

Inquiries of the Ministry

and whether he has met with the authorities of the corporation of the Three Rivers bridge about that matter?

[Text]

Hon. G. J. McIlraith (Minister of Transport): As to the first question, may I say the matter is under consideration. There is a grave question as to the validity of the order or purported order in council. As to the second matter, I expect to meet with the bridge authorities some time in the next few days.

Mr. Balcer: I should like to ask the Minister of Justice a supplementary question. Has his department not given a legal opinion on the validity of this order in council in these last few days?

Hon. Lionel Chevrier (Minister of Justice): I am not aware that a legal opinion has been given, but I will be glad to look into the matter.

[Translation]

Mr. Clement Vincent (Nicolet-Yamaska): Mr. Speaker, may I direct a supplementary question to the Minister of Justice?

Can the minister tell us whether the statement made by the secretary of the corporation, Mr. François Nobert, in Three Rivers last week, to the effect that the Department of Justice had confirmed the validity of that order in council, is true?

Hon. Lionel Chevrier (Minister of Justice): Mr. Speaker, I have not seen or read Mr. Nobert's statement in the newspapers, but I will be pleased to inquire and see whether there is any contradiction between his statement and the records of the Department of Justice.

[Text]

FINANCE

MUNICIPAL LOAN LEGISLATION—AGREEMENTS WITH PROVINCES

On the orders of the day:

[Translation]

Hon. Theogene Ricard (St. Hyacinthe-Bagot): Mr. Speaker, may I ask the Minister of Finance a question?

Can the minister tell the house whether an agreement has been signed between the government of the province of Quebec and the municipal development and loan board?

[Text]

Hon. Walter L. Gordon (Minister of Finance): Mr. Speaker, I understand that the agreement has been signed by the province of Quebec and is now en route to Ottawa to be signed here.

[Translation]

Hon. Paul Martineau (Pontiac-Temiscamingue): Mr. Speaker, may I ask a supplementary question?

Can the minister tell us whether this agreement provides that federal inspectors will have access to the accounts of the province of Quebec? Has he received a protest from the Quebec government in that connection?

[Text]

Mr. Gordon: Mr. Speaker, I wonder whether I might be permitted to give a slightly longer answer to this particular question than is usual for me. In section 7 (2) of the Municipal Development and Loan Act, which provisions hon. members may recall were among those included in the bill as a result of the discussions held with the provinces at the conference at the end of last July, there is subsection (d) which provides *inter alia* that the board will have the right to inspect from time to time any municipal project in respect of which a loan has been made under the agreement. The agreement referred to is the agreement to be made by the municipal development and loan board with the provinces which wish to do so.

The province of Quebec has decided to make such an agreement with the board. From the very beginning of the discussions that the board has had with Quebec and other provinces concerned, a provision has been included in the various draft agreements for inspection of the projects and related records by the board. This is necessary, of course, so that the board will be able to assure parliament that parliament's instructions have been carried out. The provincial representatives after discussion have agreed to this.

I think it should be stated that the board is in no way trying to vary the spirit of what was agreed to with the province of Quebec and the other provinces in July, but is merely carrying out the will of parliament. The Quebec authorities, I am sure, fully recognize this. As I said a minute ago, I am informed that they have signed the agreement and are returning it to Ottawa today to be signed by the federal authorities. I have had no suggestion from the Quebec authorities that they object in any way to the draft agreement. In fact they have agreed to it.

Mr. T. C. Douglas (Burnaby-Coquitlam): May I ask the minister if a standard agreement was presented to all the provinces, and how many of the provinces have signed and forwarded agreements to Ottawa for signature?