changes over the past 50 years.

In the 1960s, emphasis was on building infrastructures — for example, dams, water supply, sewers, bridges, roads, schools, hospitals. It soon became obvious that infrastructure operation and maintenance was a problem for recipient countries, in terms of both budget and qualified personnel.

The focus then turned to human resources aid with priority given to the most disadvantaged. Later, emphasis was placed on reforming administrations — financial management, the public service — in various countries in Africa. In fact, I had the opportunity to work in six or seven of those countries. Over time, a more critical look was taken at the leadership demonstrated and action taken by the leaders of recipient countries.

Criteria making aid more selective gradually emerged — for example, respect for human rights, military expenditures as a percentage, degree of corruption, compliance with business contracts, democratization efforts, focus on sustainable development.

As the aid budget increased, beginning in 1968, Parliament became more interested in CIDA activities and their relation to controlling public expenditure.

Professor Louis Sabourin, for example, has referred to the heated discussions that took place in parliamentary committee in 1975. Senator Roche, who was an MP at the time, was an active participant. The committee's influence on CIDA behaviour was modest. Nonetheless, in September of that year, the government released its strategy for cooperation in international development. Senator MacEachen was the Minister of Foreign Affairs at the time.

The 1987 Winegard committee report included a number of recommendations that were taken into account by the Mulroney government, as demonstrated in the report by Ms. Monique Landry, the minister responsible in 1988. Focus was on project selectivity strategy, participation of recipient countries, management decentralization and respect for human rights.

In the 1990s, CIDA was studied by other outside organizations. The 1991 SECOR report recommended more strategic analysis of underdevelopment, concentration of aid in specific countries and greater involvement of the private sector to enhance project administration efficiency.

In 1993, the Auditor General called for more efficient management of international aid, a call that was repeated a few years later.

In 1994, the Joint Committee chaired by Senator MacEachen, Minister of External Affairs at the time of the 1975 cooperation strategy, called on the government to include respect for human rights, good governance, and democratic development in its priorities for aid. The committee also recommended an act governing CIDA.

In 1995, the government gave its response, agreeing to the report's general direction. However, it was unwilling to commit itself to a special statute on CIDA's mandate, reduction in conditional aid, transfer of some export promotion functions away from CIDA, concentration of geographic aid, or a proposal for funnelling more aid through NGOs. In its policy statement, the government did confirm its support for sustainable development to reduce poverty, and endorsed the five aid program priorities drawn up by the joint committee: essential human needs, women and development, human rights, democracy and good governance, development of the private sector and the environment. It even added a sixth priority, infrastructure services. Until 2000, these were the defined guidelines for CIDA although, according to the agency, they were more political than practical.

Parliamentary committees enabled public debate on development aid policy and CIDA management, but it must be admitted that they did not systematically evaluate program outcomes or greatly influence program direction.

The Canadian experience in international development over the past half-century has given rise to comments by numerous observers and been studied by international experts from universities and organizations.

The economic theory of development or growth is the subject of a sizable volume of academic literature. I would like to summarize the contributions I believe to be the most significant.

Easterly and Levine of the University of Minnesota conducted a research project covering 72 rich and poor countries in an attempt to learn the impact of three factors — geography, institutions, economic policy — and determine which of these has the greatest influence on development. Their conclusion is that institutions are the key factor in determining income, but not necessarily growth. Political stability, property rights, quality of the legal system and respect for contracts have the greatest impact. They are more important than geography and economic policy, assuming it is good.

Of course geography — temperate climate, proximity of ports — is a factor, as shown in the settlement choices made by European colonists. However, if the institutions are seriously flawed, even great geography cannot miraculously produce growth.

Economic policy certainly has its importance. Inflation rate, exchange rate, budget deficit, and willingness to trade are all important factors that are easier to change than institutions, although the latter are more important. However, they are very difficult to change as they are linked to the beliefs, values and interests of the population.

Jeffrey Sachs of Harvard points out that seacoasts — Asia, Europe, America — which have 8 per cent of inhabited land, produce 52 per cent of global GDP or overall production. In short, the tropical world is poor, the temperate world rich, or recovering from communism. No tropical country is among the 30 richest, with the exception of Singapore and Hong Kong. This is because a tropical climate promotes neither agriculture nor irrigation; what it does promote is malaria, which kills 2.5 million victims annually. He also points out that no poor country is capable of development unless it is part of the global economy. This is a major element. He cites China as an example, where exports have skyrocketed from \$15 billion in 1978 to the current figure of \$240 billion even though a large part of China — the West — remains poor; nonetheless, if technological goods are produced for a unified market, innovation performance is directly proportional to market size. Korea and Southeast Asia display similar results. According to Sachs, three problems must be addressed. The first of these is social development, that is, health and education, as pointed out by two former presidents of CIDA, Paul Gérin-Lajoie in the 1970s, and Marcel Massé in the 1980s. His reasoning is simple: If there are no healthy babies, there are no children in school, and thus no graduates; if there are no healthy educated adults, there is no qualified labour force, there are no entrepreneurs.

Second, it is necessary to support such structural adjustment measures as writing off public debts.

Third, sectoral development must be approached through foreign investment and free international trade if poor countries are to export not only raw materials but also products made from them.

A third well-known international analyst, Peter Bauer — he is very well known, as I think he has just received the Nobel prize — points out that post-war development theory, based on a shortage of capital in the third world, promoted foreign aid as the solution, in planned economies, with reduced competition by monopolies and trade barriers.

• (1620)

His observations in the field refute the theory categorically. Bauer claims the following: trade barriers and monopolies destroy entrepreneurship; the key to development resides in the possibility of making profit; aid motivates recipients to take action to obtain aid funding rather than to work to produce goods or services and this often leads to a transfer of funds to the rich inhabitants of poor countries. Promotion of equality is an obstacle to personal freedoms and slows growth. Growth is a function of appropriate aspirations and attitudes among the population. The role of government is to protect property rights, ensure contracts are respected, guarantee equality through the supremacy of law, minimize inflation and maintain low taxes to enable businesses to invest, innovate and create jobs.

Economists of both the right and the left can plainly see the common ground and shared views that must be entrenched in the mandate of the agency responsible for delivering development assistance.

Cashin, Mauro and Sahay of the International Monetary Fund are studying different models of economic policy for dealing with poverty. Starting from a human development indicator based on longevity, education and standard of living measured as a function of GDP per capita in purchasing power parity, they conclude from their research covering some 100 countries over the past 20 years that there is a correlation between increased human development and a low inflation economic policy, minimum budget deficit, reasonable foreign debt, a legal system in which the rule of law prevails, education and health services and openness to international trade. However, it is not easy to define the determining growth factor.

G. Pfeffermann states that long-term economic development is impossible without a dynamic private sector. Sound and effective public management is also a requirement.

Since 1987, the number of people with annual incomes below \$365 has remained steady while total world population has increased by 1 billion. Asia has prospered greatly. Because foreign investment has far outstripped aid, the progress is the result of openness to a market economy rather than international aid. In fact, aid represents 20 per cent of funds invested in Asia, particularly in China.

We can stamp out extreme poverty, according to Dollar and Kraay, by increasing the global rate of economic growth, which has the same impact on the income of the poorest 20 per cent of the population as on everyone else. If the GDP is doubled in 25 years — 2.9 per cent annually — the income of the poor doubles. This is demonstrated by a study of 80 countries over a 40-year period. Furthermore, curbing inflation benefits the poor more than others. I refer to those researchers because I feel that their conclusions, based on systematic observation over a medium time period, are significant to reform of Canadian aid.

