

*Inquiries of the Ministry*

In the allocations \$85 million of subscriptions for the 2½ per cent bonds maturing 13 months hence have been accepted, and \$115 million of subscriptions for the 3 per cent bonds maturing 21½ months hence have been accepted. The commission paid on the subscriptions for the first bonds is 10 cents and the commission paid on the subscriptions for the second bonds is 20 cents.

**Mr. McMillan:** Would the Minister of Finance say what effect the recent high interest yield of 4.76 per cent and 4.94 per cent on short term government bonds will have on the cost of money to the municipalities and the provinces?

**Mr. Speaker:** The hon. member does not expect the minister to answer an argumentative question of that kind. Really what he is asking for is an expression of opinion.

**NATIONAL DEFENCE****CANADA-U.S.—JOINT PROCUREMENT OF DEFENCE EQUIPMENT**

On the orders of the day:

**Mr. Harold Winch (Vancouver East):** Mr. Speaker, may I ask a question of the Minister of National Defence. Has the minister's attention been drawn to a report in this morning's *Montreal Gazette* as follows:

General Charles Foulkes, chairman of the Canadian chiefs of staff committee, said today Canada and the United States have neglected to continue to develop joint procurement of defence equipment.

It now is possible that we (Canada) may have to abandon the policy of developing and producing special Canadian equipment for the limited requirements of the Canadian forces and revive the provisions of the agreement of 1950 for economic co-operation with our partners (the U.S.) in joint production of defence requirements.

Can the minister inform the house if this statement, as reported in the press, by the chairman of the chiefs of staff committee, is the policy now established by his department and by the government?

**Hon. G. R. Pearkes (Minister of National Defence):** I have not seen the press report referred to. I will take this as notice and look into the question.

**HEALTH INSURANCE****REQUEST FOR STATEMENT ON CONDITIONS GOVERNING FEDERAL GRANTS**

On the orders of the day:

**Mr. H. J. Robichaud (Gloucester):** Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare, notice of which I sent to his office this morning.

[Mr. Fleming (Eglinton).]

In the application or payment of federal grants to provinces which have agreed to come under the hospital insurance scheme, would the minister inform the house if the plan must apply on a compulsory basis in those provinces which have accepted, and also if it should cover the entire province and not be limited to a portion of the said province?

**Hon. J. W. Monteith (Minister of National Health and Welfare):** I wish to thank the hon. member for having given me notice of this question. The federal legislation requires that the insured services provided must be made available to all residents of the province. This does not mean that insurance must be compulsory for all persons in the province. However, under the agreements concluded to date, all provinces with the exception of the province of Ontario have made their programs compulsory for all residents. Ontario has a compulsory requirement for a large sector of the population, and makes the services available to the remaining residents on a voluntary basis. In concluding any agreement with a province we would, of course, expect some assurance that a large proportion of the population would be covered by the program as was the case in Ontario.

In regard to the question whether the program must cover the entire province, it of course goes without saying that if the program is universally available to all residents it cannot be limited to one sector or region of a province.

**Mr. Robichaud:** In view of the answer given, would the minister inform the house whether a province will qualify for its share of the federal grant if a municipality within that province refuses to contribute to the provincial share?

**Mr. Monteith (Perth):** I assume the hon. member is referring to the province of New Brunswick. The federal government and the province of New Brunswick have not as yet signed an agreement. When such an agreement comes to be signed, the factors required to bring the agreement within the context of the over-all act will be taken into consideration.

**NATIONAL CAPITAL PLAN****OTTAWA RIVER BRIDGE—STATEMENT BY CHAIRMAN OF COMMISSION**

On the orders of the day:

**Mr. Alexis Caron (Hull):** I wish to direct a question to the Prime Minister. When Major General Kennedy, chairman of the national capital commission, spoke about the