

that I have been spared to participate during so many years in the public life of our country, and to see the high place Canada has come to hold in the regard of other nations. I am thankful, too, that having been in office for so long a time, I have so many—I might almost say “any”—friends left. This is the more surprising, and may I add the more pleasing, in that I have had, of recent years, so little opportunity to see anything at all of many of my fellow members, or to share with them, inside or outside these halls of parliament, the personal and social contacts which are so all-important and so enjoyable.

May I say in conclusion that I rejoice above all at the opportunity public life has afforded me to render some service to my fellowmen. This service I trust through years to come may be helpful to many.

VETERANS AFFAIRS

THIRD REPORT OF SPECIAL COMMITTEE

Third report of the special committee on veterans affairs.—Mr. Mutch.

CHANGE IN PERSONNEL OF SPECIAL COMMITTEE

Hon. LIONEL CHEVRIER (Minister of Transport) moved:

That the name of Mr. Hallé be substituted for that of Mr. Baker on the special committee on veterans affairs.

Motion agreed to.

PRIVILEGE

MR. MITCHELL—PRESS REPORTS WITH RESPECT TO GOVERNMENT ANNUITIES

Hon. HUMPHREY MITCHELL (Minister of Labour): Mr. Speaker, I rise on a question of privilege. Yesterday I tabled orders and made a statement in the house to the effect that the interest rate on payments on government annuity contracts had been reduced from four to three per cent. I stated on that occasion:

These matters have effect as of the 19th day of April, 1948, but do not change existing contracts.

I notice in this morning's *Globe and Mail* of Toronto that, with respect to this matter, and referring to what I said, it states:

It would, he pointed out, affect contracts already in force.

This is entirely the opposite of what I did say; and I trust the *Globe and Mail* will make a correction for the benefit of its readers who have been purchasers of government annuities.

I am sorry also to have to refer to a report on this matter appearing in today's *Montreal Gazette*. This states that the change in interest

rates was forced by the representations of private business. That is not correct. I have not to my recollection met any of the business interests referred to in this matter—and I have been in the ministry for more than six and a half years.

The change was made, as I have stated, to bring the rate in line with that paid on government securities. The *Gazette* also reports alleged claims of private business that the government annuities scheme has been subsidized out of tax funds to the extent of \$4,500,000 a year. This is a gross inaccuracy. The average annual mortality losses to the government in the past five years has been \$400,000. The government pays the cost of administration of the annuities act. The average annual cost for the last five years was \$437,000.

NATIONAL DEFENCE

ANNOUNCEMENT OF ESTABLISHMENT OF INDUSTRIAL DEFENCE BOARD

Hon. BROOKE CLAXTON (Minister of National Defence): Mr. Speaker, I have to announce the establishment of the industrial defence board, made today, and I now table a copy of P.C. 1739 creating the board, also a copy of P.C. 1740 giving the names of the chairman, vice-chairman, and members of the board representing industry.

As set out in the terms of reference, the primary purpose of the board is—

To advise the government of Canada and the Minister of National Defence on all matters relating to the industrial war potential of Canada.

The members of the board representing industry are all men who gave notable service in connection with industrial organization during the second world war. One of the objects of our setting up the board is to ensure that the experience they gained will not be lost and will be the basis for future developments.

Their names are Messrs. H. J. Carmichael, C.M.G., Chairman; J. Edouard Simard, Vice-Chairman; G. R. Donald, O.B.E.; William Knoll; J. G. Notman; Clarence Wallace and William A. Wecker.

In addition the members of the board will include the chairman of the defence research board; the president of Canadian Arsenals Limited; the three principal supply officers of the armed forces of Canada; the deputy minister of national defence and the deputy minister of trade and commerce.

In a letter to Mr. Carmichael this morning I set out some of the matters which I thought