We turn now to Canadian analysis of the CIDA experience.

[English]

In a 1994 study for the MacEachen committee, Mr. Martens of the Université de Montréal and the North-South Institute speaks of a close link between aid and economic growth. Like the previous observer, he believes a market economy is a key factor in ensuring growth.

In his recommendations, he enjoins us to refrain from making aid an instrument of trade policy; to focus on social projects, health and education; to assist the poorest countries; to increase multilateral aid, conditional on structural reform; and to continue providing emergency food aid at the time of natural disasters and conflicts.

In a more critical review of our aid program, Arnold de Silva of McGill University, summarizes his 2002 study by saying that notwithstanding the official goals of aid — that is, the 1995 policy statement — it has no effect on reducing poverty or gender inequality, developing human resources or reducing debt. Not one defined objective is given the priority set out in official documents, nor does the political environment of recipients appear to affect allocation of bilateral aid.

In his opinion, the real priorities are relatively skewed toward Latin American and Commonwealth countries rather than, for example, the francophone countries of Africa. He concludes that Canadian aid policy does not meet its objective. He defines three possible options: abandon aid; transfer the funds to the World Bank, where aid will be less subject to political pressure from a variety of interest groups; or maintain the program, taking various steps to improve its effectiveness.

He points out that, even with improved effectiveness, the impact of poverty is insignificant because Canada is a small player and, in any case, aid can do very little. Other policies such as freer international trade are required to enable products from developing countries to penetrate rich markets. I would like to add a personal comment: The economics of public choice underlie the problem inherent in the decision-making process for programming aid.

These experts reflect the broad range of objectives and the project scattering referred to by Jeffrey Simpson last fall in the *The Globe and Mail*. This is the difficulty of the process. The Prime Minister makes timely decisions at meetings with heads of state — for example, \$100 million for Iraq. At countless meetings at home and abroad, the Minister of Foreign Affairs hears the full spectrum of viewpoints.

[Senator Bolduc]

The Department of Foreign Affairs interprets the objectives of bilateral and multilateral aid in light of numerous criteria, including the strategic interests of Canada and the quality of our relations with other countries.

CIDA, possessor of the memorandum on aid, because they have been administering it for 50 years, and with the extensive knowledge of its senior officers at home and abroad, gives us insight into the agency's outlook and methods, taking into account the bureaucratic interests of its own staff. Canada's ambassadors are approached abroad and transmit their views through the administrative system.

The Minister of Finance participates in defining the parameters of the action taken by international financial institutions. Treasury Board takes budgetary restrictions into account in making the parliamentary allocations, including the allocation for CIDA, and regulates the attribution and management of contracts.

A multitude of departments is also involved in the international cooperation. For the past 20 years, parliamentary committees have examined the aid program and made many recommendations — some implemented by the government and CIDA, some not. Constantly bombarded by ideas, CIDA finds it especially difficult to target its own activities and avoid criticism that can hinder its administration.

By the end of the 1990s, it became evident that a new reform was necessary. The first step taken was the analysis, in 1996, by the Canadian program by the OECD Development Assistance Committee, DAC.

In 1995, CIDA, pursuant to a government statement, clarified its outlook for the future, focusing on measures designed to meet the objectives defined in the government statement: strengthening partnerships, managing programs more effectively, and reporting results. A program to assist transition in Eastern European countries, including Russia, which began in 1991, was transferred to CIDA. However, the general tone of CIDA's 1995 views focused more on management effectiveness than on in-depth analysis of program impact.

In 2000, the United Nations' Millennium Summit defined concrete objectives reducing poverty and meeting needs: 18 targets, 48 impact indicators, and so forth. In September 2000, Minister Minna, the new President of CIDA, announced a priority shift, stemming from the 1996 DAC focus on social development, towards education, health and basic services, the fight against AIDS, and protection of children.

In 2001, CIDA published a public consultation paper setting out the key points of the shifts. Cynics may wonder whether senior agency officials were seeking the opinion of interested groups or looking for public support of their own views. It does not matter, as other players motivated these sweeping reforms.

The United Nations report on population reported that half the human race, more than 3 billion individuals, earned under \$2 per day at the market exchange rate. Based on purchasing power parity data, this means that 8 per cent of the world population currently earns under \$2 daily. The poorest people — 20 per cent of the total — earn only 1.2 per cent of world income. This poverty means insecurity, inequality, poor health and illiteracy. More than 20 per cent of children do not attend school and two-thirds of them are girls.

About 14,000 individuals contract HIV/AIDS every day in Sub-Saharan Africa, where 30 million people, including 70 per cent of all AIDS patients, live with serious illness. In 2002, AIDS killed three million people, ranking it fourth among fatal diseases. By 2010, the number of orphaned children produced by this pandemic is estimated to be 40 million.

One out of five individuals has access to medical services and fewer than 5 per cent are given antiretroviral agents. Contributing countries provide only 25 per cent of the total efforts to fight the disease and keep 50 per cent of their promises. They announce things but do not do them. The poor countries spend \$25 per individual on health care. Thirty billion dollars is required to solve the problem.

• (1630)

The widely circulated United Nations report increased the pressure for international intervention.

While we are on the subject, here are a few more figures on the consequences of poverty. More than 500,000 women die annually from pregnancy complications. This far exceeds the number of men killed in armed conflicts. Approximately 1.4 billion people still have no access to potable water and 2.9 billion are without adequate purification systems. Close to 75 per cent of people who live in absolute poverty are in rural areas.

Children account for over half of the world's poor. Over the past 10 years, war has killed 2 million children and produced 5 million children with disabilities. Some 300,000 child soldiers are engaged in conflicts. More than 250 million boys and girls under the age of 14 work rather than go to school, even though the World Bank claims that there is no more profitable investment than education for girls.

We must not lose hope, however. In the past 30 years, progress has been made, even though it is impossible to measure the exact contribution of international aid.

There are 400 million fewer poor people. In the past 35 years, average life expectancy in developing countries has risen from 55 to 65 years and the percentage of literate adults has jumped from 50 per cent to 70 per cent.

Potable water is available to 70 per cent of the population in the developing world, compared with 30 per cent in 1970. In the past 20 years, immunization against some contagious diseases has climbed from 37 per cent to 80 per cent.

In 1996, private funds accounted for three-quarters of the capital injected into developing countries — \$250 billion. Twenty

years earlier, it accounted for only 50 per cent. The problem is that the capital is concentrated in some 12 countries in Asia and Latin America, a disastrous situation for Africa. Democratization has made real, although slow, progress.

All is not lost, however. Global inequality has been reduced, thanks to progress in parts of Asia — where two thirds of the world's population resides — measured on the basis of purchasing power parity and in spite of the fact that, within individual countries, inequality is greater than it was before.

In October 2001, a large group of African leaders proposed a new partnership for African development called NEPAD. This is a sort of development code setting out the conditions for sustainable development, sectoral priorities including social development, and mobilization of the financial resources required. The African leaders want to define priorities for their respective countries and call upon their people to cooperate in the work of national recovery. The document incorporates the view of some of the international experts to whom I have referred, including, Peter Bauer, Jeffrey Sachs and members of the OECD development committee.

The Canadian government's December 2001 budget established a \$500-million trust fund for Africa and increased the aid budget envelope for the coming years.

In March 2002, at the United Nations Conference on the Financing of Development in Monterrey, Mexico, Canada committed a multi-year 8 per cent annual increase in aid funding, which is something.

