

ber of this House knew very well that when the Speaker decided that a certain amendment was not in order because it did away with the original motion, the Speaker was giving a correct decision. They must have known that. Yet they appealed from the ruling of the Speaker and what is --

S.H. Knowles (C.C.F. Winnipeg N. Centre) interrupted with a point of order. He held that the Prime Minister was referring to a decision given by the Speaker and voted on by the House. The Prime Minister, Mr. Knowles said had no right to discuss a matter already settled.

Or to impugn or honesty, interjected James Macdonnell (P.C. Muskoka-Ontario). He is impugning the honesty of everyone who voted against it.

The Prime Minister said he had not intended to reflect on any one. He had referred to something which had happened in the House, an unfortunate practice that was growing up.

**QUESTION OF PRIVILEGE RAISED**

Mr. Macdonnell, rising to a question of privilege, asked whether the Prime Minister had withdrawn "the imputation which he made against everyone who voted against this ruling when he said it was a dishonest vote. That is what he said."

Mr. Abbott: No, he did not.

Mr. Macdonnell: I want to know whether he withdraws it.

The Prime Minister: Hon. members know very well that I have no intention of casting any reflection on any member of Parliament with respect to his honesty and I have not done so.

Mr. Macdonnell: Why not say so?

The Prime Minister: I have not done so and I have nothing to withdraw.

Mr. Knowles asked for a ruling from the Speaker.

Speaker Fauteux said he understood the Prime Minister had not been discussing the ruling given by the Speaker, but had been reviewing what happened in the debate. The Speaker did not think the Prime Minister had imputed any motives.

Mr. Knowles appealed the Speaker's ruling which was sustained by 107 to 90.

**PRICES INQUIRY BEGINS:** Shortly after the Commons adopted the Prime Minister's motion, the special inquiry committee organized and got down to work.

Kenneth Taylor, chairman, Wartime and Prices Board, giving evidence emphasized that even if the price ceiling policy had been continued in full effect there would almost certainly have been a very considerable rise in prices.

Mr. Taylor added: To have held the old ceilings in the face of increases in both domestic and import costs would have involved enormous increases in total subsidy payments, and at the same time could not have avoided hampering and restrictive effects on production.

He gave three specific factors as bearing directly on the Canadian price structure:

1. The high cost of imports.
2. The fact that external prices largely determine the prices of Canada's principal export commodities.
3. Internal factors affecting prices, particularly increased costs of production.

Herbert Marshall, Dominion Statistician, said price levels in Canada were lower than in almost all other countries for which statistics are available.

The underlying causes of price increases were higher wage costs; scarcity of certain commodities in relation to demand; high national income and high purchasing power; the influence of external prices, particularly those of the United States; profit margins and similar items.

**BANK OF CANADA REPORT:** The annual report of the Bank of Canada, tabled in the House of Commons, states that short of substantially appreciating the exchange rate and increasing its taxation, no country could have insulated itself completely from the world-wide rise in prices. Theoretically, it might be contended that this could be done by means of direct controls, but these would have to be very much more rigorous and complete than those of wartime, to say the least.

On the exchange situation, the report observes: In the last analysis (and apart from an improvement in average export prices relative to average import prices) these can only be achieved by increasing productivity and production, or by reducing or postponing domestic spending, particularly for non-essential capital purposes.

Proposals with regard to a European Recovery Programme by the United States are, of course, of great interest to Canada. Implementation of such a programme would not remove the need for Canada to increase the present small current account surplus in her over-all balance of payments. We need to increase this surplus if we are to be able to build up our exchange reserves to a more normal level and extend aid to other countries even on a much smaller scale than in recent years. What a European Recovery Programme could do, in the short run, is to facilitate the continuance of Canadian shipments to Western European countries where they are badly needed; and without such a programme the exchange problem of Canada, and indeed of practically all other Western Hemisphere countries, would be greatly aggravated. But we have an even greater interest in the long-run implications of a European Recovery Programme. When the present unusually heavy demand for goods has declined, Canadian exports and employment will be influenced to an important degree by the extent of recovery in Europe. We are, therefore, vitally concerned with any programme which will help to strengthen the European economy and reestablish it as

a substantial factor in normal international trade.

