

Inquiries of the Ministry

is not yet completed. I instructed the P.F.R.A. to be on hand when floods were possible to protect the work already done and prevent, so far as possible, any extension of any break which already may have developed in the dike. The necessary work is being charged up to the Assiniboine river vote No. 43.

With regard to the second part of the question, I do not know of any similar circumstances in other areas in Manitoba. We do protect work undertaken under P.F.R.A. until that work is completed.

POWER**BEECHWOOD PROJECT, NEW BRUNSWICK—
REQUEST FOR RECONSIDERATION OF FEDERAL AID**

On the orders of the day:

Mr. A. J. Brooks (Royal): In view of the fact that the federal government intends to lend money for the building of this trans-Canada pipe line, which I am sure will be of no help to the maritime provinces, would the government reconsider its refusal to guarantee the bonds of the province of New Brunswick for the development of the Beechwood project on the Saint John river, which would be of great benefit to that province? I was directing the question to the Prime Minister.

Right Hon. L. S. St. Laurent (Prime Minister): The Beechwood project has been financed on the credit of the province of New Brunswick, which I think both the hon. gentleman and I are happy to see is as solid as it proved to be when that loan was undertaken.

Mr. Brooks: It was done after the refusal of the federal government to assist.

Mr. St. Laurent (Quebec East): There seemed to be no need of financial assistance. There was co-operation between the provincial government and the experts, I think, of the Department of Finance as to the way in which the financing of that project could be most conveniently arranged. I think there are other projects now that will have to be considered, and if there are projects that seem to be really sound and helpful they will be given very sympathetic consideration.

Mr. Fulton: And the reason there was not any need for financial assistance was that in this case they were Canadians.

Mr. St. Laurent (Quebec East): Probably they were such Canadians as enjoyed the credit that enabled them to obtain on the financial markets the amounts that were required for the enterprise they had in view.

Mr. Knowles: Unlike the trans-Canada pipe line promoters.

[Mr. Gardiner.]

Mr. Brooks: I should like to ask the Prime Minister a supplementary question. Did not the province of New Brunswick ask the federal government for assistance in constructing the Beechwood project, and at that time did they not feel they needed assistance in the matter of backing their bonds, and it was only when this was refused—

Mr. St. Laurent (Quebec East): I saw a very voluminous report that was sent to this government by the government of the province of New Brunswick, but it did not to my lay mind seem to contain any project that it would be proper to recommend to the house to make appropriations for. It was a preliminary survey, but there was nothing concrete that could be dealt with at that time. I have had several interviews with the premier of New Brunswick and I understood that the Beechwood project was proceeding in a satisfactory way, but it was the hope of the government of New Brunswick that much more power than would be available from the Beechwood project could be economically developed in some part of the Saint John river basin.

Mr. Brooks: There is another question I should like to ask. I do not want a false impression to be left in this house. The reason the province of New Brunswick asked for assistance was that they could get cheaper money if the federal government backed their bonds.

Some hon. Members: Order.

Mr. Speaker: Order. May I ask hon. members to give the hon. member for Royal a chance to be heard.

Mr. Brooks: My question to the Prime Minister is this. Was not the reason for asking the federal government to assist that the province could not borrow money as cheaply as could the federal government. If they borrowed it from the federal government it would mean cheaper power for the province of New Brunswick. The reason was not that it was not possible for them to raise the money.

Mr. St. Laurent (Quebec East): Well, I frankly would not want to deny the implications of the hon. gentleman's question, but from memory I would not want to confirm them because I have no recollection that there was the suggestion made by the government of the province of New Brunswick that they would thereby obtain money at a cheaper rate. There have been suggestions that there should be money provided by the federal government for all kinds of provincial undertakings at low rates of interest, not just the rates at which the money could be obtained by the federal government itself