In June, at Kananaskis, NEPAD was given special consideration by the G8 and African leaders.

Last September, Minister Whelan made a government policy statement on international aid, based on the 1996 DAC report on the direction of the 2000 shift, the 2001 consulting paper on the prevailing view of the analysts, the NEPAD document, and the prior recommendation by OECD to the DAC. The DAC review, published last November, is a fairly severe assessment of our aid policy over the last 10 years.

From 1990 to 2001, our ODA/GDP places Canada in 19th position among the 22 OECD countries at the time. With the eighth-ranked world economy, our aid budget ranks us 11th, behind the Netherlands, Sweden and Denmark. Having committed \$6 billion to African aid alone by the year 2007, the government felt it had been dealt a harsh blow.

I am including the key DAC recommendations as the government's September statement agrees with them. These recommendations included the following: increase aid; concentrate aid in specific countries and sectors; make the fight against poverty the priority; ensure consistency of development policies; work toward trade liberalization; make aid less dependent on conditions; adapt NGO action to the new partnership; and, improve aid-management effectiveness to reduce excessive costs, from 8.8 per cent, which is considered a bit too much.

The September government policy statement agrees that CIDA will focus on a defined spectrum of countries and sectoral activity. The statement recognizes the need to coordinate its action with other donor countries. It agrees to give priority to social development as proposed by NEPAD; form partnerships with recipient countries and their civil societies; ensure consistency in environmental, financial, trade-related, food-related and administrative development policies; and, soften conditions for aid, as agreed at the 2001 G8. The government maintains its priority for aid to Africa and commits to measuring outcomes and making them public.

I believe that the government policy statement is a step in the right direction. It surpasses the 1995 objectives and sets out more concrete programs under extremely reasonable conditions. However, in consideration of the problems inherent in policy-making — to which I referred earlier — it seems to me that, to ensure the success of aid reform we need to do more if we want to learn from the lessons of the past and from the ups and downs of the Canadian experience in development aid.

In 1994, the MacEachen committee recommended that Parliament adopt an act setting out the basic principle of ODA, and that parliamentary committees periodically review aid programs. In its 1995 response, the government said that an act would risk damaging the effective implementation of programs by making them less flexible. In fact, the government, and the Department of Foreign Affairs in particular, used to having a great deal of flexibility based on Crown prerogatives in international matters, prefers discretion to the express will of Parliament that would be binding.

What has that given us in the past?

Objectives are confused and change constantly because they attempt to include Canada's short-term interests such as promoting exports. Past experience shows the existence of a range of programs more or less focused on the fight against poverty, even though there is a consensus that this must be a high priority.

We have also seen a scattering of aid projects among a multitude of countries — countries not among the poorest and even some that fail to respect human rights — that allocate an unreasonable proportion of budget to military equipment, manage the public finance badly, waste money on ostentatious items or support an unproductive bureaucracy. Only five countries received over \$20 million, half the number that used to receive this amount. The 15 main beneficiaries receive 15 per cent of the aid, compared with 25 per cent from other donor countries.

We also saw many projects with no significant impact on Third World development. CIDA supports more than 1,000 projects in 100 countries.

In the past few years, CIDA has changed direction yet again. As a supportive measure, it seems reasonable to entrench CIDA's direction and conduct in legislation, giving the agency clear methods of dealing with undue pressures.

[Senator Bolduc]

Furthermore, without going into the great debate on parliamentary control of foreign policy — important in itself but outside our immediate objective — even though we are not discussing important treaties or military invention, we are talking about annual budget decisions involving over \$2 billion a year and medium-term international commitments.

Consequently, in a democratic parliamentary system in the 21st century, without giving rise to constitutional amendments on the prerogative of government, Parliament should intervene to define the parameters of CIDA relating to the objective of aid, agency priorities and principles, and the criteria for allocating resources.

International policy has an increasing impact on all spheres of domestic policy. An ever-increasing number of international policy decisions affect the daily life of the country in more and more ways. Parliament can no longer remain a virtually silent spectator or occasional participant, especially in relation to CIDA's activity that are essentially administrative operations.

It therefore appears reasonable to enact a statute setting out Parliament's role in defining CIDA priorities, reviewing the CIDA budget, and evaluating outcomes in terms of the impact of aid on each country and the effectiveness of aid management by the agency.

The bill that I have tabled attempts to deal with these questions. It makes Canadian aid conditional on the active participation of each recipient country and its population in defining its own priorities. It makes aid conditional on an economic policy that is favourable to growth, respect of human rights, efforts toward democratization and good governance, including a reasonable degree of military expenditure.

• (1640)

Finally, for each selected country, it defines the priority as the fight against poverty through development of a market economy and an appropriate legal system, investment in health, education and job training, protection of children and support for structural adjustment.

Honourable senators, please excuse this long presentation. This subject is close to my heart because of my experience in Africa. I ardently hope that CIDA activities will be successful because the stability of the planet largely depends on the willingness of the developed world to guide others along the path of economic and social progress and to ensure the maximum benefit to those billions of human beings.

[Translation]

Hon. Pierre Claude Nolin: Honourable senators, I have a few questions that I would like to ask of Senator Bolduc if he would not mind answering them.

The honourable senator examined the situation and Canadian development policies over the last 35 years. Is he able to say whether, during these 35 years, countries that received assistance from Canada became foreign trading partners of Canada? Have these countries become solid economic partners for Canada?

Senator Bolduc: I do not have figures at hand to answer this question. However, I do know that 87 per cent of our exports go to the United States, and some go to Japan. That does not leave much left over for other countries. That said, we should be optimistic. I have been somewhat critical, but I would like to recognize that various governments have adopted good policies. Canada has developed relations that have allowed it to become well known in some one hundred or so countries. Given that we are, by definition, the greatest exporting country, in terms of percentages, this is important for us.

I would not want to confuse these issues. I wanted to make the distinction between CIDA, poverty assistance and trade. I have always found that the mix was not black and white. It must be acknowledged that in some cases, such as in Costa Rica, in certain Latin American countries, in Senegal, in certain African and Asian countries too, we have made a very worthwhile contribution, in Sri Lanka and India, too. I would like trade promotion to be taken away from CIDA. The Department of Foreign Affairs provides very good trade promotion services.

In my opinion, the allocation of the department's budget is not done very well. We allocate 75 per cent of our resources to Europe, and 15 per cent to the United States. It makes no sense. I understand that Europe is interesting because everyone has familial or cultural ties with the Ukraine, Germany, Luxemburg, and the Scandinavian countries and so on. However, that is no reason to continue to focus the major part of our resources in terms of diplomatic staff, highly qualified people. The federal public service is where we have the most qualified people. I can speak on this, having worked in this milieu for quite a long time. Foreign Affairs and International Trade — they were separate before, but now they are together — Finance and the Bank of Canada, is where we have the best people. I find it a shame that such a significant part of Foreign Affairs is in Europe. I have nothing against Europe. I simply mean that it makes no sense to put so many resources in Europe and so little in the United States and Asia, since there are three billion people in Asia. Some of those countries will become very interesting to us. I am thinking specifically about China, Indonesia with its population of 200 million and Pakistan, which has a population of 140 million.

The other day I heard people talking about the United Nations Security Council. Let us look at this for a moment. Several countries are not members of the Security Council, yet Brazil has a population of 200 million; India, a little more than one billion; Pakistan, 140 million and beside that, there is France and England. I can tell you, there is a lot of work to be done there. I am going off topic a little because Canada's decision bothers me.

