

## THE SENATE

Tuesday, February 10, 1981

The Senate met at 8 p.m., the Speaker in the Chair.  
Prayers.

### PRIVILEGE

STATEMENT BY SENATOR STANBURY

**Hon. Richard J. Stanbury:** Honourable senators, I wish to speak briefly on a question of personal privilege pursuant to rule 34 of the Rules of the Senate.

Those of you who have seen or heard various reports in the Ontario media for the past ten days will understand the anxiety my family and I have experienced as a result of the false and misleading nature of those reports. Many of you have been kind enough to express to me, both by telephone and letter, your concern and confidence in me, and for this I am most grateful. These expressions have made me realize that I am not the first person in public life to have been subjected to such treatment over the years.

During the same ten days erroneous comments by two members in the other place have added to the confusion and innuendo relating to the situation.

The various comments that have been made in the media and in the other place relate to the application for incorporation of Astra Trust and falsely suggest that when I was president of the Liberal Party of Canada I used political influence to obtain the charter for that company.

The facts are as follows: I retired from the presidency of the Liberal Party of Canada in November, 1973, and at no time during the events under discussion was I president of the Liberal Party of Canada. Early in 1974 I resumed the practice of law with the firm with which I now practise. I had already been engaged in the practice of law for 25 years.

When that law firm agreed to act for the Astra group in 1974, we had no premonition that six years later, in 1980, the company would go bankrupt. As far as we were aware, the group was a reputable client. That opinion was obviously shared by many other people at that time.

I did not have the responsibility for administration of the file, but I was consulted from time to time over a period of months by the partner who did. For about a year before the charter was issued in 1976 I had lost touch with the matter almost completely.

I can assure honourable senators that at no time did I make any representation on behalf of the applicants to any minister, official or agency of the Government of Canada. I can also assure you that I acted, in all respects, in accordance with the laws of Canada, the requirements of the Law Society of Upper Canada and the standards of ethical behaviour expected of

senators. Any suggestion that I acted otherwise is completely contrary to the facts.

Recently, I voluntarily gave testimony under oath before the Administration of Justice Committee of the Ontario Legislature in an effort to assist that committee, but the highly charged political atmosphere of the proceedings resulted in vicious political attacks on me personally during the hearing and flagrant misinterpretations of my evidence in many of the media reports. I appreciate that because of those factors it may be difficult to sort out fact from fiction. Therefore, I felt obliged to make this statement to you in order to clarify the situation to the best of my ability.

### DISTINGUISHED VISITOR IN GALLERY

THE HONOURABLE MR. JUSTICE PENNELL—FORMER SOLICITOR GENERAL OF CANADA

**The Hon. the Speaker:** Honourable senators, you will pardon me if this is an abuse of my privilege, but I should like to draw your attention to the presence in the gallery of a former Solicitor General of Canada, the Honourable Mr. Justice Larry Pennell.

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

### THE CONSTITUTION

SPECIAL JOINT COMMITTEE—CHANGES IN COMMONS MEMBERSHIP

**The Hon. the Speaker** informed the Senate that messages had been received from the House of Commons to acquaint the Senate with changes in the list of members appointed to serve on the Special Joint Committee on the Constitution of Canada.

*(For text of messages, see today's Minutes of the Proceedings of the Senate.)*

### FEDERAL-PROVINCIAL FISCAL ARRANGEMENTS AND ESTABLISHED PROGRAMS FINANCING ACT, 1977

BILL TO AMEND—FIRST READING

**The Hon. the Speaker** informed the Senate that a message had been received from the House of Commons with Bill C-24, to amend laws relating to fiscal transfers to the provinces.

Bill read first time.

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