

*Inquiries of the Ministry***CANADIAN ECONOMY****SUGGESTED MEASURE TO ENCOURAGE EMPLOYMENT IN CENTENNIAL YEAR**

On the orders of the day:

**Hon. George Hees (Northumberland):** Mr. Speaker, my question is for the Minister of Finance. In view of the two latest forecasts that the economy will slow down next year, made yesterday by the minister of finance for the province of Ontario and by the minister's own deputy minister, Mr. Bryce, would the government give consideration to introducing a measure to stimulate the economy so that we do not celebrate our centennial year here with rising unemployment.

**Hon. Mitchell Sharp (Minister of Finance):** Mr. Speaker, I can confirm what is reported in the paper concerning what my deputy minister said at the meeting of the provincial ministers of finance yesterday. He said at that time that we could expect an increase in the volume of production in Canada next year of approximately 4 per cent. This is about the same as the increase the United States authorities are now expecting in that country.

May I draw the attention of the house and my hon. friend to the statement made by the Economic Council in its third annual report:

By early 1966, it was therefore clear that an adjustment to a more moderate and sustainable rate of growth was necessary.

**Mr. Hees:** May I ask a supplementary question, Mr. Speaker? Does the minister not realize that his deputy minister forecast a reduction in our growth of about two thirds, from 6 per cent to 4 per cent?

**Mr. Speaker:** Order.

**ADMINISTRATION OF JUSTICE****VANCOUVER B.C.—ARRESTS BY U.S. SERVICE POLICE**

On the orders of the day:

**Hon. L. T. Pennell (Solicitor General):** Mr. Speaker, I wish to refer to the question of the right hon. the Leader of the Opposition on Friday, December 2, with respect to certain allegations that United States authorities were checking in Vancouver for deserters from the United States armed forces. I am informed that the persons who believed that the United States authorities were conducting such inquiries in Vancouver were interviewed by the R.C.M.P. and were not able to confirm that the persons suspected were in fact acting on behalf of the United States authorities.

[Mr. Benson.]

I am further advised that the R.C.M.P. made inquiries of the F.B.I. and were informed that the F.B.I. had not conducted any such operation. They were told that the F.B.I. inquiry of the United States department of defence did not disclose any connection on the part of the United States military authorities with these allegations.

**INQUIRY OF THE MINISTRY**

On the orders of the day:

**Hon. Gordon Churchill (Winnipeg South Centre):** Mr. Speaker, I have a question for the Secretary of State for External Affairs. What plans has the minister in mind for 1967 to re-establish Canada's prestige abroad in view of—

**Some hon. Members:** Oh, oh.

**Mr. Churchill:**—in view of the failure in 1966 of the minister's efforts in respect of Rhodesia, Viet Nam, the two Chinas and the United Nations peace keeping forces?

**Some hon. Members:** Oh, oh.

**Mr. Speaker:** Order, please. It may be that the minister would like to reply to the question on a question of privilege, but I doubt if this question is in order.

**WATER RESOURCES****PARTICIPATION BY CANADA IN "WATER FOR PEACE" CONFERENCE**

On the orders of the day:

**Hon. E. D. Fulton (Kamloops):** Mr. Speaker, there is a matter I should like to take up with the Minister of Energy, Mines and Resources. In view of the fact this is the last time we will have the opportunity of obtaining information prior to the new year, I should like to ask the minister to advise the house in respect to the present position regarding President Johnson's proposed "Water for Peace" conference, and in particular whether Canada has received or accepted an invitation to attend. Will Canadian representatives be instructed to take a firm position against any commitment to divert Canadian waters until Canada's own needs are ascertained and assured for the future?

**Hon. Jean-Luc Pepin (Minister of Energy, Mines and Resources):** Mr. Speaker, a paper on this subject will be presented to the cabinet tomorrow and an announcement will be made early next year. There is no doubt we will participate, but the extent and the form of that participation will be defined later.