Senator Nolin: I take it the answer is yes in some cases?

Senator Bolduc: I believe so.

Senator Nolin: Am I to understand that enacting the type of legislation you are proposing will better define CIDA's responsibility and truly make a distinction between its role and international trade policy?

Senator Bolduc: Yes, and more than that. I am partially inspired by the work of Senator MacEachen, who was the Minister of Foreign Affairs in 1975. He knew how things worked. He was

here for a long time and in committee, in 1995, he said that legislation was needed. Once in the Senate — he was unreasonable at the other place — he wised up. He said we needed to take control of the situation and pass legislation. I told myself I would continue Senator MacEachen's work. I am leaving the Senate soon, so at least this will be part of my legacy. I do not expect this proposal to be accepted, since I am a member of the opposition. I will nonetheless send it to the Minister of Foreign Affairs, Mr. Graham, and tell him to give it due consideration because it is good and it has to work. If this is accepted, I will come have a drink with you.

On motion of Senator De Bané, debate adjourned.

OFFICIAL LANGUAGES ACT

BILL TO AMEND—SECOND READING— DEBATE ADJOURNED

Hon. Jean-Robert Gauthier moved the second reading of Bill S-11, to amend the Official Languages Act (promotion of English and French).

He said: Honourable senators, under rule 27(3), a senator must rise to speak on a parliamentary initiative within 15 sitting days. I am not prepared to make a long speech today, but I wanted to rise to adjourn the debate to a later date.

On motion of Senator Gauthier, debate adjourned.

BANKING, TRADE AND COMMERCE

BUDGET—REPORT OF COMMITTEE ON STUDY ON STATE OF DOMESTIC AND INTERNATIONAL FINANCIAL SYSTEM ADOPTED

The Senate proceeded to consideration of the eighth report of the Standing Senate Committee on Banking, Trade and Commerce (Budget—Financial System), presented in the Senate on March 25, 2003.—(*Honourable Senator Kolber*).

Hon. Fernand Robichaud (Deputy Leader of the Government) moved the adoption of the report.

Motion agreed to and report adopted.

[*English*]

STUDY ON PROPOSAL OF VALIANTS GROUP

REPORT OF NATIONAL SECURITY AND DEFENCE COMMITTEE—DEBATE CONTINUED

On the Order:

Resuming debate on the consideration of the fourth report of the Standing Senate Committee on National Security and Defence (*study on the proposal of the Valiants Group*) tabled in the Senate on December 12, 2002.—(*Honourable Senator Atkins*).

Hon. Norman K. Atkins: Honourable senators, I rise today to speak in favour of the fourth report of the Standing Senate Committee on National Security and Defence. This is actually a report from the Subcommittee on Veterans Affairs dealing with what we have come to know as the Valiants Group Project.

At the outset, I wish to identify myself with the remarks of Senator Meighen, chair of the subcommittee, that he made in this chamber in support of this initiative.

• (1650)

The subcommittee heard from the proponents of this project designed to salute the heroic wartime sacrifices of valiant women and men who fought victoriously for the freedom and independence of Canada over the last four centuries. The committee also reviewed correspondence from the various government agencies and departments concerned before we reached our conclusion.

As stated earlier by Senator Meighen, we found the proposal for the commemoration of valiants to be laudable. In our sole recommendation, we asked the government to reconsider its position on this project, given that its proponents are willing to reduce the number of statues, alter the choice of valiants and lower the costs.

I want would like to describe the project and list some of the accomplishments of a few of the valiants who might be honoured. First and foremost, this is a project designed to ensure in a graphic way that Canadians, especially our children, remember their history. The freedom and lifestyle we have today come at a cost — a cost paid by those who have gone before us, a cost paid through the centuries, before and after 1867.

The original proposal was to erect 16 statues, but the revised proposal will be less than that. It is suggested that they be located along both sides of Elgin Street, approaching the National War Memorial. The statues would be of valiant women and men who fought in wars that helped to shape our nationhood.

These valiants have been selected by a panel of well-known historians, including Jack Granatstein, David Bercuson, Serge Bernier, Alexander Douglas and Sid Wise, former Director of the Institute for Canadian Studies at Carleton University and author of numerous books on the history of the Canadian Air Force.

Among the valiants considered worthy of recognition is the Comte de Frontenac, heralded as the greatest Governor General of Canada during the French regime. He led the wars against the English colonists to the south, helping to preserve the identity of Canada in North America.

Both the Marquis de Montcalm and General James Wolfe might be recognized as commanders of the French and British forces respectfully. Joseph Brant, a Mohawk chief and United Empire Loyalist, fought on the British side in the American Revolutionary War. When the war was lost, he brought many of his people north to settle in Upper Canada.

Laura Secord is found among the valiants for her contribution as perhaps Canada's first female intelligence agent. In the War of 1812, she warned of an impending American attack at our outpost at Beaver Dams, leading to the capture of nearly 500 American troops and altering the course of the war in that area.

In this century, General Sir Arthur Currie, who commanded the 1st Canadian Division in World War I, might be recognized. His success in the battles of Vimy, Passchendaele and Amiens shaped the future of this country.

These are just some of the people identified as valiants, whose contribution to the growth of our nation would be commemorated by this project.

We are pleased that the Minister of Canadian Heritage has decided to take another look at this project. As we understand it, she has asked officials from the department and the War Museum to work with the Valiants Group, the project's proponent. I hope other senators will join in the discussion of this report by our Subcommittee on Veterans Affairs and that our work will result in our valiants being rightfully recognized so that Canadians can continue to be proud of our heritage.

On motion of Senator Prud'homme, debate adjourned.

• (1710)

The Hon. the Speaker: Is it your pleasure, honourable senators, that the Senate do now adjourn during pleasure to await the arrival of the Deputy of Her Excellency the Governor General?

Hon. Senators: Agreed.

The Senate adjourned during pleasure.

[Translation]

ROYAL ASSENT

The Honourable Louise Arbour, Puisne Judge of the Supreme Court of Canada, in her capacity as Deputy Governor General, having come and being seated at the foot of the Throne, and the House of Commons having been summoned, and being come with their Speaker,

The Honourable Peter Milliken, Speaker of the House of Commons, then addressed the Honourable the Deputy Governor General as follows:

May it please Your Honour.

The Commons of Canada have voted certain supplies required to enable the Government to defray the expenses of the public service.

In the name of the Commons, I present to Your Honour the following bills:

An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2003 (*Bill C-29, Chapter 3, 2003*)

An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2004 (*Bill C-30, Chapter 4, 2003*)

To which bills I humbly request Your Honour's assent.

The Honourable the Deputy Governor General was pleased to give the Royal Assent to the said bills.

The House of Commons withdrew.

The Honourable the Deputy Governor General was pleased to retire.

[English]

The sitting of the Senate was resumed.

LEGACY OF WASTE DURING CHRÉTIEN-MARTIN YEARS

INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator LeBreton calling the attention of the Senate to the legacy of waste during the Chrétien-Martin years.—(*Honourable Senator Bryden*).

Hon. Roch Bolduc: Honourable senators, the Liberal government has taken \$45 billion by stealth from the Employment Insurance program. In theory, this money has just been borrowed from the EI account. The most recent budget spells out the government's game plan for cancelling that IOU to Canadian workers.

