

days ago a Canadian representative was in Hanoi to meet with officials of the government of North Viet Nam, can the Prime Minister indicate what if any progress is being made in efforts to begin negotiations to bring the conflict to a conclusion?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, the Canadian representative in question was the Canadian member of the international commission there and he was paying a regular visit to Hanoi, as he does from time to time. No particular significance, of course, is to be attached to that visit.

I cannot say that there has been any progress in regard to the opening of negotiations on this important matter. Certainly no substantial progress has been made since the house last met. The matter is continuously being examined, more particularly from the Canadian point of view by the Secretary of State for External Affairs who has had discussions in New York concerning it. The matter will be before the United Nations general assembly and perhaps the security council during the forthcoming weeks.

THE CANADIAN ECONOMY

STEPS TO MEET INCREASE IN COST OF LIVING

On the orders of the day:

Hon. George Hees (Northumberland): Mr. Speaker, I wish to direct a question to the Prime Minister. Could the Prime Minister not indicate to the house what steps the government intends to take to stem the rapid acceleration in the increase in the cost of living which has taken place during the three months since this house last met?

Right Hon. L. B. Pearson (Prime Minister): Mr. Speaker, it will not be possible to answer such a far reaching question on orders of the day. We shall be having a five-day budget debate very shortly, I hope, when my hon. friend and other members can go into this matter and the government will be able to reply.

Mr. Hees: Will the Prime Minister assure the house that when the budget debate does take place he will outline the steps the government intends to take to overcome, for example, the effects of the 2 per cent increase in the cost of living which has taken place in the last two months—an unbelievable acceleration?

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Inquiries of the Ministry

Mr. Pearson: Most of the hon. gentleman's statements are unbelievable. I admit, though, that this is a very serious matter.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I have a supplementary question for the Minister of Industry in connection with a specific aspect of this problem. Can the hon. gentleman indicate whether the recent increase in the price of automobiles is due to the government's failure to cope with inflation or to the effects of the international automobile agreement?

Mr. Speaker: I suggest to the hon. member that his question is argumentative.

NATIONAL DEFENCE

POSSIBLE CANADIAN PARTICIPATION IN U.S. ANTI-BALLISTIC MISSILE NETWORK

On the orders of the day:

Mr. T. C. Douglas (Burnaby-Coquitlam): Mr. Speaker, may I direct a question to the Prime Minister regarding the proposed construction by the United States of an anti-ballistic missile network. Is Canada in any way involved in this construction, will any part of this network be constructed on Canadian soil, and have any commitments been made or is there any prospect of any being made with regard to it?

Right Hon. L. B. Pearson (Prime Minister): No, Mr. Speaker. As already stated, we are not involved in this decision of the United States government to proceed with an anti-ballistic missile defence facility. We are not involved in any way, nor do I think we shall be involved in this particular project. Naturally, we are anxious to obtain all the information we can on such an important step and to deal with the situation as it may develop in the future in the best interests of Canada and of peace, but we are not involved with this particular project in any way nor do I have any information to indicate that the United States government will be asking us for facilities of any kind on our soil in this connection.

I might add, since there have been reports to the contrary which were inaccurate, that we were informed of the decision of the United States government in this matter before it was made public.

Mr. Douglas: In view of what happened in connection with the installation of the Bomarc missiles in Canada, may we have an assurance from the Prime Minister that no commitment will be made by the Canadian