

*Trade*

is concerned in respect of those things which Canada does not consider strategic.

**Hon. Paul Martin (Essex East):** In view of the importance of this matter, may I ask the Minister of Finance whether these words used by the press officer on behalf of the government of Canada represent the situation in so far as it is within the minister's knowledge? Mr. Nelson said:

I have an explanatory note here that might help, given to me by the Minister of Finance: The intention is that Canadian law and Canadian law alone is to prevail over persons or corporations carrying on business in Canada.

Q. That's the same thing as consultation?

Mr. Nelson: That's what they hope to achieve by it.

In view of the importance of this matter to my constituency and many others, will the Minister of Finance not clarify this matter at once?

**Hon. Donald M. Fleming (Minister of Finance):** Mr. Speaker, my hon. friend knows perfectly well that the only law that is binding upon Canadians when in Canada or corporations that are doing business in Canada, to the extent to which they are doing business in Canada lawfully, is the law of Canada.

**Mr. Martin (Essex East):** That is right.

**Mr. Fleming (Eglinton):** The question that arises here concerns the relations of Canadian subsidiaries to their parent corporations in the United States. My hon. friend knows well that that is a complex matter. I think he has heard the very proper suggestion by the Prime Minister that the matter should not be dealt with piecemeal, that a complicated question of that kind cannot be dealt with in justice in any piecemeal manner. I think my hon. friend would be the first to say that this matter should be dealt with in the manner proposed by the Prime Minister following the conclusion of his meetings with the President of the United States.

**Mr. Martin (Essex East):** Will the Minister of Finance not agree with me that the Prime Minister's observations a few moments ago really represent what should be the situation from now on? But does the Minister of Finance not think that the statement which he authorized the press officer to make has complicated the situation, and is certainly not consistent with the statement he has just made in answer to my question?

**Mr. Fleming (Eglinton):** Mr. Speaker, I am always happy to find myself in disagreement with my hon. friend.

[Mr. Diefenbaker.]

[Later:]

**Mr. Diefenbaker:** Mr. Speaker, arising out of the question of privilege raised by the Leader of the Opposition, I would refer him to the comments he made on May 13, 1958 as recorded at page 25 of *Hansard*, which read as follows:

We must naturally protect our interests when they are prejudiced by United States policy. We must, for instance, make it quite clear that the United States cannot expect full and complete co-operation in continental defence, which is desirable, if she treats us unfairly in her tariff and trade policies.

**Some hon. Members:** Hear, hear.

**Mr. Pearson:** Mr. Speaker, the Prime Minister has done what he said last night to the press, in connection with the speech of the President of the United States, he would never do. He said he would never take a sentence out of context and draw a conclusion from it. But apart from that, even taking the meaning which he gave to this sentence—and he should have gone on to quote my further remarks on this same page of *Hansard*—it does not conform to what he said a few moments ago.

Furthermore, I would like to ask the Prime Minister whether he disagrees with the particular sentence he has quoted.

## LABOUR CONDITIONS

### REPORTED NEW ORGANIZATION OF DOCKERS AND TRUCKERS

On the orders of the day:

**Mr. Lucien Cardin (Richelieu-Vercheres):** I wish to direct a question to the Minister of Labour based on a news report in the *Montreal Gazette* of July 10 to the effect that a huge labour combine, led by the teamsters' and longshoremen's unions—both expelled from the A.F.L.-C.I.O.—started a new organization of dockers and truckers in Canada yesterday. Has the minister been in touch with these developments, and has he any information to give to the house on this important matter?

**Hon. Michael Starr (Minister of Labour):** Mr. Speaker, I have read news reports in the same way as has the hon. member. I must say that I have no comment at all to make on the situation.

### PICTOU, N.S.—PROSPECTIVE LAY-OFFS BY FERGUSON INDUSTRIES LIMITED

On the orders of the day:

**Hon. J. W. Pickersgill (Bonavista-Twillingate):** I should like to direct a question to the Minister of Labour, based on a statement by the president of Ferguson Industries Limited of Pictou, reported in the *Halifax*