The Employment Insurance Commission, which includes representatives of business, labour and government, used to play a major role in setting premiums. The guideline that they were supposed to follow was to aim for stable premium rates over a business cycle. However, since 2001, the government has used the pretext of studying the way rates are set to keep those premiums above the stable long-term rate. That point was reached when the surplus passed the \$15-billion mark. Premiums are being kept artificially high.

Paul Martin was afraid that if the EI Commission followed the law that was put in place in 1996, it might make dramatic premium cuts. His answer was to temporarily give the government the power to set premium rates without regard to business cycles and without regard to the EI surplus.

The excuse was that they were going to look at the whole premium setting process, but they have never given a proper

reason for the rates that have been set since then, or for the surpluses that they have racked up.

Auditor General Sheila Fraser cannot conclude that the government has respected the law governing Employment Insurance, advising Parliament on December 2 in her final report on the 2001-02 fiscal year that:

In our view, it was Parliament's intent that the Employment Insurance Program be run on a break-even basis over the course of a business cycle, while providing for relatively stable premium rates. However, the accumulated surplus of the Employment Insurance Account increased by another \$4 billion to \$40 billion in 2001-02. Neither the Commission nor the government clarified and disclosed what constitutes an adequate level of accumulated surplus, the time required to reach that level, and the factors considered in setting the rate. Therefore, we are unable to conclude that the intent of the *Employment Insurance Act* has been observed in setting the premium rates for 2001-02.

Her comments were almost identical to those she had given a year previous when reporting on the books for 2000-01 in December 2001.

Shortly after her 2000-01 report, on December 28, 2001, the *Toronto Sun* reported the following observations from Walter Robinson, federal director of the Canadian Taxpayers Federation:

"Payroll taxes are profit-insensitive job killers," Robinson said. "And in the midst of a recession, Ottawa should not be punishing workers and employers who are needed to pull the economy out of its dismal state."

Robinson said the EI program has turned into a cash cow for the government, as the surplus is rolled into general revenues....

"There's no justification for it," Robinson said. "The government can choose to dismiss comments from groups that have raised concerns, but the government seems to be ignoring concerns of the auditor general, which is an independent watchdog."

Paul Martin's override of the premium setting rules set out in the EI act ends this fall. Unless John Manley changes the rules, or delays them, the Employment Insurance Commission would have little choice but to roll back premiums dramatically, as the money in the fund far exceeds what is needed to run the program in even the most severe of recessions.

How low? The program's actuary tells us that the break-even premium this year would have been \$1.75, which is a lot less than the \$1.98 that John Manley plans to legislate for next year and a lot less than the \$2.10 rate he set for this year.

• (1720)

The government really set the stage for a change in the way EI premiums are set in the House of Commons Finance Committee report on the 2000 Budget. In this report, released in late fall 1999, the Liberal majority basically told the government to forget about the money already in the

EI account when premiums are set because “premium rates well below current levels would be required.” The committee’s Liberal majority went on to suggest that the premium setting process ignore the money in the account and ignore interest credited to the EI account, and instead look ahead to future economic conditions.

The Liberal majority did not point out that the “interest associated with that cumulative position” at the time would have reduced the long-term break-even rate for EI premiums by about 20 cents per \$100 of insurable earnings.

Two months later, buried on page 62 of “The Budget Plan for 2000” was the statement that: “The government is closely examining the recommendations of the House of Commons Finance Committee on future premium rate setting.”

Then, on the eve of the 2000 election, the government announced on September 28, 2000, a series of changes to the Employment Insurance Act, such as an easing of the EI intensity rule and benefit clawbacks. However, along with the benefit changes came the announcement that the normal process and rules for setting premiums would be set aside for two years, and that, in the meantime, the government “would undertake a thorough review of the EI premium rate setting process.”

This would have affected the way premiums were set for 2001 and 2002. When the bill to make this law died on the Order Paper when the election was called, the government simply changed the years to 2002 and 2003, and the EI Commission agreed to accept Paul Martin’s proposed premium for the year 2000.

The Canadian Chamber of Commerce noted in its November 2002 position paper, entitled “Employment Insurance Program: In Need of Reform”:

The federal government’s rationale for allowing the Governor in Council to set the EI premium rate for two years is to ensure predictability and stability in the rate setting process.

While the government sought to ensure “predictability and stability” in the rate setting process, what we have seen is simply a move away from a positive consultation rate setting process to a secretive process with no consultation. In the view of the Canadian Chamber, this is hardly an effective public policy approach.

Prior to the Governor in Council setting the EI premium rate, the process was more transparent and consultative.

The Commissioners (Employers and Workers) established and maintained consultative and working relationships with a variety of private sector organizations who are clients of the Commission’s services. This enabled the Commissioners to reflect internally the concerns and positions of the private sector regarding the program, including the premium rates.

The Chamber went on to say in the same paper:

While the federal government is the regulator and policymaker with regard to EI, it is the employers and employees who make the contributions and receive the benefits from the program. Accordingly, Canada’s employers and employees are the principal stakeholders in the EI system. Therefore, the Canadian Chamber believes that the involvement of employers and employees lends legitimacy, accountability and credibility to the EI system.

The government has held no consultations with business or labour on the premium setting rules, even though it has had two and a half years to initiate such consultations, and even though time was running out to have new legislation in place.

Auditor General Sheila Fraser noted in her final report on the 2001-02 fiscal year:

Officials from the Department of Finance have advised us that internal research on the process for setting premium rates is continuing, but that no public consultations have taken place as yet. Much needs to be done before section 66 comes back into force in 2004, and the Canada Employment Insurance Commission must set the 2004 premium rate in the fall of 2003. The government should consider many questions in its review, such as the following:

What constitutes an adequate reserve and how much time is required to reach that level?

What are the impacts on premium payers and on the purposes and intent of the Employment Insurance Program in the short and long terms, where the account balance exceeds the maximum reserve considered sufficient by the Chief Actuary of Human Resources Development Canada?

In view of the growing size of the accumulated surplus, we urge the government to take all the necessary steps to clarify the rate setting process and to make the process more open and transparent.

Two and a half years after they first said that they would study the way rates are set, this year’s budget announced a further one-year delay so that they could hold those consultations. Are they stalling because they have already made up their minds?

A background paper that accompanied the September 28, 2000, announcement that cabinet would take temporary control of the premium setting process dropped this hint:

The Government of Canada also announced that it would undertake a thorough review of the EI premium rate setting process. Last fall, the House of Commons Finance Committee concluded that the rate setting process as currently set out in the *EI Act* is flawed. It requires looking back to take into consideration the level of past surpluses of revenues relative to program cost, when in fact there are no past surpluses sitting in a separate account.

The Finance Committee stated that: "EI rate should be set on the basis of the level of revenues needed to cover program cost over a business cycle looking forward and not taking into account the level of cumulative surplus or deficit, nor any interest associated with that cumulative position."

What the government was saying is that they were very interested in a proposal that would remove the need to look at the amount of money in the fund when premiums are set and to stop crediting interest to the annual income of the fund.

Now, let us fast-forward to the February 18, 2003 budget. The program's actuary says that the current break-even premium for the EI program is \$1.75; yet, in his budget, the Minister of Finance declared that the break-even premium was \$1.98. How do we explain the 23-cent difference?

A very small part of this is the new compassionate leave rules, which add two or three cents to the break-even premium. The other 20 cents comes down to interest. The government will legislate itself out of its obligation to pay interest on the money that it has borrowed from the EI fund.

Honourable senators will not find this in the budget papers. We had to ask the officials from the Department of Finance for an explanation.

