

THE BUDGET

ELIMINATION OF ECONOMIC COUNCIL OF CANADA— GOVERNMENT POSITION

Hon. John B. Stewart: Honourable senators, while we are on the subject of councils, I wonder if the Leader of the Government in the Senate would tell the House to what body the government proposes to turn in the future for the kind of information and guidance it formerly obtained from the Economic Council of Canada?

Hon. Lowell Murray (Leader of the Government): To list the number of bodies that are capable of giving and do give advice to the government and take a lead in public debates on economic matters would take all afternoon.

Hon. Philippe Deane Gigantès: The Fraser Institute.

Senator Murray: I remember, as does the honourable senator, the circumstances under which the Economic Council of Canada was created in 1964. It replaced the old National Productivity Council that had been set up by Prime Minister Diefenbaker. Dr. Deutsch was the first chairman of the Economic Council of Canada. Since that time, we have had a proliferation of various think tanks and research bodies in the private sector. We have other organizations such as the Canadian Centre on Labour Markets and Productivity, and a variety of other organizations that feed the debate on economic policy in this country quite effectively.

Senator Stewart: Following that reply, for which I am grateful, given the fact that the minister agrees that economic questions tend to be frequently debated, does he imply by his answer that he thinks the views of a private think tank are likely to be as objective as those of a publicly financed body?

Senator Murray: Honourable senators, if my honourable friend will examine the list of directors of the Economic Council of Canada, he will find that most of them are from the private sector. They are people from business, from labour unions, from the academic world, many of whom, I think you will find, are involved in other organizations of that kind. They are well known participants in the public debate on economic policy in this country, and I am sure they will continue to be in their various other incarnations.

Senator Stewart: Is the implication of the answer that the source of the financing of the council or think tank really makes no difference whatsoever?

Senator Murray: That is a fair interpretation of what I said, yes.

Hon. Stanley Haidasz: Honourable senators, I have a supplementary question. I will quote from an article printed in today's *Toronto Sun*, under the byline of Allan Fotheringham.

But the Economic Council enraged the prime minister last year by issuing a report that assessed the cost of Quebec sovereignty, with a few conclusions that raised eyebrows. Some thought separatists could take some comfort from the interpretation. Chop goes the Economic

Council, not for logical or practical reasons but for Tory partisan reasons.

I would like the Leader of the Government in the Senate to tell this house the truth. For what reasons did the government chop the Economic Council of Canada? I am sure that many Canadians were as shocked as I was to hear in the budget speech that the Economic Council of Canada would be eliminated.

Senator Murray: Honourable senators, the reasons for eliminating the Economic Council of Canada and for eliminating or merging various other boards, commissions and agencies were set out in Mr. Mazankowski's budget speech on Tuesday last.

As for any partisan motivations, how could it be? Most if not all of the people on the board of the Economic Council—

Hon. Royce Frith (Leader of the Opposition): Are Tory appointees.

Senator Murray: —were appointed by us. I do not mind saying that many, if not all of them, are friends of ours.

Senator Haidasz: Could the Leader of the Government in the Senate then tell us what is the fate of the 379 other federal agencies and Crown corporations, in view of the excuse of the finance minister that he must cut expenses? He gets rid of 21, but what about the other 379 Crown corporations and federal agencies? What will happen to them in the future?

Senator Murray: Honourable senators, the answer to the question must be obvious. We have decided to eliminate a certain number and merge others. No decision has been taken with respect to the others, except that they are continuing business as usual.

GENERAL AGREEMENT ON TARIFFS AND TRADE

MINISTERIAL DELEGATION—REQUEST FOR PROGRESS REPORT

Hon. H.A. Olson: I want to ask the Leader of the Government in the Senate a question about the progress made by the delegation that went to the GATT last week and the week before. They travelled to several places, including Brussels, Geneva, Paris, and Bonn.

This delegation was comprised of three ministers: the Minister of Trade, Mr. Wilson, and both ministers of Agriculture. What we read in the newspapers is that they met with rejection and failure every place they went. There was disapproval or lack of agreement by the leaders in those European capitals for the Canadian position respecting Article XI of the GATT. There is intense concern about this situation among certain farm communities, particularly the dairy industry, and those involving eggs, poultry and turkeys. Can the minister tell us what the government believes it achieved on this trip and whether or not the present course of action is doomed to the kind of failure that has been reported? Can we hope for some improvement?

Hon. Lowell Murray (Leader of the Government): Honourable senators, my friend is, at the very least, premature in