

3. to provide special assistance in the contracts with approved lending institutions to encourage the making of loans in rural areas, and to enter into contracts with manufacturers of building equipment to assure the production of components for rural homes on an economical cost basis, provided that the gross liability of the dominion in respect of such contracts with manufacturers of components for rural homes outstanding at any one time shall not exceed five million dollars;

4. to guarantee under certain conditions loans for the repair, alteration and extension of existing homes to an aggregate amount of one hundred million dollars;

5. to carry on and promote technical research and investigations designed to lower housing costs and promote better housing conditions and the more efficient planning of communities;

and further to provide that the moneys required for the making of the said loans and grants and the payment of losses incurred under any guarantee or other contract authorized by the act shall be paid out of any unappropriated moneys in the consolidated revenue fund and that all other moneys payable under the act, including the salaries of technical and clerical staffs and all other expenses of administration, shall be paid out of moneys appropriated by parliament for the purposes of the act.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the consideration of the house.

Motion agreed to.

### ROYAL CANADIAN NAVY

#### ESTABLISHMENT OF TRAINING BASE AT BERMUDA FOR CANADIAN SHIPS

On the orders of the day:

Mr. GORDON GRAYDON (Leader of the Opposition): Mr. Speaker, will the Minister of National Defence for Naval Services follow up the announcement he made to the press on July 26 last, in which he said:

A training base for ships of the Royal Canadian Navy has been established in Bermuda and will be commissioned August 1, as H.M.C.S. *Somers' Isles*.

Will the minister indicate to the house why such training base has been chosen outside Canadian territory, and the approximate investment involved in the undertaking so far as Canada is concerned?

Hon. ANGUS L. MACDONALD (Minister of National Defence for Naval Services): Mr. Speaker, the selection of a training base for Canadian ships in Bermuda was made, in the first place, because Bermuda offers better all-year-round facilities than do our Canadian coasts. In the second place it offers better conditions for the training of ships in

the hunting of submarines. My hon. friend will understand that there are certain waters in which the training of ships for submarine hunting can be carried on more advantageously than elsewhere. Bermuda offers excellent conditions in that regard.

As to cost, may I point out that this is a base which was formerly used by the Royal Navy. We are merely taking over their base and making some alterations which, we understand, will not cost more than £10,000, and perhaps considerably less than that.

The practice of training ships outside territorial waters is quite common. Many of our ships have trained in British waters, waters along the coast of England and Scotland, in cooperation with British ships and the ships of other navies. So that there is nothing new or unusual about the practice of sending ships outside our own territorial waters for training purposes.

### CANADIAN FORCES

#### REFERENCE TO PUBLIC ADVERTISEMENTS IN CONNECTION WITH CAMPAIGN FOR RECRUITS

On the orders of the day:

Mr. D. G. ROSS (St. Paul's): Mr. Speaker, I notice in this morning's *Globe and Mail* an advertisement in both French and English, the gist of which is this: Have I the guts? This appears in connection with a campaign to secure volunteers for overseas service. Was this advertisement paid for by the government? I should also like to know whether it is directed to the government or to the youth of Canada.

Hon. J. L. RALSTON (Minister of National Defence): Well, Mr. Speaker, I do not think the last part of the question needs any answer whatsoever. The answer to the first part is that it is paid for by the government of Canada, and has formed part of a series of advertisements which were published under the direction of a committee composed of men who have to do with and understand the subject, and have been directing publicity in connection with the recruiting campaign. This was part of that series of advertisements.

Mr. DIFENBAKER: Is this advertisement being published in both languages, and in the newspapers of both languages throughout the country? In the article referred to there is a statement that that is not so, and if it is not, then it seems quite unjustifiable. The minister should clear the matter up.

Mr. RALSTON: I do not understand my hon. friend's question.