The Liberal government will legislate itself out of the obligation to pay \$2 billion in annual interest on the EI account, and it does not have the courage to spell this out in black and white. John Manley has the audacity to pass this off as a cut in premiums and to tell us that he will make everything more transparent. You cannot hide the facts and then pretend that you are being transparent.

The fact is that if they went back to the premium setting rules as they were before 2001, and if they respected the spirit of the law, premiums this year would have been about \$1.75 and would have been much the same the next year. For that matter, if they were to go back to the premium rules as the rules were when they were elected in 1993, there would be a three-year premium holiday, because it used to be the law that premiums had to be set with a view to clearing any surplus or deficit in the account within three years.

We do not expect them to do that because that \$45 billion is an accounting illusion. The money has been spent on the gun registry, on payments to Groupaction, on phony GST refund claims, on the Canoe Hall of Fame in Shawinigan, on new jet aircraft for the Prime Minister, on a half billion dollar helicopter cancellation penalty, and on HRDC grants to move jobs from one southern Ontario riding to another.

In the days leading up to the budget, there was some speculation that the Minister of Finance might actually come clean about the EI surplus. For example, the *National Post* of February 13, 2003, told us: "Mr. Manley is expected to concede there is no cumulative \$45-billion EI surplus to cover employee insurance." The budget does not mention the \$45-billion EI surplus. It is as if it never existed.

Let us pretend for a minute that the government never skimmed off that \$45 billion, and all that will happen is that the government will begin to look at the business cycle going forward rather than backwards when it sets rates, as was recommended by the House of Commons Finance Committee in the fall of 1999. Right now, we are at a point in the business cycle where unemployment is low, but if we look forward in a business cycle, then assumptions must be made about future jobless levels and about the length of the business cycle. Either assumption can be manipulated to keep premiums high in the name of "prudence."

The government will likely include both next year's legislated premium rate and the compassionate leave in the same bill. You cannot vote for one and against the other when the bill reaches third reading. The government will make it as hard as possible for parliamentarians to vote down its proposal to keep premiums artificially high for another year.

• (1730)

As a senior official in the Department of Finance, Don Drummond played a major role helping Paul Martin craft his budgets. Now a vice-president of Toronto Dominion Bank, Mr. Drummond was reported by *The Globe and Mail* on November 14, 2002, to have said, "It's just a general tax grab at the moment."

The same article included the following in reference to a study by economist Dale Orr of Global Insight:

Mr. Orr said Ottawa has kept EI rates unnecessarily high because of politics — not economics.

"[It] has all to do with political expediency and the tyranny of the status quo," the report concludes. "It's easier politically to fail to reduce a tax than it is to increase a tax and [that] cannot be defended as appropriate economic policy," it says.

Paul Martin changed the rules in 1996 when premiums were about to drop dramatically. When those rules no longer worked in his favour a few years later, he temporarily suspended them to keep premiums artificially high.

The Hon. the Speaker: Senator Bolduc, I regret to advise your 15 minutes have expired.

Some Hon. Senators: More time.

Senator Bolduc: Two hundred seconds.

The Hon. the Speaker: Is leave granted?

Hon. Senators: Agreed.

Senator Bolduc: John Manley is extending that temporary suspension for another year while he works on yet another set of rules that work in the government's favour.

The bottom line is that this government has forced Canadian workers and those who employ them to make a \$45-billion payment toward the Liberal legacy.

The Hon. the Speaker: Will you take a question, Senator Bolduc?

Senator Bolduc: Yes.

[Translation]

Hon. Yves Morin: Honourable senators, the senator seems to be accusing the government of having accumulated budgetary surpluses over the years. Does he not realize that these surpluses have allowed the government to make the transfer payments that fund the health care system, which is the priority of Canadians?

Second, in the last budget, I am certain that the senator is aware that Employment Insurance premiums were, in fact, reduced.

Senator Bolduc: Yes, by a mere ten cents. The government is quite prudent. We believe that premiums could be reduced by a further 20 cents.

In answer to your first question, the government gave the provinces some money back, but budget cuts were so severe that I am not convinced that the provinces are receiving as much as they did in 1994.

When the government runs a surplus, it means it has taken money from the employers and the employees. In short, they are just playing with words. They are calling this an account, but in reality there is no account. It is the consolidated revenue fund. If there is a lesson to be learned here, it is that in future specific taxes should never be created. They never work. When things are good, the government grabs all the profits. Quebec did the same things with the Régie de l'assurance-automobile. When there is a surplus, they grab everything. This means that governments cannot keep their word.

On motion of Senator Robichaud, for Senator Bryden, debate adjourned.

FOREIGN POLICY ON THE MIDDLE EAST

INQUIRY—DEBATE CONTINUED

On the Order:

Resuming debate on the inquiry of the Honourable Senator Prud'homme, P.C., calling the attention of the Senate to Canada's foreign policy on the Middle East.—(*Honourable Senator Prud'homme, P.C.*)

Hon. Pierre Claude Nolin: Honourable senators, I wish to thank Senator Prud'homme for introducing this inquiry. We must acknowledge his determination.

This is a topic close to his heart. His interest in it predates his coming to the Senate. He has shown determination throughout his public life. I think it is much to his credit to provide Parliament from time to time with an opportunity to look into Canada's foreign policy in the Middle East.

Throughout our country's history, the emphasis on an articulate foreign policy taking into account both our national

interests and our values has made Canada a credible and respected international partner. Earlier, in his speech on second reading of Bill S-17, Senator Bolduc told us how important foreign policy is.

The political situation in the Middle East is of the utmost concern to parliamentarians and to Canadians. Allow me to list a few causes for concern.

First, the Palestinian-Israeli conflict has been going on for several decades. Now there is the war in Iraq, but that is not all. There is also the role Iraq has been playing since it achieved independence, a role it has played over the years in the interests of various countries, not to name any. A third cause for concern is international terrorism as an unfair weapon of influence. My list would not be complete if I failed to mention the role and importance of oil production in the global energy picture.

Canada's influence in that part of the world is certainly substantial. I do not want to question how substantial it is right now. We can draw our own conclusions at the end of the debate. This substantial influence must exist and be maintained.

Those honourable senators who were here at the time will recall that, a few years ago, we were asked to vote on a bill to implement a free trade agreement between Canada and Israel. I would have liked that legislative decision to be part of a Canadian international policy on the Middle East.

At the time of the debates leading up to the adoption of that bill, it was very difficult to identify and develop this Canadian policy for the Middle East. Some honourable senators no doubt recall this sadly famous statement the Prime Minister of Canada made in Jerusalem in 2000, when he replied:

I don't know exactly where I am right now. I don't know if I am in West, South, North or East Jerusalem right now. I came here to meet with the (Israeli) prime minister...

• (1740)

Unfortunately, this statement was circulated in the Arab countries, and I think it damaged Canada's credibility and the importance of its foreign policy in this region of the world.

The last parliamentary study on this dates back to 1983. I remember speaking about it with some colleagues recently; they mentioned the vigorous debate the study had generated at the time and how little interest there was in raising a similarly vigorous debate in Parliament now, although I believe it is needed. It is not because people in one region of the world have their rights trampled on — even for clearly identified economic and national interests — or because the loss of these rights inflames passions that we must not, as parliamentarians, examine the issue. On the contrary, we must do so in full recognition of and respect for our values.

I was saying that the last parliamentary study dates back to the early 1980s. Since then, the socio-economic and political situation in the Arab world has greatly evolved. The war in Iraq, which I have just mentioned, while a terrible tragedy, may have one positive impact, by forcing parliamentarians and Canadians to redefine Canada's policy in the Middle East.

