

Inquiries of the Ministry

received and the items he has read, if it is the Government's intention to designate the whole of the Atlantic Provinces.

Mr. H. Russell MacEwan (Pictou): May I ask the Minister of Industry if it is the intention of the Government to provide capital grants of 25 per cent in the Atlantic area?

Mr. Drury: Mr. Speaker, I think one should appropriately await the announcement of the program rather than to anticipate it.

POWER**HAMILTON FALLS—FEDERAL INTERVENTION
IN PROVINCIAL DISCUSSIONS**

On the orders of the day:

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I have a question for the right hon. Prime Minister of which I sent him notice, but he is not here today and I am not quite sure who I should look at as the Acting Prime Minister when I ask my question.

An hon. Member: Mr. Pickersgill.

Some hon. Members: Oh, oh.

Mr. Brewin: Mr. Speaker, I am sure the Acting Prime Minister will be particularly interested and particularly competent to answer this question.

In view of the threatened boundary dispute between Quebec and Newfoundland, and in view of the fact that under section 92(10)(a) of the British North America Act any development of Hamilton Falls extending beyond the Province of Newfoundland would clearly fall within the legislative jurisdiction of the Parliament of Canada, can the Acting Prime Minister tell the House whether the Government has intervened or proposes to intervene to bring about a settlement of this dispute?

Mr. Muir (Cape Breton North and Victoria): He will have to check with Joey.

Hon. J. W. Pickersgill (Acting Prime Minister): Mr. Speaker, I am rather surprised that so eminent a lawyer as the hon. gentleman would ask a question of that kind, particularly as I am sure the hon. gentleman well knows that the development of power in any province is a matter which falls entirely with the jurisdiction of the province.

As far as any dispute about the boundary is concerned, I understand there has been some dissatisfaction expressed regarding the 1927 decision of the Privy Council, but I am sure the hon. gentleman would not expect me to express any views about that dissatisfaction.

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Mr. Thomas M. Bell (Saint John-Albert): I have a supplementary question, Mr. Speaker. In view of the fact that the Minister is travelling east tomorrow and will want to make the most favourable impression possible, will he consider referring to the Atlantic Development Board, or some other agency, the possibility of Federal subsidies in respect of communication lines through the Maritime Provinces in order to end this stalemate over the Churchill Falls development?

Mr. Pickersgill: Mr. Speaker, I do not think we should consider subsidies until we find out whether something can be done without them. Reports indicate this project would be economically feasible.

Mr. Bell: Does the Minister think he is going to create a favourable impression when he arrives in the east as a result of his—

Mr. Pickersgill: Certainly, Sir; I am quite sure that the Minister's arrival in Fredericton tomorrow to open the airport will create a very favourable impression.

[Translation]

Hon. Paul Martineau (Pontiac-Témiscamingue): Mr. Speaker, I should like to direct a supplementary question to the Minister of Justice in this regard.

Can he tell us whether during his discussions with Mr. Lesage during the week end the matter of free power transmission between Quebec and Labrador came up? If that subject was discussed, can he tell the house what was the nature of those discussions?

Hon. Guy Favreau (Minister of Justice): Mr. Speaker, since the right hon. Prime Minister has already reported to the house on the discussions which took place between him and the premier of Quebec, other ministers being present, I think that in all fairness I should take this question as notice.

[Text]

NATIONAL DEFENCE**CYPRUS—REDUCTION IN CANADIAN
PARTICIPATION IN PEACE
KEEPING OPERATION**

On the orders of the day:

Mr. H. A. Olson (Medicine Hat): Mr. Speaker, I should like to address a question to the Minister of National Defence. Press reports which we have received from London during the past two hours indicate that the Secretary of State for External Affairs (Mr. Martin) has gained a measure of support