**AIR NAVIGATION SCHOOL**

**RE-OPENS AT SUMMERSIDE:** Re-opening of the RCAF Air Navigation School at Summerside, P.E.I., is to take place late in March of this year when the first navigation course in the post-war plan is scheduled to commence. Ground instruction only is to be given at the school at present but eventual plans call for an air navigation centre which will make it second-to-none in North America.

First courses to be given at the school have been designed to train veteran navigators and pilots as instructors for the RCAF flying schools and for the Air Navigation School itself. Specialist Navigation Courses are slated to commence next Autumn, and these will be followed by basic courses for new entry aircrew, both pilots and radio navigators.

Flights to navigation schools in the United Kingdom and in the United States will be included in the specialist course, in addition to two "high latitude" northern flights from Whitehorse, Y.T., or Churchill, Man. Purpose of these polar flights will be to provide students with practical experience in far northern flying, a task which requires special technique to overcome navigation problems peculiar to Arctic regions. The specialist course is one of the most exacting in the RCAF.

Also at Summerside will be the Research and Development Section (Navigation) of the RCAF, which will work upon development of new techniques and methods of air navigation. This section is headed by Flight Lieutenant J.G. Wright, DFC, of Liverpool, N.S., who is a graduate of the Advanced Specialist Navigation Course held at the Empire Air Navigation School, Shawbury, England. F/L Wright served for some time in the Test and Development Section at the latter school.

Commanding Officer at Summerside is S/L W.C. Langstaff, DFC, of (7 Bertmount Ave.) Toronto, and Chief Instructor is S/L W.F. Davy, of Hollaway, Ont.

Summerside served as a navigational training centre during the war, when the RCAF General Reconnaissance School was located there, training both RCAF and RAF aircrew in Coastal Command navigation techniques. The wartime Air Navigation School operated at Summerside for a short time in 1945, after being moved from Rivers, Man., where it was located most of the war years.

**RCAF SUMMER EMPLOYMENT PLAN:** The RCAF's Summer Employment Scheme, under which Air

Force veterans attending Canadian Universities returned to their old Service for the Summer months last year as Reserve officers, is to be continued this year on an expanded basis.

Plans are being made to step up the number of students taken in to the Air Force under the plan to 150 in 1948, in place of the 84 who donned uniforms last Summer after leaving campuses across the country at the end of the school year. Former officers enrolled in science and medicine will be given preference, although others are eligible. Students will hold commissioned rank up to flight lieutenant, and will receive equivalent pay.

The Summer Employment Scheme is designed to train the students in the various specialist branches of the Service through their university careers, and the type of work done by each fits in as closely as possible with the course the student is taking at university. Majority of those who returned to the Air Force under the plan last year were engaged in such technical work as aeronautical and construction engineering, photography, signals, armament and the medical branches, 24 being employed in research and survey work for the Institute of Aviation Medicine in Toronto. The students were employed at Air Force stations across the country, and at several universities. Graduates are eligible for permanent commissions in the RCAF upon completion of their professional training.

The term of employment last summer was for 14 weeks, but in 1948 veterans will be employed for a full period of 20 weeks, at standard rates of pay. This policy was inaugurated in order that veterans could be gainfully employed throughout the entire summer holiday period.

All veterans interested in taking advantage of the Summer Employment Scheme should write to Central Air Command, RCAF Station Trenton, Ont., or to North West Air Command, RCAF Station Edmonton.

**APPOINTMENT AND TRANSFER:** Air Force Headquarters announce transfer of Group Captain C.H. Greenway, OBE, Lloydminster, Sask., from Camp Borden to Ottawa as Director of Ground Training for the RCAF, replacing W/C A. Walmsley who is attending the National Defence College, Kingston, Ont.

Wing Commander H.C. Ledoux, DFC, of Montreal, former Commanding Officer of the famous 425 (Alouette) Squadron overseas, has been appointed to a senior staff position in the Selection and Manning Directorate at Central Air Command Headquarters, Trenton, Ont. He recently returned from Washington, D.C., where he was graduated from the U.S. Armed Forces Staff College.