To assist us in our examination of the inquiry raised by Senator Prud'homme, I consulted a report written by experts from the Arab world for the United Nations Development Programme. The report sets out some very interesting lines of inquiry, since it contains conclusions and useful recommendations. It is entitled "Arab Human Development Report 2002." The Arab world defines itself as the 22 member States of the Arab League, which have a total population of more than 280 million, or 5 per cent of the world population.

Here are the main conclusions of the report on the current situation in the Arab world. First, the report notes major progress since the 1960s, in particular, in basic social services like health, housing and education.

On the economic front, total productivity of inputs has been evaluated as 0.2 per cent per year, on average, from 1960 to 1970. Per capita GNP was higher than those of the new economies in Asia in 1960. This includes South Korea, Taiwan, Singapore, Hong Kong and Indonesia. Today, the GNP is equal to half the GNP of South Korea. This is a definite decline.

The combined GDP of all Arab countries was \$531.2 billion U.S. in 1999, less than the GDP of a single European country such as Spain, whose GDP for the same period was \$596 billion U.S.

Workforce productivity in the industrialized Arab world was 32 per cent of North American productivity in 1960. Today, it is only 19 per cent. In 1998, the average yearly income per Arab person was only 13.9 per cent of what people in OECD member countries earned.

Let me touch on education, research and development. Since 1995, resources dedicated to education in this part of the world have been whittled down. Compared to industrialized countries, spending per capita on education in the Arab world was 20 per cent of similar spending in the western world in 1980. Today, it is only 10 per cent.

The quality of teaching has also declined, leading to a decrease in analytical knowledge and skills. In addition, the report found that public education was of a very poor quality, and contributed to social stratification and poverty. Ten million children in this part of the world do not have access to schooling. The illiteracy rate among adults, though it has dropped from 60 per cent in 1980 to 43 per cent in 1990, still represents 65 million people, two thirds of whom are women.

One Arab woman in two cannot read or write. Higher education rates are at 13 per cent, which is greater than those of developing countries, which is 9 per cent. However, it is much lower than that of industrialized countries, where it is 60 per cent. Spending on research and development relative to the GDP was less than 0.5 per cent in the Arab world in 1996, compared to 1.26 per cent in Cuba and 2.9 per cent in Japan.

As for habitat and the environment, 15 Arab countries out of 22 live below the poverty level as defined the UN when it comes to

access to drinking water, with less than 1,000 cubic metres of water available per capita per year.

In terms of public life, Arab women, who represent more than half of the electorate, hold only 3.5 per cent of the seats in the various legislative assemblies, compared to 12.9 per cent in Latin America and the Caribbean. Despite progress made in certain countries in the last 25 years, participation in political spheres and the right to freedom of expression or association remain limited, even very limited. The quality of institutions of public administration and governance in the Arab world is inferior to what can be seen in the rest of the world.

The consequences of underdevelopment in Arab countries are weakened productivity, an underfunded education system and insufficient investment in research and development. Workforce mobility is poor since there are few job opportunities. Furthermore, graduates are leaving the region for obvious reasons, for the West, where they find well-paying jobs.

There has been a brain drain, particularly over the past decade. In fact, millions of Arabs have left their region to come to our country. According to a poll in this report, more than half of all young Arabs surveyed want to immigrate to the industrialized world.

The weakness of political institutions must be mentioned. Recourse to the old "planned economy" approach to economic development has slowed production growth. The report makes note of the lack of ethics. In specific terms, it speaks of trade and business corruption. This substantially limits the spirit of enterprise and the development of a financial system comparable to ours. Foreign investment in the region, only 1 per cent of the total flow of direct foreign capital in the world, is limited to the Middle East.

Social cohesion among the various segments of society is greatly reduced, resulting in a series of regional or local conflicts. Some of you will no doubt talk about human rights violations.

• (1750)

I spoke about the poor educational system, despite some improvement since the 1960s. What recommendations does this report make? The report concludes that the region has significantly reduced poverty — this is stated — and inequalities during the 20th century. It will be able, perhaps, to build on such efforts in the 21st century. The authors do not believe that revenues from oil and gas development can put an end to poverty or the problems related to sustainable development of these countries.

First, the Arab world is extremely dependent on oil, which represents 70 per cent of all exports for this region.

[English]

The Hon. the Speaker: I regret to advise the honourable senator that his time has expired.

[Translation]

Senator Nolin: Thank you, honourable senators. Some 70 per cent of oil revenues are invested elsewhere. Second, a major portion of the revenues from oil development is invested abroad and by focusing its energies on oil development, the Arab world has kept itself apart from market globalization.

Again, according to this report, economic growth alone will not help put the region on the path of sustainable development either. The report recommends the following solutions to improve human development in the Middle East.

The first recommendation for a solution is to end the Israeli-Palestinian conflict. According to a UNDP press release published when the report was tabled, this body of the UN told us that the conflict is a contributing factor to the lack of democracy in that region, because it both causes development to fail and is used as an excuse. It disrupts national political priorities and delays political development for the entire region.

The second recommendation for a solution is to reform the political, administrative, and legal institutions in a manner that respects the religious and cultural traditions. There is a strong religious and cultural clash in this region. This should not prevent us from engaging in consultations that respect the equality of individuals.

We must promote the advancement of democracy and human rights, individual initiative, while promoting the emancipation of women, deregulation, private sector growth in the economy and transparency in the management of economic, public and budgetary affairs.

The third recommendation for a solution is to invest significantly in education, the preparation of textbooks, culture, health, research and development, promotion of the Internet and other information technologies, in order to improve the literacy rate and education of the Arab population. In other words, there needs to be a huge investment in knowledge economy.

Honourable senators, I have a lot more to add. I asked you to allow me to speak for a few more minutes. I would like to thank Senator Prud'homme again for introducing this inquiry. There is no doubt that Canadians and Canadian parliamentarians must take part in this reflection that you asked us to engage in. I hope the Government of Canada will take action and take note of the recommendations that come out of this debate.

[English]

Hon. Marcel Prud'homme: As honourable senators have seen, it is possible to speak about the Middle East in an orderly fashion, knowing all of the susceptibilities.

I thank the honourable senator very much for his intervention, because it was a great encouragement. I hope other honourable senators will participate before I put my own views forward. I will have a different approach, but the honourable senator has touched on the major problem that brings me to the first issue.

The honourable senator is aware of how the problem started, at least part of it, by the creation of the famous United Nations resolution of November 29, 1947, which declared from that time forward there would be two countries in the land of Palestine: one for the Jewish people and one for Palestinian people. Lester B. Pearson facilitated this event. The resolution was written in part by Mr. Justice Rand of the Supreme Court of Canada. I would like honourable senators to investigate this aspect and then we could pay homage to some of our other colleagues.

Honourable senators may not be aware of the great reputation of Senator Keon in Saudi Arabia. Dr. Keon taught over there and people speak very highly of him. He played a part in the training of many cardiologists in that country. I wish to pay homage to Senator Keon. I take this opportunity to thank the Honourable Senator Keon on their behalf. I also thank the honourable senator personally. He is above politics; he is a great professional.

[Translation]

Senator Nolin: Honourable senators, I will try to answer that question.

[English]

If the only recipe for finding a viable solution were to be looking to the past, I think that approach would fail. What is important is to ask Canadians not to impose values, but to use our values to try to understand the reality of the situation in that region.

