

Experience with respect to the construction phase of that line has been very satisfactory. Contracts have been awarded to two Canadian construction firms, Foundation Company of Canada Limited and another, the Northern Construction and J. W. Stewart Limited, who are employing Canadian labour. A large number of sub-contracts for goods, materials and services connected with construction have gone to Canadian firms. Very substantial contracts for air transportation have been placed with Canadian carriers, and a number of contracts for electronic material have been awarded to Canadian firms. The closest liaison between the appropriate United States and Canadian authorities has been maintained from the outset of the programme, and is still being carried on to ensure that the progress of the work is facilitated and the terms and the spirit of the agreement are observed.

This agreement for the construction of the line also stated, in paragraph 7, that the extent of Canadian participation in the initial operation and manning of the DEW system would be a matter for later decision by Canada after consultation with the United States. That consultation took place and a decision covering the first three years was announced, the announcement that was made on March 20 by the Parliamentary Assistant to the Minister of National Defence (Mr. Hellyer).

The same general terms and conditions laid down in the agreement for the construction of the line are to apply in its manning and operation, and these, as has been pointed out, fully safeguard Canadian rights and laws.

Now, I come first to the question the hon. member for Vancouver Quadra (Mr. Green) asked about contractors. The answer is that, while the civilian prime contractor for the DEW line, for the construction phase was a United States firm, there was, as I have pointed out, a very large participation by Canadian firms in the execution of the contract

Operation and Manning Phase

With respect to the operation and manning phase, proposals were invited from Canadian and United States firms and the best bid was that of the United States firm, and we were satisfied that this firm was properly selected to manage that part of the operation. In awarding this contract to the firm it has been understood that as far as possible Canadian personnel and facilities will be used in the execution of the contract. Perhaps hon. members will remember reading that within the last few days there have been applications to our employment agencies specifying the kind of qualifications that would be required and endeavouring to get as many Canadians as possible with such qualifications to take on work in that connection.

There has been close co-operation between the two Governments in arriving at all decisions and this co-operation is expected to continue throughout the implementation of these decisions. I think the visit of inspection that has been made over the weekend by the Minister of National Defence (Mr. Campney) and the Minister of Defence Production (Mr. Howe) with the Secretary of Defence of the United States and his deputy is just an example of the close co-operation that is maintained in that regard.

The hon. member for Rosetown-Biggart (Mr. Coldwell) asked if there were any other agreements of the same nature as the one dealing with the DEW line allowing, as he put it, United States contractors appointed by the United States Government to take over. The hon. member also wanted to know if these contractors and their employees were subject to Canadian laws or if there was some agreement with regard to the legal standing of those people. I have perhaps