

## HOUSE OF COMMONS

Friday, September 23, 1949

The house met at three o'clock.

### ATOMIC ENERGY

#### EXPLOSION IN U.S.S.R.—INTERNATIONAL CONTROL, AND USE FOR PEACEFUL PURPOSES

**Right Hon. L. S. St. Laurent (Prime Minister):** Mr. Speaker, I felt that my first public reference to the subject matter of the statements issued this morning by the President of the United States of America and by the Prime Minister of the United Kingdom should be in this house.

In the course of Mr. Truman's statement he said:

We have evidence that within recent weeks an atomic explosion occurred in the U.S.S.R.

Ever since atomic energy was first released by man, the eventual development of this new force by other nations was to be expected. This probability has always been taken into account by us.

Nearly four years ago I pointed out that "scientific opinion appears to be practically unanimous that the essential theoretical knowledge upon which the discovery is based is already widely known. There is also substantial agreement that foreign research can come abreast of our present theoretical knowledge in time." And, in the three-nation declaration of the President of the United States and the prime ministers of the United Kingdom and of Canada, dated November 15, 1945, it was emphasized that no single nation could in fact have a monopoly of atomic weapons.

This recent development emphasizes once again, if indeed such emphasis were needed, the necessity for that truly effective enforceable international control of atomic energy which my government and the large majority of the members of the United Nations support.

On this occasion I would only say that the government of Canada associates itself fully with these observations, as it had done with the decision to make public the information contained in these statements.

May I express the hope that with new knowledge may come a new sense of a shared responsibility for and an equal interest in agreeing on an effective enforceable international control of atomic energy so that this new force can be used solely for peaceful purposes.

### FREIGHT RATES

#### JUDGMENT OF TRANSPORT BOARD—QUESTION AS TO DELAYING ACTION

On the orders of the day:

**Mr. M. J. Coldwell (Rosetown-Biggart):** I should like to direct a question to the Prime Minister. Does section 52 of the Railway Act

give the government the power to rescind or vary a decision of the judgment of the board of transport commissioners? If so, in view of the discriminatory structure of Canadian railway and express rates, will the government exercise its authority to delay the coming into effect of the board's decision until the house has had an opportunity of discussing the royal commission's report on the present rate structure of the railways?

**Mr. St. Laurent:** The Minister of Transport is prepared to answer the question.

**Hon. Lionel Chevrier (Minister of Transport):** The answer to the first question is that the powers of the governor in council under section 52 of the Railway Act are judicial in nature and have to my knowledge never been exercised since confederation with perhaps one exception in 1917, in the case of the McAdoo award.

The answer to the second question is that after giving consideration to the position, and without prejudice to appeal, the government does not intend to interfere with the judgment.

### FOREIGN EXCHANGE

#### DEVALUATION OF CANADIAN DOLLAR— EXPORT PRICES

On the orders of the day:

**Mr. J. L. Gibson (Comox-Alberni):** I should like to address a question to the Minister of Finance. Does he think the devaluation of the Canadian dollar will cause Canadian exporters to cut their prices in foreign markets? What would be the effect of such cuts upon our receipts of foreign exchange?

**Hon. Douglas Abbott (Minister of Finance):** The hon. member has given notice of this question, and I should like to answer it in this way. I would hope that Canadian exporters would not cut their prices unnecessarily. Canadian export prices have been competitive, and are relatively low compared with those in most other countries. If the prices at which our goods are sold abroad in terms of foreign currencies are reduced beyond what the competitive position requires, we shall get less foreign exchange. As I said the other day we need to receive all the foreign exchange we can get in order to enable us to pay for our imports and to keep our over-all trading account on the right side.