A delegation from this chamber was in that part of the world a few years ago. The Speaker of the day was with us, as were Senators Rompkey, Prud'homme and Milne.

The cultural reality of Saudi Arabia is similar to that of neighbouring countries — it is important to try to understand it. Since 1947, they, too, have evolved somewhat in certain areas and greatly in others. To focus on what happened 55 years ago would be wrong. We must join with them to find a peaceful solution.

On motion of Senator Prud'homme, debate adjourned.

[Translation]

BUSINESS OF THE SENATE

Hon. Fernand Robichaud (Deputy Leader of the Government): Honourable senators, I think we could find consent to have all items on the Order Paper that have not been reached stand in their place.

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

Hon. Senators: Agreed.

Motion agreed to.

ADJOURNMENT

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

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 next Tuesday, April 1, 2003, at 2 p.m.

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

Hon. Senators: Agreed.

Motion agreed to.

The Senate adjourned until Tuesday, April 1, 2003, at 2 p.m.

THE SENATE OF CANADA
PROGRESS OF LEGISLATION
(2nd Session, 37th Parliament)
Thursday, March 27, 2003

GOVERNMENT BILLS
(SENATE)

No.	Title	1 st	2 nd	Committee	Report	Amend	3 rd	R.A.	Chap.
S-2	An Act to implement an agreement, conventions and protocols concluded between Canada and Kuwait, Mongolia, the United Arab Emirates, Moldova, Norway, Belgium and Italy for the avoidance of double taxation and the prevention of fiscal evasion and to amend the enacted text of three tax treaties.	02/10/02	02/10/23	Banking, Trade and Commerce	02/10/24	0	02/10/30	02/12/12	24/02
S-13	An Act to amend the Statistics Act	03/02/05	03/02/11	Social Affairs, Science and Technology					

GOVERNMENT BILLS
(HOUSE OF COMMONS)

No.	Title	1 st	2 nd	Committee	Report	Amend	3 rd	R.A.	Chap.
C-2	An Act to establish a process for assessing the environmental and socio-economic effects of certain activities in Yukon	03/03/19							
C-3	An Act to amend the Canada Pension Plan and the Canada Pension Plan Investment Board Act	03/02/26	03/03/25	Banking, Trade and Commerce	03/03/27	0			
C-4	An Act to amend the Nuclear Safety and Control Act	02/12/10	02/12/12	Energy, the Environment and Natural Resources	03/02/06	0	03/02/12	03/02/13	1/03
C-5	An Act respecting the protection of wildlife species at risk in Canada	02/10/10	02/10/22	Energy, the Environment and Natural Resources	02/12/04	0	02/12/12	02/12/12	29/02
C-6	An Act to establish the Canadian Centre for the Independent Resolution of First Nations Specific Claims to provide for the filing, negotiation and resolution of specific claims and to make related amendments to other Acts	03/03/19							
C-8	An Act to protect human health and safety and the environment by regulating products used for the control of pests	02/10/10	02/10/23	Social Affairs, Science and Technology	02/12/10	0	02/12/12	02/12/12	28/02
C-10	An Act to amend the Criminal Code (cruelty to animals and firearms) and the Firearms Act	02/10/10	02/11/20	Legal and Constitutional Affairs	02/11/28	divided			
C-10A	An Act to amend the Criminal Code (firearms) and the Firearms Act	–	–	Legal and Constitutional Affairs	02/11/28	0	02/12/03		

No.	Title	1 st	2 nd	Committee	Report	Amend	3 rd	R.A.	Chap.
C-10B	An Act to amend the Criminal Code (cruelty to animals)	–	–	Legal and Constitutional Affairs					
C-11	An Act to amend the Copyright Act	02/10/10	02/10/30	Social Affairs, Science and Technology	02/12/05	0	02/12/09	02/12/12	26/02
C-12	An Act to promote physical activity and sport	02/10/10	02/10/23	Social Affairs, Science and Technology	02/11/21	0 + 1 at 3 rd 02/12/04 2 at 3 rd 03/02/04	03/02/04	03/03/19	2/03
C-14	An Act providing for controls on the export, import or transit across Canada of rough diamonds and for a certification scheme for their export in order to meet Canada's obligations under the Kimberley Process	02/11/19	02/11/26	Energy, the Environment and Natural Resources	02/12/04	0	02/12/05	02/12/12	25/02
C-15	An Act to amend the Lobbyists Registration Act	03/03/19							
C-21	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2003	02/12/05	02/12/10	–	–	–	02/12/11	02/12/12	27/02
C-29	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2003	03/03/25	03/03/26	–	–	–	03/03/27	03/03/27	3/03
C-30	An Act for granting to Her Majesty certain sums of money for the public service of Canada for the financial year ending March 31, 2004	03/03/25	03/03/26	–	–	–	03/03/27	03/03/27	4/03

COMMONS PUBLIC BILLS

No.	Title	1 st	2 nd	Committee	Report	Amend	3 rd	R.A.	Chap.
C-227	An Act respecting a national day of remembrance of the Battle of Vimy Ridge	03/02/25	03/03/26	National Security and Defence					
C-300	An Act to change the names of certain electoral districts	02/11/19							

SENATE PUBLIC BILLS

No.	Title	1 st	2 nd	Committee	Report	Amend	3 rd	R.A.	Chap.
S-3	An Act to amend the National Anthem Act to include all Canadians (Sen. Poy)	02/10/02							
S-4	An Act to provide for increased transparency and objectivity in the selection of suitable individuals to be named to certain high public positions (Sen. Stratton)	02/10/02							
S-5	An Act respecting a National Acadian Day (Sen. Comeau)	02/10/02	02/10/08	Legal and Constitutional Affairs					

No.	Title	1 st	2 nd	Committee	Report	Amend	3 rd	R.A.	Chap.
S-6	An Act to assist in the prevention of wrongdoing in the Public Service by establishing a framework for education on ethical practices in the workplace, for dealing with allegations of wrongdoing and for protecting whistleblowers (Sen. Kinsella)	02/10/03							
S-7	An Act to protect heritage lighthouses (Sen. Forrestall)	02/10/08	03/02/25	Social Affairs, Science and Technology					
S-8	An Act to amend the Broadcasting Act (Sen. Kinsella)	02/10/09	02/10/24	Transport and Communications	03/03/20	0			
S-9	An Act to honour Louis Riel and the Metis People (Sen. Chalifoux)	02/10/23							
S-10	An Act concerning personal watercraft in navigable waters (Sen. Spivak)	02/10/31	03/02/25	Energy, the Environment and Natural Resources					
S-11	An Act to amend the Official Languages Act (promotion of English and French) (Sen. Gauthier)	02/12/10							
S-12	An Act to repeal legislation that has not been brought into force within ten years of receiving royal assent (Sen. Banks)	02/12/11	03/02/27	Legal and Constitutional Affairs					
S-14	An Act to amend the National Anthem Act to reflect the linguistic duality of Canada (Sen. Kinsella)	03/02/11							
S-15	An Act to remove certain doubts regarding the meaning of marriage (Sen. Cools)	03/02/13							
S-16	An Act to amend the Constitution Act, 1867 and the Parliament of Canada Act (Speakership of the Senate) (Sen. Oliver)	03/03/18							
S-17	An Act respecting the Canadian International Development Agency, to provide in particular for its continuation, governance, administration and accountability (Sen. Bolduc)	03/03/25							

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No.	Title	1st	2nd	Committee	Report	Amend	3rd	R.A.	Chap.

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