

proceed with the construction of such a regional centre toward the end of this year.

Mr. Diefenbaker: Would the minister not consider appointing someone outside the service to investigate conditions in the penitentiaries? I mention this in connection with Mr. Harold Ballard who, living in the salubrious circumstances which prevail at Millhaven, where he says the place is operated as a high-class motel, with him enjoying tenderloin steaks—

Mr. Speaker: Perhaps the right hon. gentleman would now ask the question.

Mr. Diefenbaker: I did not get to my question. I had to place the facts before the minister because otherwise he would not be aware of them. Do conditions similar to those described by Mr. Ballard apply in other penitentiaries and, if so, is the Solicitor General finding it difficult to keep people out of them?

Mr. Allmand: I was surprised when I read Mr. Ballard's statement, because I visited the Millhaven minimum security institution where he is staying and it did not appear to me that conditions were that good.

Mr. Diefenbaker: Maximum comfort with minimum security!

Mr. Allmand: Mr. Ballard is in for a few surprises because his conditions may change a little.

Some hon. Members: Oh, oh!

Mr. Allmand: With respect to the first question about an inquiry, I should remind the House that the House of Commons itself has set up an inquiry into the penitentiary system. Visits have already been made to the penitentiaries in the Kingston region, and the penitentiaries in the Quebec region will be visited next week. I hope it will be possible for a visit to be made, also, to the penitentiaries in the west so that these particular matters can be looked into.

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SOCIAL SECURITY

REQUEST FOR INCREASE IN PENSIONS—GOVERNMENT POSITION

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question is directed to the Minister of National Health and Welfare. It arises from the fact that the latest monthly statement issued by the Department of Finance shows, among other things, that taking budgetary and non-budgetary transactions together the government was left with a surplus amounting to \$350 million. Would the minister make a plea to the Minister of Finance to redirect some of these funds in order to relieve the hardship caused people on low incomes, on disability and blind pensions who are suffering from anxiety as a result of the high cost of living?

● (1130)

Some hon. Members: Hear, hear!

Oral Questions

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, I do not have to make such a plea since the government as a whole is very conscious of their situation.

An hon. Member: What are you doing about it?

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CANADIAN NATIONAL RAILWAYS

SUGGESTED RECAPITALIZATION TO ENABLE COMPANY TO MEET PAYROLLS—GOVERNMENT POSITION

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I should like to direct a question to the Minister of Finance, the answer to which might go a long way towards relieving the threat of a strike on the railways. In view of continuous pleas about the inability to meet justifiable demands of railway workers over successive years of negotiation, and in order to enable the Canadian National system to meet justifiable demands of its workers in future negotiations, I should like to ask the minister whether the government is giving consideration to transferring one or more billion dollars of the public debt of the Canadian National Railways system to the government of Canada, relieving the Canadian National system of the onerous interest debt it has been paying since 1923, and thereby enabling the CNR to use its available profits to meet its payrolls?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, anything I might suggest would be long-term and would not affect the current negotiations. Certainly it is in my view, in the long-term interests of the country to recapitalize both the CNR and Air Canada.

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AGRICULTURE

POULTRY PRODUCERS—REQUEST FOR FREIGHT ASSISTANCE ON SOYBEAN MEAL

Mr. Harry Kuntz (Battle River): Through you, Mr. Speaker, I should like to direct my question to the Minister of Agriculture. In light of the forthcoming western economic conference and the fact that there is a severe shortage of soybean meal in some regions of western Canada, which is having an adverse effect on the poultry industry, would the minister advise this House if freight assistance will be given to the western poultry producers to offset the exorbitant freight rate of \$45 to \$60 per ton that is now being charged to move this meal from Ontario to Alberta?

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, this request has been received not only from the west but also from the east and we are considering it.

Mr. Kuntz: Mr. Speaker, may I remind the minister that freight assistance is now—

Some hon. Members: Order.

Mr. Speaker: Order, please.