

be possible to cancel or go around that agreement with New Zealand on milk powder imports?

[English]

● (1442)

Mr. Whelan: Mr. Speaker, the hon. member talks about production of skim milk powder. I am sure he knows that skim milk powder is a result of the production of butter. For every pound of butter there are two pounds of skim milk powder produced. There is a world surplus problem. The European Community has compounded this problem. When we are talking about directing milk to cheese factories, that is solely a provincial distribution problem. The provinces are the ones which issue the directives. Sometimes through subsidies and so forth we try to discourage the production of butter and skim milk powder so that people will go into cheese production. We think that is a good idea. Cheese consumption has gone up in Canada. Of all the cheese consumed in Canada 85 per cent is produced in Canada. I am sure the hon. member is aware that there is going to be a specialty cheese plant built in Quebec, if it is not already under construction. We probably will have one in Ontario also to produce specialty cheeses, which have not been produced in Canada before.

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ROYAL CANADIAN MOUNTED POLICE

POSSIBILITY MR. STARNES RESIGNATION CONNECTED WITH ILLEGAL ACTIVITIES OF FORCE

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Prime Minister. Now that he has had a chance to refresh his memory by talking with the former solicitor general, I would like to come back to an answer given by the present Solicitor General on Monday. On Monday the Solicitor General indicated that the illegal break-in had been authorized by the most senior level of the security service of the RCMP, that is, the Director-General, Mr. John Starnes, who had been appointed to that office in October of 1969 by the Prime Minister. In as much as Mr. Starnes resigned on March 7, 1973 after the illegal break-ins, arson and theft had occurred, and given the Solicitor General's answer to me that everyone within the security service at that time, including the Director-General of the security service, did not consider its operations to be illegal, was there any aspect of Mr. Starnes' resignation in 1973 that was connected to any aspect of illegality with respect to the security and intelligence service?

Right Hon. P. E. Trudeau (Prime Minister): None whatsoever, Mr. Speaker.

REASON FOR DELAY IN ASCERTAINING ILLEGAL ACTIVITIES TOOK PLACE

Mr. David MacDonald (Egmont): Mr. Speaker, I wonder then if the Prime Minister can indicate why it has taken so long for the government to ascertain that the various events that did occur during that period were illegal. Why has there

been to date no responsibility either on the part of himself or the subsequent solicitors general with respect to this act and with respect particularly to the surveillance by the RCMP of the Parti Québécois which he indicated yesterday had occurred for a short period of time and was stopped as soon as it was found out? Can the Prime Minister indicate whether he found out how long the surveillance had taken place and when it was initiated?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, on the first part of the question, as to why it took so long, and on the second part of the question the answer is the same: because we were not involved in monitoring the day-to-day operations of the RCMP. That was not our practice. It was not the practice of the previous government, and it is not a practice we intend to follow in the future. We had periodic briefings in which the findings they thought important to put before us were reported to us. At no time did they ever say that "in order to make this report we have had to engage in an illegal act", and at no time did we suspect or have cause to suspect that they would have to engage in illegal acts to supply the government with information on security matters.

This matter came to light, I believe, in the spring of 1976 when the present Minister of Consumer and Corporate Affairs was solicitor general. It came to light that there had been an illegal act perpetrated some three and a half or four years before. I repeat that that was the beginning of a series of events which led up to the setting up by the federal government of a royal commission of inquiry.

Mr. MacDonald (Egmont): Mr. Speaker, does the Prime Minister expect us to believe that since that first information became available a year and a half ago with respect to the first of the illegal acts there was no examination of any of the communications that took place or any of the directives which were given with respect either to the appointment of Mr. Starnes in 1969, the appointment of the Bourne Group in 1971 or with respect to any of the acts which subsequently took place? Does the Prime Minister expect us to believe that the government does not yet know whether there is any responsibility lodged with any of the ministry or senior echelons of the government for a misunderstanding to occur which would have encouraged the kind of illegal acts and counter subversion which have in fact been reported in recent days?

Mr. Trudeau: The hon. member asks if I expect him to believe certain things we have in terms of information from the RCMP. I do not expect the Tories to believe that kind of thing. They have more faith in their own private detectives than in the RCMP.

Some hon. Members: Hear, hear!

LETTER FROM GENERAL DARE MENTIONED IN MINISTER'S AFFIDAVIT

Mr. James A. McGrath (St. John's East): Mr. Speaker, yesterday in reply to the Leader of the New Democratic Party