

Oral Questions

this country in view of the fact that following our cutback of 50 per cent of our commitment five years ago the Minister of National Defence just recently announced that there was no intention of replacing the worn out and obsolete tanks which were supposed to be the main component of our contribution in Europe?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I will answer briefly. The position I took in the NATO council on the equality issue was supported by many of our friends, and I suspect that we will continue to be a very welcome member of NATO indefinitely.

Mr. Hees: A supplementary question—

Mr. Speaker: Order, please. I think I owe it to hon. members to mention that there are only a very few minutes left before the end of the question period and there are still a number of distinguished members who are not frontbenchers waiting for a chance to ask questions.

Mr. Hees: In view of the very severe cutback that Canada has made in its military commitment to NATO, is it government policy that in the eventuality that armed conflict breaks out in Europe at some time in the future it will be Canada's policy to fight to the last American?

Mr. Speaker: Order, please.

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[*Translation*]

SOCIAL SECURITY**FAMILY ALLOWANCES—TAXABILITY OF PAYMENTS UNDER QUEBEC PLAN**

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, in spite of the noise, I understand that you have recognized me. I should like to direct a question to the hon. Minister of National Health and Welfare.

Since the government of Quebec has decided to implement its own family allowance plan, that apparently the rates will vary from \$3 to \$9 according to the number of children in the family and that youngsters from 12 to 17 will receive a supplementary allowance of \$5 a month, can the minister tell us whether the family allowances paid in Quebec will be considered as taxable earnings by the federal government, like the allowances paid by Quebec itself?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I believe I have already answered that question. Since Quebec has cancelled children exemptions for income tax purposes, it was decided that allowances paid by the provincial government to children living in that province would naturally not be subject to federal income tax.

Mr. Lambert (Bellechasse): A supplementary, Mr. Speaker. In view of the confusion in another field, will the federal government contribute financially to the payment of family allowances as instituted in Quebec, and if so, to what extent?

[*Mr. Hees.*]

Mr. Lalonde: Not at all, Mr. Speaker. The amounts earmarked by Quebec to that end will come out of Quebec's own funds. The money paid by the federal to Quebec will be exactly the same as that paid to all the other provinces, that is an average of \$20 a month for every child.

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[*English*]

CANALS**PLANS FOR BUILDING NEW WELLAND SHIP CANAL**

Mr. Trevor Morgan (St. Catharines): Mr. Speaker, my question was originally going to be addressed to the Minister of Transport, but in his absence I will direct it to the Acting Prime Minister since it involves some matters dealing with external affairs. In view of the fact that millions of dollars have been spent on expropriating some of the most valuable farmland in the Niagara region supposedly for a new Welland canal, and in view of the fact the United States Corps of Engineers has made a report to the U.S. government to the effect that unless an enlarged seaway is developed by Canada before 1980 they will do it on their own, what plans does the government have, if any, to build a new Welland ship canal and to enlarge the dockage and the flow of ships? If the government has no plans, why not?

Mr. Speaker: Order, please. The hon. member is asking for a report or statement which I suggest to the hon. member very respectfully, ought to be made on motions.

Mr. Morgan: Ten o'clock, Mr. Speaker.

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ENERGY**ORDER STOPPING EXPORT OF MEDIUM CRUDE OIL FROM SASKATCHEWAN TO UNITED STATES—REQUEST FOR RECONSIDERATION**

Hon. Alvin Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. Has the minister received any objections from producers of medium crude in southwestern and southeastern Saskatchewan against the order stopping their exports of medium crude to the United States?

Hon. Donald S. Macdonald (Minister of Energy, Mines and Resources): Mr. Speaker, I believe I would be correct in saying yes. The decision, of course, was that of the National Energy Board. I have contacted the board for their advice in this regard.

Mr. Hamilton (Qu'Appelle-Moose Mountain): Mr. Speaker, may I ask another question for information. In view of the fact Saskatchewan has no refinery capacity to handle this medium crude, would the minister consult with the National Energy Board and see whether they would give reconsideration to this order?

Mr. Macdonald (Rosedale): Yes, sir, I will be glad to do so.