

Inquiries of the Ministry

Vancouver-New Westminster, .7 per cent from other Pacific ports, 12.7 per cent from Churchill, 49.4 per cent from St. Lawrence ports and 3.6 per cent from Atlantic ports. It must be remembered that during the next few months the Vancouver and Atlantic percentages will rise since St. Lawrence navigation is now closed until late April. Obviously, too, the Churchill percentage of 12.7 will go down steadily since there can be no further shipments from that port until navigation opens there again late next July.

These figures follow the normal pattern of distribution between Canadian ports. For the crop year 1952-53, 32.6 per cent of the movement was from the west coast and 51 per cent from St. Lawrence ports. The three crop years prior to 1952-53 show much the same comparison. The crop year 1953-54 was abnormal because it took a good part of the crop year to clear up the aftermath of the long Vancouver strike of grain handlers which had occurred the previous spring, and because Vancouver prices were temporarily out of line with eastern seaboard prices on account of abnormally low ocean freight rates.

The wheat board is charged with the duty of marketing all prairie wheat to best advantage for the producer. Obviously all prairie wheat cannot be moved to advantage through either a western port or an eastern port. Internal freight charges can quickly offset any advantages gained by lower selling prices at any one port. The purpose of the board must be at all times to see that returns to the producer for prairie grain are the maximum obtainable.

My own opinion is that the Canadian wheat board is succeeding very well in keeping prices competitive between our ocean ports. Proof of this is the percentage of the business which is presently moving from our various ports.

[*Later:*]

Mr. G. C. Nowlan (Digby-Annapolis-Kings): May I ask the Minister of Trade and Commerce a supplementary question on the statement he read? I was wondering if his reference to eastern Canadian ports included the Atlantic ports or merely the great lakes ports. Could he, at some later date, make available the comparative figures for Halifax and Saint John which he gave earlier in his statement for Vancouver?

Mr. Howe (Port Arthur): The only Atlantic ports, for the period I mentioned, are the ports of Halifax and Saint John. I think if the hon. member will read my answer in *Hansard*

[**Mr. Howe (Port Arthur).**]

he will find the comparison I gave for January 6 is the comparison for which he is asking.

Mr. Nowlan: The minister referred to eastern Canadian ports at one time and Atlantic ports at another, and I was not sure what the differentiation was.

GOVERNMENT CONTRACTS**INCOME TAX APPEAL BOARD—REFERENCE TO ENTERTAINMENT OF GOVERNMENT OFFICIALS**

On the orders of the day:

Mr. Donald M. Fleming (Eglinton): May I ask the Prime Minister if a recent decision of the income tax appeal board has been brought to his attention concerning expenditures in improving a certain residence that is reported to be used to entertain certain government officials during contract negotiations? Has the Prime Minister a statement to make on this subject? Can he tell us what steps have been taken by the government to investigate the use made of such a place in relation to this purpose? If no investigation has yet been made, does the Prime Minister not think it a proper matter for inquiry by a committee of this house?

Right Hon. L. S. St. Laurent (Prime Minister): This morning I did see a report of a decision rendered by the income tax appeal board which very much surprised me in the statements that it contained. I have never heard any suggestion that it was considered to be necessary by anyone to have a residence to entertain government officials.

The report I saw seemed to indicate that this was the parent company of a concern that tendered for construction work for both government and private enterprises, and that this parent company had asked to have deducted from its income expenditures made on a place said to have been used for the purpose of entertaining prospective clients. I believe that the hon. gentleman is quite within the bounds of propriety in suggesting there should be some inquiry made as to how this came about. I gathered from the report it was something that went back to 1950 or 1951, but I think it is something that should be looked into.

I shall endeavour to have it looked into, first of all by ascertaining just what was disclosed before this income tax appeal board, and whether or not that would indicate that any officials of this government were being entertained in that way.